Metro Open Budget Survey 2021: City of Johannesburg

Introduction and Overview

Public participation in government is one of the cornerstones of the South African Constitution and is an essential factor in ensuring accountability. This is particularly true when it comes to holding government to account for managing public funds. Evidence from around the world, including South Africa, shows that when there is public participation in public finance decision making and oversight, it can lead to better policy choices, deeper public trust in government, and stronger accountability over the use of public money to provide services on the ground.

Such participation, however, is only meaningful when the public has access to information about the government’s plans and activities, and the fiscal constraints it faces. Without this information, public inputs into budget policies risks being reduced to a “wish list” rather than forming part of the strategic trade-offs that sit at the heart of all budgets. When facilitated by access to complete budget information and formal participation opportunities, public engagement in budget processes combines with strong and independent formal oversight institutions (i.e., the legislature and supreme audit institution) to enhance public finance accountability.

The Metro Open Budget Survey (Metro OBS) assesses the relevant metropolitan municipality (metro) based on three aspects of how metros manage their finances. These are:

1. Budget transparency: the amount, level of detail and timeliness of budget information that metros publish.
2. Budget participation: the opportunities the metros provide to civil society, communities and individuals to engage in decisions about how public money is raised and spent.
3. Budget oversight: the capacity and the authority of formal institutions, and specifically the metropolitan councils, to oversee how public resources are raised and spent.

The questionnaire covers all four stages of the budget process: formulation, approval, implementation, and audit.
General Information about the Questionnaire

The Metro OBS questionnaire seeks to determine whether a metro provides certain types of information to the public, and whether certain activities occur during the budget process. **Answers to the questions must be based on empirical research, not opinion, and researchers are required to provide evidence as to why they have selected a particular answer.** This evidence can include references to specific documents, in their entirety or sections/chapters/pages, or interviews with public officials. Each question provides a “Comment” box in which researchers can summarize supporting evidence and explain why a particular answer option has been selected over another.

Once the questionnaire is completed, officials from the relevant metro will be given the opportunity to review and comment on the completed questionnaire. After this, an independent peer reviewer will consider the responses from both the researcher and the metro reviewer and will provide an independent assessment of the answers. In the final stage of the process, the International Budget Partnership South Africa (IBP SA) and the Dullah Omar Institute (DOI) will review the questionnaire and will referee any conflicting answers. All differences of opinions and decisions made by the reviewers, the IBP SA and the DOI will be reflected and explained in the comment sections of the relevant questions in the final questionnaire.

It is important to note the following:

- The questionnaire focuses on the documents and activities of metropolitan municipalities and does not address central and provincial governments. The latter is included in the Open Budget Index
- **For the most part, the questionnaire seeks to discover what occurs in practice, rather than what the law requires.** Many questions refer to legal provisions and state this clearly in the question, but the questionnaire tests whether these legal provisions are being followed. Researchers should answer the vast majority of questions based on the actual practice in the relevant metro. This focus on what occurs in practice recognizes that, in some cases, well-intentioned budget laws and regulations are not actually implemented and thus have little impact on the budget process. At the same time, this focus should not be interpreted as minimizing the importance of codifying certain aspects of the budget process; legal requirements for openness and transparency are an essential part of guaranteeing sustained transparent, responsive, accountable, efficient, and effective budgeting.
- **Unless stated otherwise, the questionnaire is concerned with those budget documents that are made available to the public.**
- Unless stated otherwise, the questions are intended to apply to the most recently completed part of the budget process covered by the question. As a result, the questionnaire will likely apply to budgets from several years. Table 1 provides guidance on which year’s documents should be used for the 2021 assessment.
Structure of the Metro OBS Questionnaire

The Metro OBS Questionnaire consists of five sections. The first section (Section 1: Public Availability of Budget Documents) requires the researcher to identify each of the budget documents that a metro issues (or fails to issue) during each of the four phases of the budget process, and to provide details on document availability, timely publication against the standards set, and how easy the documents are to access, if available. The researcher will then use this information to answer the majority of the questions in the remaining sections of the questionnaire (Sections 2-5). The remaining questions are arranged by the phases of the budget process, testing three dimensions:

- **The availability and comprehensiveness of documentation in the phase**: The questionnaire assesses the availability and comprehensiveness of the most important budget and supporting documents a metropolitan municipality releases during each of the four phases (formulation, approval, implementation and audit) of the budget process. These documents should provide detailed information on firstly the metro’s spending and revenue collection plans and then how the metro is proceeding with actual spending, revenue collection and service delivery;
- **The role and effectiveness of oversight institutions in the phase**: the questionnaire assesses the role and effectiveness of the relevant metro’s Council and Council Committees in the budget process. The questions evaluate whether the broader architecture of the budget system includes adequate checks and balances for ensuring accountability in the use of public resources.; and
- **The extent and quality of public engagement in the phase**: The questionnaire looks at the opportunities for public engagement in all four phases of the budget process. Budget transparency alone is not enough to ensure public accountability; it must be coupled with opportunities for the public to participate meaningfully in budget decisions and oversight processes. The question on public participation therefore looks at the processes, mechanisms, and practices the metropolitan municipality has in place to ensure that the public is included in the formulation, discussion/approval, implementation, and auditing of the metro’s budget. The indicators are aligned with the Global Initiative for Fiscal Transparency’s new principles on public participation¹, which now serve as the basis for widely accepted norms on public participation in national budget processes.

The diagram on the next page shows how the Metro OBS Questionnaire is organised to assess these three dimensions in all four phases of the budget process. For more on the methodology please see Appendix 2: Structure of Responses to the Questions, Appendix 3: Answers to documents that are not available to the public and Appendix 4: Citations and References.

The second section of the questionnaire (Section 2: The Formulation of the Draft MTREF) seeks to assess the transparency of documentation and the quality of processes in the formulation phase of the budget. This phase is from the first steps taken by the metropolitan municipality to prepare the draft MTREF for

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¹ [http://www.fiscaltransparency.net/giftprinciples/](http://www.fiscaltransparency.net/giftprinciples/)
the next fiscal year, up to when the final draft MTREF is first submitted to the metro’s council for approval. Note that some metros may submit earlier versions of the MTREF to the Council for noting or discussion. This however is deemed to be a step in the formation process, rather than the end of it. Researchers need to identify the date that the final draft MTREF was submitted for adoption, which signals the end of the formulation process.

The third section of the questionnaire (Section 3: Approval of the Draft MTREF) moves the questionnaire on to the approval process. The approval process is from the submission of the final draft MTREF for approval in the Council, to the adoption of the MTREF as the budget for the coming fiscal year. The draft MTREF, as well as its supporting documentation, provides the blueprint for the metro’s revenue and spending plans for the year, as well as for the two outer years of the three-year medium-term period. This section tests whether the draft MTREF and its supporting documents, as the key documents used and produced from this phase, are publicly available; the processes in the metro council for approving the draft MTREF; and the openness of these processes to the public to provide inputs.

How closely the Draft MTREF adheres to good practices for presenting budget information is generally reflected in the other budget documents that are issued throughout the process. For example, if a metro adopts the good practice of providing in the draft MTREF a highly detailed classification of its expenditures that includes functional, economic, and administrative breakdowns, it is much more likely to be in a position to carry this practice through to its reporting in other phases of the budget cycle, such as in the Monthly Budget Statements and the Annual Report. This section therefore comprises a large number of questions in comparison with the other sections.

The fourth section of the questionnaire (Section 4: Implementation of the Annual Budget) is about transparency and openness of budget implementation. It tests the availability and comprehensives of the Monthly Budget Statements; processes in the Council to review the Statements; and whether these processes are open to the public for inputs.

The fifth section of the questionnaire (Section 5: The Audit Phase) consists of questions about transparency of reporting after the end of the fiscal year, the oversight processes to close the fiscal year and bring its lessons into the current year and future budgets, and questions about the openness of these processes to the public. It tests the availability and comprehensiveness of the Annual Report (which includes the Audit Report); ex post oversight processes and the opportunity for public input on the Annual Report.

Guidance to the Questions

Besides this initial guidance, the questionnaire contains guidance on each section, sub-section and question. In addition, Appendix 1 provides the definitions of key terms. A table of content is provided up front to allow for easy location of each of the questions.
Map of the budget process and the structure of the Metro Open Budget Questionnaire

Section 2: Formulation of the Draft MTREF
2.1 Comprehensiveness of the Pre-Budget Statement
   Questions 1 to 6
2.2 Role and Effectiveness of Oversight Institutions in the Formulation Phase
   Question 7
2.3 Public Engagement in the Formulation Phase
   Questions 8 to 15

1. Budget Preparation
   The Metro formulates the draft budget.
   From when the Metro initiates the process up to tabling of the Draft MTREF

2. Budget Approval
   The council reviews & amends the budget, and then enacts it into law
   From tabling of the draft MTREF to adoption of the Approved Budget

3. Budget Implementation & Monitoring
   The Metro collects revenue & spends money as per the allocations made in the Annual Budget
   For the fiscal year, from 1 July to 30 June

4. Audit Phase
   The accounts are audited and the council reviews audit findings, requiring remedial action by the executive & administration
   After 30 June of the fiscal year

5.1 Comprehensiveness of The Annual Report (inclusive of the Audit Report)
   Questions 94 to 106
5.2 Role & Effectiveness of Oversight Institutions in the Audit Phase
   Question 107 to 113
5.3 Public Engagement in the Audit Phase
   Question 114

Section 3: Approval of the draft MTREF
3.1: Availability & Comprehensiveness of the Draft MTREF
   Questions 16 to 49
3.2 Role & Effectiveness of Oversight Institutions in the Budget Approval Process
   Questions 50 to 53
3.3. Public Engagement in the Budget Approval Process
   Questions 54 to 58

Section 4: Implementation of the Annual Budget
4.1 Comprehensiveness of the Adopted Budget
   Questions 59 to 61
4.2 Comprehensiveness of the Monthly Budget Statements
   Questions 62 to 80
4.3 Procurement System
   Questions 81 to 85
4.4 Role & Effectiveness of Oversight Institutions in Budget Implementation
   Questions 86 to 87
4.5 Public Engagement in the Budget Implementation Phase
   Questions 88 to 93
Metro Open Budget Survey 2021 Questionnaire

INTRODUCTION AND OVERVIEW

MAP OF THE BUDGET PROCESS AND THE STRUCTURE OF THE METRO OPEN BUDGET QUESTIONNAIRE

SECTION 1 PUBLIC AVAILABILITY OF BUDGET DOCUMENTS

1.1 Locating budget documents

1.2 General questions about document availability

SECTION 2 FORMULATION OF THE DRAFT MTREF

2.1 Comprehensiveness of the Pre-Budget Statement

1. When was the Pre-Budget Statement made available to the public?

2. Does the Pre-Budget Statement present information on the metropolitan municipality’s operating and capital expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget?

3. Does the Pre-Budget Statement present information on the metropolitan municipality’s operating and capital revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget?

4. Does the Pre-Budget Statement present estimates of accumulated current and noncurrent liabilities for a multi-year period (at least two years beyond the budget year)?

5. Does the Pre-Budget Statement present estimates of total operating and capital expenditures for a multi-year period (at least two years beyond the budget year)?

6. Does the Pre-Budget Statement present the information and processes that will be used by the metropolitan municipality to prioritize individual capital projects in the following budget year?

2.2 Role and Effectiveness of Oversight Institutions in the Formulation Phase

7. Did the full Council and/or a Section 79 Council Committee discuss budget policy prior to the tabling of the draft MTREF?

2.3 Public Engagement in the Formulation Phase

8. Did the Mayor release to the public the metropolitan municipality’s schedule of key deadlines for formulating the draft MTREF (that is, a document setting deadlines for the planning, formulating and tabling of the draft MTREF)?

9. Did the metropolitan municipality use open participation mechanisms through which members of the public were enabled to provide input on expenditure during the formulation of the draft MTREF?
10. Did the metropolitan municipality use open participation mechanisms through which members of the public were enabled to provide input on revenue policies and collection during the formulation of the draft MTREF?

11. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality take concrete steps to include input from vulnerable and underrepresented parts of the population in the formulation of the draft MTREF?

12. Did the metropolitan municipality take concrete steps to assist residents with no or limited internet access, to participate in virtual engagements to provide input during the formulation of the draft MTREF?

13. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality provide comprehensive information on the process of engagement prior to the engagement (at least five working days), so that that the public could participate in an informed manner?

14. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality provide the following key pieces of complementary information prior to the event, so that that the public could participate in an informed manner?

   Key pieces of complementary information must include at least three of the following elements:

15. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality make public the time and place for meetings where budget formulation would be discussed well in advance and was the information easily accessible?

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SECTION 3  APPROVAL OF THE DRAFT MTREF

3.1 Availability and comprehensiveness of the Draft MTREF

16. When was the draft MTREF made available to the public?

17. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by vote for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

18. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by functional classification for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

19. Does the draft MTREF or any supporting budget documentation present operating expenditures by type for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

20. Does the draft MTREF or any supporting budget documentation present operating expenditures by type for individual votes for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

21. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by sub-vote for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

22. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by sub-function for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

23. Does the draft MTREF or any supporting budget documentation present types of operating expenditures by item for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

24. Does the draft MTREF or any supporting budget documentation present operating expenditures on contracted services by type of contract for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
25. In the draft MTREF or any supporting budget documentation, have expenditure estimates (for all three expenditure classifications) for the year prior to the budget year (BY-1) been updated from the original adopted levels to reflect the adjusted budget and the full-year forecast?
26. Does the draft MTREF or any supporting budget documentation present individual sources of operating revenue for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
27. Does the draft MTREF or any supporting budget documentation present individual sources of grant revenue for operating expenditure for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
28. Does the draft MTREF or any supporting budget documentation present individual sources of capital revenue for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
29. Does the draft MTREF or any supporting budget documentation present individual sources of grant revenue for capital expenditure for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
30. In the draft MTREF of any supporting budget documentation, have revenue estimates (for all sources of operating and capital revenue) for the year prior to the budget year (BY-1) been updated from the original adopted levels to reflect the adjusted budget and the full-year forecast?
31. Does the draft MTREF or any supporting budget documentation present expenditures for each individual capital project for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
32. Does the draft MTREF or any supporting budget documentation present estimates of the total cost of each individual capital project with expenditure in the budget year (BY), the next two years (BY+1 and BY+2), or the year before the budget year (BY-1)?
33. Does the draft MTREF or any supporting budget documentation present estimates of the planned duration for each individual capital project with expenditure in the budget year (BY), the next two years (BY+1 and BY+2), or the year before the budget year (BY-1)?
34. Where capital projects are to take place in a ward with expenditure in the budget year (BY), the next two years (BY+1 and BY+2) or the year before the budget year (BY-1), does the draft MTREF or any supporting budget documentation indicate in which wards individual capital projects are located?
35. Where relevant, does the draft MTREF or supporting budget documentation present the GPS coordinates for each individual capital project with expenditure in the budget year (BY), the next two years (BY+1 and BY+2), or the current year (BY-1)?
36. Does the draft MTEF or any supporting budget documentation present the strategic objective for each individual capital project with expenditure in any year of the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
37. Does the draft MTEF or any supporting budget documentation present project descriptions for each individual capital project, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
38. Does the draft MTEF or any supporting budget documentation present the asset class for each individual capital project, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
39. Does the draft MTEF or any supporting budget documentation present the asset sub-class for each individual capital project, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
40. Does the draft MTEF or any supporting budget documentation indicate which sources of revenue each individual capital project will be funded from, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
41. Does the draft MTREF or any supporting budget documentation present estimates of current and noncurrent assets for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
42. Does the draft MTREF or any supporting budget documentation present estimates of current and noncurrent liabilities for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

43. Does the draft MTREF or any supporting budget documentation present estimates of the accumulated surplus/deficit for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

44. Does the draft MTREF or any supporting budget documentation present estimates of total reserves for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

45. Does the draft MTREF or any supporting budget documentation present estimates of transfers to municipal and other government entities as well as the full budgets for all municipal entities for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

46. Does the draft MTREF or any supporting budget documentation present information on tax expenditures for at least the budget year?

47. Does the draft MTREF or any supporting budget documentation present estimates of earmarked revenues for at least the budget year?

48. Are service delivery performance targets assigned to service delivery indicators for the budget year in the draft MTREF or any supporting budget documentation?

49. Did the Metropolitan Municipality publish a Citizens Budget for the draft MTREF?

### 3.2 Role and Effectiveness of Oversight Institutions in the Budget Approval Phase

50. During the most recent budget approval process, when did the Council approve the annual budget?

51. During the most recent budget approval process, did a Section 79 Council Committee with budget or finance responsibilities examine the draft MTREF and did it have at least one month to do so?

52. During the most recent budget approval process, did Section 79 Council Committees responsible for particular sectors examine the proposed revenue collection and expenditure related to the sector which they are responsible for in the draft MREF, and did they have at least one month to do so?

53. During the most recent budget approval process did the Council and/or a Section 79 Council Committee specifically deliberate on the prioritization of individual capital projects, and did they have at least one month to do so after the tabling of the draft MTREF?

### 3.3 Public Engagement in the Budget Approval Phase

54. During the approval phase, did the Metropolitan municipality provide feedback to the public on how their inputs provided during the formulation phase have been included in the draft MTREF?

55. Did the Metropolitan municipality hold open public meetings and/or use other participation mechanisms through which the public could provide input during the approval of the annual budgets?

56. With reference to the two processes identified in Questions 54 and 55, did the Metropolitan municipality provide comprehensive prior (at least five working days) information on the process of engagement, so that the public could participate in an informed manner?

57. With reference to the two processes identified in Questions 54 and 55, did the metropolitan municipality make public the time and place for meetings where the draft MTREF would be discussed at least five working days in advance and was the information easily accessible?

58. Did the metropolitan municipality take concrete steps to assist residents with no or limited internet access, to participate in virtual engagements to provide input during the approval of the draft MTREF?
SECTION 4  IMPLEMENTATION OF THE ANNUAL BUDGET

4.1 Comprehensiveness of the Adopted Budget
59. When was the adopted budget made available to the public?
60. If the adopted budget was made available within 10 working days, did it present a statement of the changes between the draft MTREF and the adopted budget?
61. Did the Metro publish a Citizen’s Budget for the adopted budget?

4.2 Comprehensiveness of the Monthly Budget Statements
62. When were the Monthly Budget Statements made available to the public?
63. Do the Monthly Budget Statements present actual operational and capital expenditures by vote and function?
64. Do the Monthly Budget Statements present actual operational expenditures by type?
65. Do the Monthly Budget Statements present actual operational expenditures by type for individual votes?
66. Do the Monthly Budget Statements present actual operational and capital expenditures by sub-vote and sub-function?
67. Do the Monthly Budget Statements present type of actual operational expenditures by item?
68. Do the Monthly Budget Statements compare actual year-to-date operational and capital expenditures with the original estimate for that period (based on the adopted budget)?
69. Do the Monthly Budget Statements present explanations for material year-to-date variances in operating expenditure by vote and type?
70. Do the Monthly Budget Statements present remedial steps to address material year-to-date variances in operating expenditures by vote and type?
71. Do the Monthly Budget Statements present individual sources of actual operating revenue collected?
72. Do the Monthly Budget Statements present individual sources of actual grant revenue received for operating expenditure?
73. Do the Monthly Budget Statements present individual sources of actual capital revenue collected?
74. Do the Monthly Budget Statements present individual sources of actual grant revenue received for capital expenditure?
75. Do the Monthly Budget Statements compare actual year-to-date revenues with the original estimate for that period (based on the adopted budget)?
76. Do the Monthly Budget Statements present actual expenditures for individual capital projects?
77. Do the Monthly Budget Statements present explanations for material year-to-date variances in expenditures on individual capital projects?
78. Do the Monthly Budget Statements present remedial steps to address material year-to-date variances in expenditures on individual capital projects?
79. Do the Monthly Budget Statements present explanations for material year-to-date variances in capital expenditure by vote?
80. Do the Monthly Budget Statements present remedial steps to address material year-to-date variances in capital expenditure by vote?
81. Do the Monthly Budget Statements present explanations for material year-to-date variances in capital expenditure by vote?
82. Do the Monthly Budget Statements present explanations for material year-to-date variances in capital expenditure by function?

4.3 The Procurement System
81. Did the Metropolitan Municipality publish a consolidated Annual Procurement Plan, which includes procurement information for all relevant departments and entities?
82. Does the Metropolitan Municipality publish tender specifications for all tender notices on its website, can they be downloaded free of charge and do they remain on the website of the full duration of the contract?
83. Is information on the awarding of public tenders made publicly available within five working days of the award?
84. Is information on the deviations from the usual procurement processes and extensions or variations to contracts made publicly available within seven working days of the award?  
85. Does the Metropolitan Municipality publish the additional agreements negotiated after the award of a tender on its website?  

4.4 Role and Effectiveness of Oversight Institutions in the Budget Implementation Phase  
86. In the past 12 months, did a Section 79 Council Committee with budget or finance responsibilities examine the Monthly Budget Statements?  
87. In the past 12 months, did Section 79 Council Committees responsible for particular sectors examine actual revenue collection and expenditure for their specific sectors?  

4.5 Public Engagement in the Budget Implementation Phase  
88. In the past 12 months, when a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements for the adopted budget, were the meetings open to the public and did this committee pro-actively request input from the public?  
89. In the past 12 months, when Section 79 Council Committees responsible for particular sectors examined revenue collection and/or expenditure for their specific sectors, were the meetings open to the public and did these committees pro-actively request input from the public?  
90. With reference to the meetings identified in Questions 86 and 87, did the metropolitan municipality provide comprehensive prior (at least five working days) information on the process of engagement, so that that the public could participate in an informed manner?  
91. With reference to the meetings identified in Questions 86 and 87, did the metropolitan municipality make public the time and place for meetings where budget implementation would be discussed at least five working days in advance and was the information easily accessible?  
92. Are the metropolitan municipality’s Bid Adjudication Committee meetings open to the public and are the notice of the time, date and venue of the meeting and the agenda of the meeting, as well as the full set of documents to be discussed publicly available at least 5 working days before the meeting.  
93. Does the Metropolitan Municipality provide a specific mechanism through which the public can provide feedback on the execution of individual procurement contracts?  

SECTION 5 AUDIT PHASE  
5.1 Comprehensiveness of the Annual Report (inclusive of the Audit Report)  
94. When was the Annual Report made publicly available?  
95. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for expenditures by vote, function and operating expenditure by type?  
96. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for operating expenditures for individual votes by type?  
97. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for expenditures by sub-vote and sub-function?  
98. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for operating expenditures by item?
99. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual expenditure outcome for individual capital projects?  

100. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of operating revenue?  

101. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of operating grant revenue?  

102. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of capital revenue?  

103. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of capital grant revenue?  

104. Does the Annual Report present information on contingent liabilities, such as government loan guarantees or insurance programs?  

105. Does the Annual Report present outcomes for service delivery performance targets assigned to service delivery indicators?  

106. Does the Metropolitan Municipality make available to the public a report on what steps it has taken or will take to address audit recommendations or findings that indicate a need for remedial action?  

5.2 Role and Effectiveness of Oversight Institutions in the Audit Phase  

107. Did the Municipal Public Accounts Committee (MPAC) examine the Annual Report, including the audited Performance Report and the audited Annual Financial Statements, produced by the Auditor-General in an open meeting?  

108. Did the full Council consider the Annual Report in an open meeting within two months of its tabling?  


110. Did the Oversight Report on the Annual Report include comments as well as a statement from the Council?  

111. Was the Oversight Report made public within seven days of its adoption?  

112. Did the Municipal Manager, participate and attend all MPAC meetings during which the Annual Report was discussed?  

113. Do the corrective actions, as adopted by Council as part of the Oversight Report, remain on the agenda of MPAC after their adoption?  

5.3 Public Engagement in the Audit Phase  

114. Did the metropolitan municipality invite the public to comment on the Annual Report immediately after its tabling?  

APPENDIX 1: DEFINITION OF KEY TERMS USED  

APPENDIX 2: STRUCTURE OF RESPONSES TO THE QUESTIONS  

APPENDIX 3: ANSWERS INVOLVING DOCUMENTS THAT ARE NOT AVAILABLE TO THE PUBLIC  

APPENDIX 4: CITATIONS AND REFERENCES  

APPENDIX 5: STRUCTURE OF A METRO BUDGET
Section 1  Public Availability of Budget Documents

1.1 Locating budget documents

This sub-section consists of Table 1 which records the salient facts for each of the key documents that are assessed in the document. The dates recorded in this table for publishing of the documents will determine whether the documents are considered to be publicly available. Guidelines for completing this table are provided in Table 2.

Table 1: Locating key budget documents.

<table>
<thead>
<tr>
<th>Budget Document</th>
<th>Full Title (and URL)</th>
<th>Fiscal Year the Budget Document refers to</th>
<th>Date document was uploaded on the Metropolitan Municipality’s website (in this box also explain how this date was determined)</th>
<th>Is the document for the year prior to the budget year (BY-1) still on the Metropolitan Municipality’s website?</th>
<th>Comments</th>
<th>Government Reviewer</th>
<th>Peer Reviewer</th>
<th>IBP South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Budget Statement</td>
<td>None on the website</td>
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<td></td>
<td></td>
<td></td>
<td>Agreed</td>
<td>Agreed</td>
<td></td>
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<tr>
<td>Framework (MTREF)</td>
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<tr>
<td>Supporting Draft MTREF Document: Draft Integrated Development Plan (IDP)</td>
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<tr>
<td>Supporting draft MTREF Document: Draft Service Delivery and Budget Implement</td>
<td>None on the website</td>
<td>2021/22</td>
<td>Yes (<a href="https://www.joburg.org.za/documents_/Documents/SDBIP/2020-21%20SDBIP/City%202020-21.pdf">https://www.joburg.org.za/documents_/Documents/SDBIP/2020-21%20SDBIP/City%202020-21.pdf</a>)</td>
<td>The SDBIP is available for the years prior to 2021/22. It is not known why the document is not on the website, or whether it exists for this year. It is the document cited for 2020/21 is the final SDBIP (published online in time for the 6th April deadline)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting Draft MTREF Document: A1 Schedule (excel)</td>
<td>None on the website</td>
<td>2021/22</td>
<td>NO</td>
<td>Agreed</td>
<td>Agreed</td>
<td></td>
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<tr>
<td>Citizens Budget (Draft MTREF)</td>
<td>None on the website</td>
<td>2021/22</td>
<td>NO</td>
<td>Agreed</td>
<td>Agreed</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

The city has therefore missed the 6 April deadline.

For 2021/22 this is available too published on 28/6.

*The city has therefore missed the 6 April deadline.

For 2021/22 this is available too published on 28/6.


supposed to be tabled and approved together with the budget and the IDP, according to the city's own timelines the in the draft budget.

*The city has therefore missed the 6 April deadline.

For 2021/22 this is available too published on 28/6.


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For 2021/22 this is available too published on 28/6.


supposed to be tabled and approved together with the budget and the IDP, according to the city's own timelines the in the draft budget.

*The city has therefore missed the 6 April deadline.
<p>| Adopted budget | <a href="https://www.joburg.org.za/documents_/Documents/2021-24%20Final%20Medium%20Term%20Budget%20Reports/2021-22%202023-24%20Final%20Budget%20Book.pdf">https://www.joburg.org.za/documents_/Documents/2021-24%20Final%20Medium%20Term%20Budget%20Reports/2021-22%202023-24%20Final%20Budget%20Book.pdf</a> | 2021/22 | 31/05/2021 (determined by using the Javascript tool) | Yes (<a href="https://www.joburg.org.za/documents_/Documents/Budget/Budget%202020/Budget%202020%20Fiscal%20Item%20Operating%20Budget%202019-2020.pdf">https://www.joburg.org.za/documents_/Documents/Budget/Budget%202020/Budget%202020%20Fiscal%20Item%20Operating%20Budget%202019-2020.pdf</a>) | It was published in time, which is that the document must be published ten working days after the budget was adopted. The budget was adopted on May 27. | Agreed | Agreed |
| Citizens Budget (Adopted budget) | None on the website | 2021/22 | No | | | | |</p>
<table>
<thead>
<tr>
<th>Document for February, 2020 is not available on the website.</th>
<th>July 2019 - June 2020</th>
<th>N/A</th>
<th>Document is not available on the city’s website.</th>
<th>Document is not published on the city’s website.</th>
<th>Agreed</th>
<th>Agreed</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
<td></td>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
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</tbody>
</table>

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<thead>
<tr>
<th>Document for March, 2020 is not available on the website.</th>
<th>July 2019 - June 2020</th>
<th>N/A</th>
<th>Document is not available on the city’s website.</th>
<th>Document is not published on the city’s website.</th>
<th>Agreed</th>
<th>Agreed</th>
</tr>
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<tr>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
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<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
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<tr>
<td>Document for April, 2020 is not available on the website.</td>
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<td>----------------------------------------------------------</td>
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<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
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<tr>
<td>Accessed on 16 February, 2021</td>
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</table>

<table>
<thead>
<tr>
<th>Document is not available on the city’s website</th>
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<tbody>
<tr>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
</tr>
<tr>
<td>Accessed on 16 February, 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Document is not published on the city’s website</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
</tr>
<tr>
<td>Accessed on 16 February, 2021</td>
</tr>
</tbody>
</table>

- Document is not available on the website.
- Document is not available on the city’s website.
- Document is not published on the city’s website.
<p>| Document for May, 2020 is not available on the website. | July 2019 - June 2020 | N/A | Document is not available on the city’s website. | Document is not published on the city’s website. | Agreed | Agreed |
| Document for June, 2020 is not available on the website. | July 2019 - June 2020 | N/A | Document is not available on the city’s website. | Document is not published on the city’s website. | Agreed | Agreed |</p>
<table>
<thead>
<tr>
<th>Document for July, 2020</th>
<th>July 2020 - June 2021</th>
<th>N/A</th>
<th>Document is not available on the city’s website.</th>
<th>Document is not published on the city’s website.</th>
<th>Agreed</th>
<th>Agreed</th>
</tr>
</thead>
</table>

https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx

Accessed on 16 February, 2021
| Document for September, 2020 is not available on the website. | July 2020 - June 2021 | N/A | Document is not available on the city’s website | Document is not published on the city’s website | Agreed | Agreed |

https://www.joburg.org.za/documents/Pages/Key%20Documents.aspx

Accessed on 16 February, 2021

the city’s website

https://www.joburg.org.za/documents/Pages/Key%20Documents.aspx

Accessed on 16 February, 2021

N/A
<table>
<thead>
<tr>
<th>Document for October, 2020 is not available on the website.</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
</tr>
<tr>
<td>Accessed on 16 February, 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Document for November, 2020 is not available on the website.</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx">https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx</a></td>
</tr>
<tr>
<td>Accessed on 16 February, 2021</td>
</tr>
<tr>
<td>Annual Report</td>
</tr>
</tbody>
</table>
ordinary meeting on 11 May 2021. The document was made publicly available on the same date. See https://www.joburg.org.za/documents/Documents/2019-20%20Annual%20Report/Oversight%20Report%20on%202019-20%20Annual%20Report%20-%20Final%20%2802%29%20%2820%20%29.pdf, page 3. Due to these extra-ordinary circumstances the content of the report is assessed as part of the 2021 Metro OBS.

**Guidelines:** For Table 1 of the questionnaire, researchers should provide each budget document’s full title, its URL or weblink, and its date of publication (if publicly available). Note that this date is not necessarily the same date that is printed on the document. Researchers should verify whether the document was published online before or on the relevant deadline and not assume it was the case, based on the date of the document. If the document is not publicly available, please state, “Not Available.” In order to verify whether the document was made publicly available on or before the deadline, it is
suggested that researchers try to determine the publication date using a number of different methods. Some websites include a time stamp on when the document was posted. It should be noted that this gives you the last time the file was modified on the website and does not rule out that the file was posted earlier. But if the time stamp corresponds with or is earlier than the deadline (see the guidance table below for the deadlines) it does suggest it was available on or before the deadline. A second method that can be used, if the website allows you to directly link to a pdf document (for example showing something like https://www.joburg.org.za/documents_/Documents/Budget/DRAFT%20Budget%20201920/2019-20%20BUDGET%20BOOK.pdf in the URL address box), is to type the command javascript:alert(document.lastModified) in the URL address box to generate the date the document was last modified. Please note that this generates the date the document was last modified on the website and again it does not rule out that the file was posted earlier. Also note that the javascript function generates the date in the mm/dd/yyyy format, with mm the month, dd the day and yyyy the year.

Press releases and media reports might also be helpful in determining when a document was made publicly available. Metro officials interviewed can also provide you with the information, but must provide written proof (e.g., a confirmatory email from the website manager on the posting of a document) for any dates claimed. It is suggested that if the researcher finds that the document was not made publicly available on time, they should verify this by using at least one additional method.

In addition, researchers should record the fiscal year the budget document refers to. Researchers should record information for and assess the most recently released version of the document for the relevant stage of the budget cycle. For example, if the researcher is evaluating the availability and comprehensiveness of the draft MTREF, he or she must use the draft MTREF for the upcoming budget year or, depending on the budget calendar, the budget just enacted. Documents assessed in the questionnaire will therefore correspond to several different budget years. Table 2 below shows which budget year’s document should be used for the Metro OBS 2021 assessment, with the questionnaire being completed from 1 April to 14 July 2021.

<table>
<thead>
<tr>
<th>Document assessed</th>
<th>Which year to use in 2021?</th>
<th>What does published in time mean?</th>
<th>Source for time limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Budget Statement</td>
<td>2021/22</td>
<td>Published latest on 28 February 2021</td>
<td>In line with the standard set in the international Open Budget Index methodology which states that the pre-statement should be made publicly available at least one month before the draft budget is tabled.²</td>
</tr>
<tr>
<td>Draft Medium-Term Revenue</td>
<td>2021/22</td>
<td>Published latest by midnight 6 April</td>
<td>Section 16 (2) of the MFMA³ requires the draft</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Document assessed</th>
<th>Which year to use in 2021?</th>
<th>What does published in time mean?</th>
<th>Source for time limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>and Expenditure Framework (MTREF)</td>
<td>2021</td>
<td>MTREF to be tabled at a Council meeting at least 90 days in advance of the start of the budget year. This means that the draft MTREF has to be tabled by 24:00 1 April. Section 22 of the MFMA requires the tabled MTREF to be made public and submitted electronically to the National Treasury immediately after it has been tabled in the Council. MFMA Circular No. 107 for the 2021/22 MTREF provides guidance in terms of how “immediately” should be interpreted by giving a municipality one calendar day to submit the budget to the National Treasury. However, in 2019, the MFMA Circular No 94 for the 2019/20 MTREF gave a municipality five calendar days to submit the budget to the National Treasury. For the 2019 Metro OBS this meant that the draft MTREF and any supporting documents had to be made publicly available by midnight 6 April 2019. In order to ensure comparability between subsequent surveys we stand by the requirement that the draft MTREF and any supporting documents had to be made publicly available by 24:00 on the 6th of April 2021.</td>
<td>See source for time limit for the draft MTREF</td>
</tr>
</tbody>
</table>

Supporting Draft MTREF Document: Draft Integrated 2021/22 Published latest by midnight 6 April 2021


5 [file:///C:/Users/IBP/Downloads/MFMA%20Budget%20Circular%20No%2094%20-%2008%20March%20209].pdf
<table>
<thead>
<tr>
<th>Document assessed</th>
<th>Which year to use in 2021?</th>
<th>What does published in time mean?</th>
<th>Source for time limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Plan (IDP)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting draft MTREF Document*: Draft Service Delivery and Budget Implementation Plan (SDBIP)</td>
<td>2021/22</td>
<td>Published latest by midnight 6 April 2021</td>
<td>See source for time limit for the draft MTREF</td>
</tr>
<tr>
<td>Supporting Draft MTREF Document: A1 Schedule (excel)</td>
<td>2021/22</td>
<td>Published latest by midnight 6 April 2021. Please note this must be available on the municipality’s website. Availability on the NT website does not count.</td>
<td></td>
</tr>
<tr>
<td>Citizens Budget (Draft MTREF)</td>
<td>2021/22</td>
<td>Published latest by midnight 6 April 2021</td>
<td>Metro Open Budget Survey standard, derived from the international OBS</td>
</tr>
<tr>
<td>Adopted budget</td>
<td>2021/22</td>
<td>Within 10 working days of adoption. The researcher is therefore required to calculate the date that is 10 working days from the date of adoption of the annual budget. Please remember to take any public holidays into account, if relevant.</td>
<td>Section 24 (1) of the MFMA requires the annual budget to be adopted (approved) before the start of the budget year (in this case 1 July 2021). The Municipal Budget and Reporting Regulations Section 18(1)* require the adopted budget to be released to the public within 10 working days after adoption.</td>
</tr>
<tr>
<td>Citizens Budget (Adopted budget)</td>
<td>2021/22</td>
<td>Within 10 working days of adoption of the annual budget. The researcher is therefore required to calculate the</td>
<td>Metro Open Budget Survey standard derived from the international OBS</td>
</tr>
</tbody>
</table>

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6 While the Municipal Budget and Reporting Regulations list all the supporting documents that should be tabled with the draft MTREF, Table 1 specifically asks for information about three of these documents, namely the IDP, the SDBIP and the A1 Schedule (see [http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx](http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx)).


<table>
<thead>
<tr>
<th>Document assessed</th>
<th>Which year to use in 2021?</th>
<th>What does published in time mean?</th>
<th>Source for time limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Budget Statements</td>
<td>The survey checks the 12 monthly budget statements produced for the 2020 calendar year. This means that the survey assesses the last six statements for the 2019/20 financial year and the first six statements for the 2020/21 financial year.</td>
<td>The following are the dates for the Monthly Budget Statements: 1. Jan 2019/20: 24:00 19 Feb 2020 2. Feb 2019/20: 24:00 18 March 2020 3. March 2019/20: 24:00 21 April 2020 4. April 2019/20: 24:00 20 May 2020 5. May 2019/20: 24:00 17 June 2020 6. June 2019/20: 24:00 19 July 2020 7. July 2020/21: 24:00 20 Aug 2020 8. Aug 2020/21: 24:00 19 Sept 2020 9. Sept 2020/21: 24:00 19 Oct 2020 10. Oct 2020/21: 24:00 18 Nov 2020 11. Nov 2020/21: 24:00 19 Dec 2020 12. Dec 2020/21: 24:00 20 Jan 2021 Please indicate the publication times for the 12 statements in Table 1.</td>
<td>Section 71 (1) of the MFMA requires monthly budget statements to be submitted to the mayor no later than 10 working days after the end of each month, while the Municipal Budget and Reporting Regulations Section 30(1) and the MFMA Section 76(2) require the statements to be placed on the municipality’s website within five calendar days after being tabled. Based on these requirements published in time means the statements are made publicly available within 10 working days plus five calendar days after the end of each month.</td>
</tr>
<tr>
<td>Annual Report (including the Audit Report)</td>
<td>2019/20</td>
<td>By 24:00 on 5 April 2021</td>
<td>Section 127 (2) of the MFMA requires the Annual Report to be tabled within 7 months after the end of the financial year the report relates to. Section 127(5) requires the Annual Report to be made public immediately after it has been tabled in the council. In line with how National Treasury allowed five calendar days for “immediate’ submission of the draft MTREF (see source for time limit for the draft MTREF) the guidance here is that the Annual Report</td>
</tr>
</tbody>
</table>
1.2 General questions about document availability

Are all the budget documents available in one place on the metropolitan municipality’s website?
   a. Yes, all the key budget documents are available in one place.
   b. No, all the key budget documents are not available in one place.

Answer: A
Sources: [https://www.joburg.org.za/key-documents](https://www.joburg.org.za/key-documents)
Comments: All the different documents, including the budget, SDBIP and IDP in the city can be found under key documents. When you are in key documents, the different types of documents are clearly labeled, with the budget, SDBIP and IDP, grouped together, while annual reports for instance has its own section under key documents. It’s a very logical system and easy to navigate. It is important to note that the municipality does not have all key documents on its website, most notably there are no monthly budget statements.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed

**Guidelines:** The question above and the next question assess how easy it is to locate the key budget documents on a metropolitan municipality’s website. For the first question above, answer “a” applies if all the key budget documents listed in the table above are available in one dedicated section of the metro’s website. Such a section might be called “Budget Documents”, or it might be organised by financial year. The researcher is requested to provide the link to such a section as well as to indicate how the section is organised in the Comments section. Please note that this question only assesses whether all the key budgets are available in once place, not whether they were available on time as per the guidelines in the table above. If some documents were not available on time but can be found in one dedicated section of the metro’s website, answer “a” will apply. Answer “b” applies if all the key budget documents are not available in one place but can be located in different parts of the metro’s website.

If option “a” was selected in the previous question, please indicate how many mouse clicks were needed to get from the homepage to that place.

- a. One mouse click.
- b. Two mouse clicks.
- c. Three or more mouse clicks.
- d. All the key budget documents are not available in one place on the website or are not available at all on the website.

**Answer:** A

**Sources:** [https://www.joburg.org.za/](https://www.joburg.org.za/)

**Comments:** It takes one click to get to key documents from the home page, where you then find the different subsections for the specific documents.

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** This question assesses how easy/fast it was to reach the budget document section if answer “a” applied in the previous question. It asks how many clicks of the mouse it requires to reach that section from the metro’s homepage. Put differently – this is an indication of how many pages you have to click through to reach the section with the budget documents. If the metros scored “b” in the previous question, they should score “d” in this question.

---

**Section 2** Formulation of the Draft MTREF
The questions in this section of the Metro Open Budget Survey test the transparency of the metro during the formulation of the draft MTREF, the role and effectiveness of oversight institutions in this phase, as well as opportunities for public participation. The formulation phase of the MTREF starts with the first activities of the metro to develop a draft MTREF and completes when the draft MTREF is tabled in the Council for consideration and for public input on this draft. Please note that the formulation phase does not include the period (approval phase) during which the Council debates the draft MTREF and considers public submissions on the draft MTREF. The section consists of three sub-sections: (2.1) on the availability and comprehensiveness of the Pre-Budget Statement; (2.2) on the role and effectiveness of oversight institutions during the formulation of the draft MTREF; and (2.3) on public engagement during the formulation of the draft MTREF. The Metro OBS 2021 assesses the formulation of the 2021/22 draft MTREF.

2.1 Comprehensiveness of the Pre-Budget Statement

The Pre-Budget Statement, sometimes referred to as the Pre-Budget Report, presents the metro’s policy priorities, and revenue and expenditure plans for the forthcoming budget year and encourages debate on the budget in advance of the presentation of the more detailed draft MTREF. The Pre-Budget Statement reflects the culmination of the strategic planning phase of the budget process, in which the Administration broadly aligns its policy goals with the resources available under the budget’s fiscal framework — the total amount of expenditure, revenue, and debt for the upcoming budget year. This process establishes the parameters of the budget proposal before detailed program funding decisions are made. By laying out the budget’s broad parameters, the statement can help create appropriate expectations for the draft MTREF.

Best practice recommends that the Pre-Budget Statement includes major fiscal, revenue and expenditure policies and priorities that will guide the development of detailed estimates for the upcoming draft MTREF; and multi-year fiscal, revenue and expenditure projections. It should be noted that a metro might not necessary call this document a Pre-Budget Statement. It might be called a Medium Budget Policy Statement or something similar. But the document should include the information listed.

For the purposes of answering the following questions (1-6), researchers should draw their answers from the Pre-Budget Statement that is available to the public. In order to be considered publicly available by the Metro Open Budget Survey methodology, the Pre-Budget Statement must be released before the end of February before the start of the budget year. If according to the Metro Open Budget Survey standards, the Pre-Budget Statement is not considered publicly available, then all questions regarding the Pre-Budget Statement should be marked to reflect that the specific estimates or information are not presented. In other words, if question 1 is marked “b”, questions 2 to 5 would earn the lowest score available.

1. When was the Pre-Budget Statement made available to the public?
   a. At least one month in advance of the tabling of the draft MTREF
   b. Less than one month, or it was not made publicly available at all

Answer: B
Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/SDBIP%20IDP%20and%20Budget/links/Budget.aspx
**Comments:** The city has not made a pre-budget statement or a similar document with a different name publicly available. This was verified by doing more than one search for it under the relevant sections of the metro’s website. In addition, a keyword search was done using the website’s search function, as well as a search using google to determine whether any mention was made of such a statement. (The most recent search was done on 04/06/2021.)

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** Please refer to the guidance table above. The Pre-Budget Statement for 2021/22 must have been available by midnight on 28 February 2021 for an “a” answer. Cases in which the Pre-Budget Statement was published later than a month before the tabling of the draft MTREF, or no Pre-Budget Statements are published at all, will earn a “b” answer.

### 2. Does the Pre-Budget Statement present information on the metropolitan municipality’s operating and capital expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget?

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Yes, all core information is presented for the metropolitan municipality’s operating and capital expenditure policies and priorities.</td>
</tr>
<tr>
<td>b.</td>
<td>Yes, some but not all core information is presented for the metropolitan municipality’s operating and capital expenditure policies and priorities.</td>
</tr>
<tr>
<td>c.</td>
<td>No, information related to the metropolitan municipality’s expenditure policies and priorities is not presented, or the PBS was not made publicly available at least a month in advance of the tabling of the draft MTREF.</td>
</tr>
</tbody>
</table>

**Answer:** C

**Sources:**

**Comments:** No pre-budget statement was publicly available.

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** Question 2 focuses on the metro’s operating and capital expenditure policies and priorities in the Pre-Budget Statement, asking whether “core” information related to these policies is presented. These core components include:

- a discussion of the assumptions underlying the operating and capital expenditure policies and priorities
- a discussion of operating and capital expenditure policies and priorities themselves; and
- an estimate of total operating and capital expenditures.
Although a Pre-Budget Statement is unlikely to include detailed programmatic proposals (such detailed information is typically only presented in the draft MTRF itself), it should include the components detailed above. The Pre-Budget Statement can include some detail, for instance, on estimates provided by any of the three expenditure classifications — by vote and functional classifications (for both capital and operating expenditure), and operating expenditure by type. This detail however does not count to the score but can be mentioned in the comments.

To answer “a,” the Pre-Budget Statement must present for the upcoming budget year all of the core information components listed above related to the metro’s operating and capital expenditure policies and priorities. To answer “b,” the Pre-Budget Statement must present at least one of components, but not all of the components. Answer “c” applies if no information on the metro’s expenditure policies and priorities is presented or if the Pre-Budget Statement is not publicly available.

<table>
<thead>
<tr>
<th>3. Does the Pre-Budget Statement present information on the metropolitan municipality’s operating and capital revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, all core information is presented for the metropolitan municipality’s revenue policies and priorities.</td>
</tr>
<tr>
<td>b. Yes, some but not all core information is presented for the metropolitan municipality’s revenue policies and priorities.</td>
</tr>
<tr>
<td>c. No, information related to the metropolitan municipality’s revenue policies and priorities is not presented, or the PBS was not made publicly available at least a month in advance of the tabling of the draft MTREF.</td>
</tr>
</tbody>
</table>

**Answer:** C

**Sources:**

**Comments:** No pre-budget statement was publicly available.

**Government Reviewer:**

**Peer Reviewer:** Agreed

**IBP South Africa:** Agreed

**Guidelines:** Question 3 focuses on the metro’s operating and capital revenue policies and priorities in the Pre-Budget Statement, asking whether “core” information related to these policies is presented. These core components include:

- a discussion of the assumptions underlying the revenue policies and priorities
- a discussion of revenue policies and priorities; and
- an estimate of total revenues.

Although a Pre-Budget Statement is unlikely to include detailed revenue proposals (such detailed information is typically only presented in the MTRF itself), it should include the components listed above. The Pre-Budget Statement can include some detail, for instance, on estimates provided of the different sources of operating and capital revenue, including grant revenue. This detail would not count towards the score, but can be listed by the researcher in the comments.
To answer “a,” the Pre-Budget Statement must present for the upcoming budget year all of the core information listed above related to the metro’s operating and capital revenue policies and priorities. To answer “b,” the Pre-Budget Statement must present information on at least one, but not all the components listed above related to the metro’s operating and capital revenue policies and priorities. Answer “c” applies if no information on the metro’s revenue policies and priorities is presented or if the Pre-Budget Statement is not publicly available.

4. Does the Pre-Budget Statement present estimates of accumulated current and noncurrent liabilities for a multi-year period (at least two years beyond the budget year)?
   a. Yes, estimates for a multi-year period and disaggregated by type of liability are presented.
   b. Yes, some estimates are presented, but not for a multi-year period and/or not disaggregated by type of liability.
   c. No, estimates of current and noncurrent liabilities are not presented, or the PBS was not made publicly available at least one month in advance of the tabling of the draft MTREF.

Answer:C

Guidelines: Question 4 asks whether the Pre-Budget Statement presents estimates of accumulated current and noncurrent liabilities. Current liabilities are debts that are due within one year, while non-current liabilities are debt which is not due within 12 months such as long-term loans. Accumulated means the current balance of current and non-current liabilities from all past debt taken on, at any one point. Answer “a” applies if the Pre-Budget Statement presents estimates for the budget year and the following two years and the estimates are disaggregated by type of liability. Answer “b” applies if estimates are presented, but only for the budget year and not the following two years, and/or the estimates are not disaggregated by type of liability. Answer “c” applies if no information on the metro’s revenue policies and priorities is presented or if the Pre-Budget Statement is not publicly available.

5. Does the Pre-Budget Statement present estimates of total operating and capital expenditures for a multi-year period (at least two years beyond the budget year)?
   a. Yes, multi-year operating and capital expenditure estimates are presented.
   b. No, multi-year operating and capital expenditure estimates are not presented, or the PBS was not made publicly available at least one month in advance of the tabling of the draft MTREF.

Answer:C
Guidelines: Question 5 asks about multi-year expenditure estimates in the Pre-Budget Statement. To answer “a,” operating and capital expenditure estimates for at least two years beyond the upcoming budget year (and including the budget year) must be presented. The estimates must be for at least total operating and capital expenditures, but could include more detail than just the aggregate total. This detail can be described in the comments.

6. Does the Pre-Budget Statement present the information and processes that will be used by the metropolitan municipality to prioritize individual capital projects in the following budget year?

   a. Yes, both the information and processes are presented and explained in detail.
   b. Yes, information and processes are presented and explained, but important details are not explained.
   c. No, the information and processes that will be used by the metropolitan municipality to prioritize individual capital projects in the following budget year are not presented, or the PBS was not made publicly available at least one month in advance of the tabling of the draft MTREF.

Answer: C

Guidelines: During the budget formulation phase, before the tabling of the draft MTREF, the Administration follows a process to decide which individual capital projects will be included in the budget for the following year. Question 6 asks about how much information is presented in the Pre-Budget Statement on how the Administration would prioritise/was prioritising individual capital projects for inclusion in the draft MTREF for the following budget year. Answer “a” applies if the information used and the processes followed in the prioritisation of individual capital projects are presented and explained in detail in the Pre-Budget Statement. Answer “b” applies if this some explanation of the information and processes are included but important details are not explained. Answer “c” applies if the Pre-Budget Statement does not present any information on the prioritisation of individual capital projects or was not made publicly available.
2.2 Role and Effectiveness of Oversight Institutions in the Formulation Phase

The questions in this section are designed to assess the role and effectiveness of oversight institutions in the budget formulation process, and in particular the role of the relevant metro’s Council and Section 79 Council Committees. Section 79 of the Municipal Structures Act (117 of 1998) (http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Structures%20Act/Local%20Government%20-%20Municipal%20Structures%20Act,%20No.%20117%20of%201998.pdf) makes provision for a municipal Council to establish one or more committees necessary for the effective and efficient performance of its functions or exercise of its powers. In this section, as in other sections on oversight, any questions referring to a Council Committee, refers to formally constituted Section 79 Council Committees. It is important to distinguish a Committee of the Council (established in terms of Section 79 of the Municipal Structures Act) from a committee of the executive (established in terms of Section 80 of the Municipal Structures Act). So-called ‘Section 79 Committees’ are chaired by a non-executive Councillor and report to the Council. They are more suitable for oversight than so-called Section 80 Committees, which are chaired by a member of the executive and which report to the executive. Most of the Metros have a list of Section 79 Committees on their websites.

7. Did the full Council and/or a Section 79 Council Committee discuss budget policy prior to the tabling of the draft MTREF?

a. Yes, the full Council discussed budget policy prior to the tabling of the draft MTREF and approved recommendations for the upcoming budget.
b. Yes, a Section 79 Council Committee discussed budget policy prior to the tabling of the draft MTREF and approved recommendations for the upcoming budget.
c. Yes, the full Council and/or a Section 79 Council Committee discussed budget policy prior to the tabling of the draft MTREF but did not approve recommendations for the upcoming budget.
d. No, neither the full Council nor any Section 79 Council Committee discussed budget policy prior to the tabling of the draft MTREF.

Answer: D

Sources: Minutes of the Council made available by a City Official via an email. Accordingly, there is neither a link nor a URL for these minutes.

Municipal Council
- Minutes of the 45th Ordinary Meeting of the City of Johannesburg Metropolitan Council held virtually through Cisco Webex (hybrid) on Thursday, 28 January 2021 at 10:00.
- Minutes of the 21st Extra-Ordinary Meeting of the City of Johannesburg Municipal Council held virtually through Cisco Webex (hybrid) on Friday, 26 February 2021 at 14:00.

Finance Committee
Comments: An examination of the above minutes of Council and Finance Committee meetings held prior to the tabling of the draft MTREF on 24/25 March 2021, do not reflect a discussion on the budget policy.

Guidelines: Question 7 asks whether the full Council and/or a Section 79 Council Committee discussed budget policy prior to the tabling of the draft MREF. In general, prior to discussing the draft MTREF for the coming year, the Council should have an opportunity to review the metropolitan municipality’s broad budget priorities and fiscal parameters. Often this information is laid out in a Pre-Budget Statement (See questions 1 to 6). To answer “a,” the Council must discuss budget policy prior to the tabling of the draft MTREF and approve recommendations for the upcoming budget. Answer “b” applies if a Section 79 Council Committee (but not the full Council) discusses budget policy prior to the tabling of the draft MTREF and approves recommendations for the budget. Option “b” also applies if, in addition to the action by the committee, the full Council also discusses budget policy in advance of the budget but does not approve recommendations. Answer “c” applies if the Council and/or a Section 79 Council Committee discusses budget policy prior to the tabling of the Draft MTREF but does not approve recommendations for the budget. Answer “d” applies if neither the full Council nor any Section 79 Council Committee discusses budget policy prior to the tabling of the draft MTREF.

2.3 Public Engagement in the Formulation Phase
This section examines the processes, mechanisms, and practices the metro’s Administration and Council have in place to ensure that the public is included in the formulation of the metro’s budget. The section therefore assesses opportunities for the public to participate meaningfully in budget decisions up to the tabling of the draft MTREF in the Council. Please note that this does not include the call for submissions by the public on the draft MTREF and any public engagements after the draft MTREF has been tabled in Council. Such activities form part of public engagement during the approval phase.

Note that in light of the regulations to address, prevent and combat the spread of COVID-19 during various levels of the national lockdown, the 2021 assessment does not require public engagement opportunities to be in-person and will assess all forms of virtual and remote engagements.
8. Did the Mayor release to the public the metropolitan municipality’s schedule of key deadlines for formulating the draft MTREF (that is, a document setting deadlines for the planning, formulating and tabling of the draft MTREF)?

   a. Yes, a detailed timetable was released to the public at least 10 months before the start of the budget year.
   b. Yes, a timetable was released to the public, but it excluded some key steps in the process, or it was released less than 10 months before the tabling of the budget in Council.
   c. No, a timetable was not released to the public.

Answer: C


Comments: The City web site contains the schedule of key deadlines for the 2020/21 IDP and Budget, dated August 2019, but the schedule for the drafting of the 2021/22 IDP and Budget could not be located on the web site.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Section 21 (1) of the MFMA requires the mayor of a metro to table in Council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget, as well as for any consultative processes associated with these and other associated processes, at least 10 months before the start of the budget year (see http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf). The section details the following components of the schedule:

- Key deadlines for the preparation, tabling and approval of the annual budget;
- Key deadlines for the annual review of and the tabling and adoption of amendments to the integrated development plan (IDP) and budget-related policies;
- Key deadlines for any consultative processes forming part of processes for preparation, tabling and approval of the budget; annual review of and tabling and adoption of amendments to the IDP and budget-related policies.
Question 8 asks if this timetable was released to the public at least 10 months before the start of the budget year. To answer “a” a detailed timetable was released to the public at least 10 months before the start of the budget year. For the 2021/22 budget year this means the timetable must have been released by midnight on 31 August 2020. To be considered publicly available it had to be available on the metro’s website. Answer “b” applies if the timetable was released, but later than 10 months before the start of the budget year. Answer “b” also applies if no deadlines for consultative processes are scheduled (i.e., bullet three is not met) or only these deadlines were scheduled (i.e., bullet three was met but not bullet one or two). Answer “c” applies if the timetable was not released to the public.

9. Did the metropolitan municipality use open participation mechanisms through which members of the public were enabled to provide input on expenditure during the formulation of the draft MTREF?

   a. Yes, the metropolitan municipality used a structured, facilitated, open participation process through which members of the public were enabled to provide input during the budget formulation phase by identifying specific expenditure interventions (including both operating and capital projects) for inclusion in the budget.

   b. Yes, the metropolitan municipality used open participation mechanisms through which the members of the public were enabled to provide input during the formulation phase, but this process did not result in the formulation or identification of specific interventions or projects.

   c. No, the metropolitan municipality did not use open participation mechanisms during the formulation of the draft MTREF.

Answer: B
Sources:

Facebook:
https://www.facebook.com/CityofJoburg/posts/3847874548589839

Mayoral newsletter:
(https://www.joburg.org.za/media_/Pages/Media/Mayoral%20Newsletter/Newsletter%202021/February/City-commit-to-tackle-crumbling-infrastructure.aspx)

Media article on City web site:

Municipal official:
Zayd Ebrahim
Director: Strategic Coordination and Management Support at City of Johannesburg
Comments: The City employed ‘Community Based Planning’ (CBP) as a means of identifying ward-level priorities in the course of February and March 2021. The City facebook page posted a basic video on its CBP, on 1 February 2021: https://www.facebook.com/CityofJoburg/posts/3847874548589839
All sessions were online due to covid.
The City’s mayoral newsletter update (https://www.joburg.org.za/media_/Pages/Media/Mayoral%20Newsletter/Newsletter%202021/February/City-commit-to-tackle-crumbling-infrastructure.aspx) noted that:
“The legislature led CBP outreach sessions are scheduled to run on digital platforms until Friday, 5 March 2021 and serve as a forerunner to the IDP process, designed to produce service delivery policies for each ward in all of the City’s seven regions.
All engagements are streamed live on the City’s social media pages, including Twitter and Facebook. Residents may also join the meeting by logging onto the City’s website, www.joburg.org.za; click on Notices, then select CBP meeting.
Inputs may be submitted to cbpinputs@joburg.org.za or online by clicking on this link: https://share.hsforms.com/1-W81Bz_g56yf20an7wB-uQ469tL.
Written comments can be submitted through suggestion boxes available at each regional office. Telephone Yusuf Lachporia on 011 407-6310 or Yusufl@joburg.org.za for any enquiries.”
A media article on the City website, announcing the commencement of the approval phase, refers to a ‘recently completed’ community based planning sessions as follows:
“The reports are a culmination of a consultative process, which considered ratepayers and other stakeholder inputs expressed during Community-Based Planning (CBP) sessions held recently.
These virtual engagements provided residents at ward-level an opportunity to directly make contributions towards the IDP and the Budget by expressing their service delivery aspirations as a community.
“Residents indicated priority areas we should focus on. Potholes must be filled, dysfunctional robots fixed, overgrown grass cut, housing provided to those in need and infrastructure projects implemented to create employment. Due to Covid-19 lockdown and its consequent economic downturn, a balance is needed between what is realistic for the City financially and what residents hope the City can provide,” said MMC Matongo”.
A municipal official subsequently confirmed that 5 038 residents attended the virtual meetings and that the City receive an additional 3 566 submissions via email, whatsapp, by hand etc.
A B is given because CBP is not an open participation mechanism in the metro OBI sense.
Guidelines: Question 9 asks whether there were open participation mechanisms for members of the public to provide input on expenditure. Participation on expenditure means opportunities for members of the public to provide input into the metro’s expenditure priorities. Note that this can be part of the IDP review process but has to take the form of the identification of specific projects for consideration for inclusion in the draft MTREF. For an “a” answer this input must be in the form of the identification of specific capital or operating projects. For a “b” answer the public was asked to only provide input into high level expenditure priorities but not to identify specific projects. For this question and the next, the minimum criteria to quality as ‘open’ is that the mechanisms must be open to all members of the public (i.e., not on invite only), must be facilitated (i.e., must be chaired) and must be structured (i.e., must have an agenda and records are kept). For example, a meeting of a sub-council where councillors identify expenditure interventions will not qualify for an “a” or a “b” as it is not open to all members of the public. The quality of the mechanisms is examined further in Questions 11 to 15, but note that a meeting does not have to be in-person to qualify as open and all virtual meetings and opportunities should be assessed.

10. Did the metropolitan municipality use open participation mechanisms through which members of the public were enabled to provide input on revenue policies and collection during the formulation of the draft MTREF?

   a. Yes, the metropolitan municipality used a structured, facilitated, open participation process through which members of the public were enabled to provide their input during the budget formulation phase by identifying specific revenue policy or collection issues for consideration in the budget.
   b. Yes, the metropolitan municipality used open participation mechanisms through which the members of the public were enabled to provide their input during the formulation phase, but the input by members of the public did not result in specific revenue policy or collection adjustments or interventions.
   c. No, the metropolitan municipality did not use open participation mechanisms during the formulation of the draft MTREF.

Answer: C

Sources:
Facebook: https://www.facebook.com/CityofJoburg/posts/3847874548589839

Mayoral newsletter: (https://www.joburg.org.za/media_/Pages/Media/Mayoral%20Newsletter/Newsletter%202021/February/City-commit-to-tackle-crumbling-infrastructure.aspx)
Municipal official:
Zayd Ebrahim
Director: Strategic Coordination and Management Support at City of Johannesburg

Comments: The focus of the CBP, as gleaned from the media report, the mayoral newsletter as well as the CBP video on the municipal facebook page, is on identifying expenditure priorities at a ward level, with no engagement with revenue policy and administration.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 10 asks whether there were open participation mechanisms for members of the public to provide input on revenue. Participation on revenue means opportunities for members of the public to discuss the total amount of revenue to be raised, changes to tariffs (service charges) and property rates, and/or revenue policies. Note that this can be part of the IDP review process but has to take the form of the identification of revenue policies and/or collections interventions for consideration for inclusion in the draft MTREF. See question 9 for criteria to assess whether the mechanisms are ‘open’ but note that a meeting does not have to be in-person to qualify as open and all virtual meetings and opportunities should be assessed.

11. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality take concrete steps to include input from vulnerable and underrepresented parts of the population in the formulation of the draft MTREF?
   a. Yes, the metropolitan municipality took concrete steps to include individuals from vulnerable and underrepresented parts of the population, or organisations representing these individuals, in the formulation of the draft MTREF.
   b. No, the metropolitan municipality did not take concrete steps to include individuals from vulnerable and underrepresented parts of the population in the formulation of the draft MTREF.

Answer:

Sources:
Facebook:
https://www.facebook.com/CityofJoburg/posts/3847874548589839

Mayoral newsletter:
(https://www.joburg.org.za/media_/Pages/News/Mayoral%20Newsletter/Newsletter%202021/February/City-commit-to-tackle-crumbling-infrastructure.aspx)

Media article on City web site:
Municipal official:
Zayd Ebrahim
Director: Strategic Coordination and Management Support at City of Johannesburg

Comments: Score pertains to CBP process.
There were 35 virtual sessions, these included a session for youth, one for women and one for people with disabilities.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: This question reflects the GIFT principle of “Inclusiveness” and examines the metro’s effort to actively reach out to residents who are from socially vulnerable groups and/or underrepresented in national processes, before the tabling of the draft MTREF. To answer “a,” the metro must actively seek out individuals from vulnerable and underrepresented communities (such as informal settlement residents, females, people with disabilities and the elderly) and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the metro’s efforts and actions. The researcher must speak with the relevant metro official(s), and subsequently double check with an alternative source, such as representatives of vulnerable/underrepresented groups.

Answer “b” applies if the metro does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the metro does not use public participation mechanisms during the budget formulation stage. If only one of the two participation opportunities identified in Questions 9 and 10 was conducted, please answer the question for this opportunity only.

12. Did the metropolitan municipality take concrete steps to assist residents with no or limited internet access, to participate in virtual engagements to provide input during the formulation of the draft MTREF?

   a. Yes, the metropolitan municipality took concrete steps to facilitate participation by residents with no or limited access to the internet in virtual engagements during the formulation of the draft MTREF.

   b. No, the metropolitan municipality did not take concrete steps to facilitate participation by residents with no or limited access to the internet in virtual engagements during the formulation of the draft MTREF.
Answer: B

Sources: Facebook:
https://www.facebook.com/CityofJoburg/posts/1534044259972891

Comments: The researcher could find no evidence that measures had been taken specifically to assist residents to participate in the CBP on-line sessions. The City does however provide free wifi at many of its public libraries, at BT stations, clinics, etc. Residents are required to register with an email address and can then receive a specified amount of data per day. However, it is not clear whether and to what extent this would’ve meaningfully support participation in this instance, given also lockdown restrictions and resident concerns about travelling to libraries.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: In light of the regulations to address, prevent and combat the spread of COVID-19 during various levels of the national lockdown, some metropolitan municipalities used virtual public engagement opportunities or a combination of virtual and in-person opportunities to enable the public to provide input during the formulation of the draft MTREF. This question assesses if the metro took concrete steps to enable participation in virtual opportunities by residents with no or limited access to the internet.

The objective of this question is to recognise innovation and the guidelines here are not prescriptive. To qualify for an answer “a”, the metro must have taken some steps to enable residents with no or limited access to the internet to provide input during virtual engagements on the formulation of the draft MTREF. This can, for example, be provision of free Wi-Fi access at certain municipal facilities. The researcher is required to describe any innovations in the Comments section. If there is no evidence of any such innovative steps, a “b” answer will apply.

13. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality provide comprehensive information on the process of engagement prior to the engagement (at least five working days), so that the public could participate in an informed manner?

Comprehensive information must include at least three of the following elements:

- Purpose
- Scope
- Constraints
- Intended outcomes

a. Yes, comprehensive information was provided at least five working days prior to the public’s engagement in the budget formulation phase.
b. Yes, comprehensive information was provided, but less than five working days prior to the public’s engagement in the budget formulation phase.
c. No, comprehensive information was not provided prior to the engagement.

**Answer:** C

**Sources:** Facebook CBO video:
https://www.facebook.com/CityofJoburg/posts/3847874548589839

**Comments:** The CBP advertisements are short of detail beyond that of the ‘come and have your say’ variety.
The exception is the CBP video:
https://www.facebook.com/CityofJoburg/posts/3847874548589839

The CBP video gives an adequate sense of CBP purpose and (arguably) of intended outcomes, though at a general level. It does not, though, provide information on the scope of engagement (what is and what isn’t on the table) or on constraints. As it stands, then, it is unlikely to enable concrete, detailed participation that would ensure things go beyond a ‘wish list’ exercise.

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agree

**Guidelines:** This question relates to the GIFT principle of “Openness,” and addresses whether the metro provides relevant information on the process of the engagement before public participation takes place, in order to help residents, engage effectively. The question addresses whether the “rules of the public engagement” are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. Specifically:

- **Purpose** refers to a brief explanation of why the public engagement is being undertaken, including the metro’s objectives for its engagement with the public.
- **Scope** refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include an engagement on the capital budget only and excludes the operational budget.
- **Constraints** refers to whether there are any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.
- **Intended outcomes** refers to what the metro hopes to achieve as a result of the engagement. Examples of intended outcomes could be to revise a policy to better reflect residents’ or service-user views, to elicit input on capital project selection, or to improve the way in which a particular program is administered.
14. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality provide the following key pieces of complementary information prior to the event, so that the public could participate in an informed manner?

Key pieces of complementary information must include at least three of the following elements:
- Feedback on projects or interventions identified by the public during the previous budget formulation process
- Ward specific information
- Information on essential maintenance or repairs that must be funded in the upcoming budget
- Information on ongoing projects which must be included in the upcoming budget

a. Yes, key pieces of complementary information were provided at least five working days prior to the public’s engagement in the budget formulation phase.

b. No, key pieces of complementary information were not provided, or were provided less than five working days prior to the public’s engagement in the budget formulation phase.

Answer: B

Sources:
Comments: The researcher could find no evidence that the key information was provided ahead of time.

Government Reviewer: Agreed.
Peer Reviewer: Agreed.
IBP South Africa: Agree

Guidelines: Public engagement on expenditure and revenue can/may cover many topics and therefore have many pieces of complementary information. For the purpose of answering this question, pieces of “complementary information” are considered to be only the ones listed above, and which provides essential feedback and background for participation on the draft MTREF. If the information provided prior to the engagement includes other pieces of complementary information than the four pieces listed above, please specify these pieces in the comments. Answer “a” applies if (i) at least three of the listed pieces were provided (ii) at least five days before the engagement. Answer “b” applies if either or both the requirements for “a” were not met, or if the metro did not use public participation mechanisms during the budget implementation stage. If only one of the two participation opportunities identified in Questions 9 and 10 was conducted, please answer the question for this opportunity only.
15. With regard to the processes identified in Questions 9 and 10, did the metropolitan municipality make public the time and place for meetings where budget formulation would be discussed well in advance and was the information easily accessible?
   a. The time and meeting place were made public in easily accessible places at least five working days in advance.
   b. The time and meeting place were made public in easily accessible places but fewer than five working days in advance.
   c. The time and meeting place were not made public in easily accessible places.

Answer: A

Sources: Facebook: [https://www.facebook.com/CityofJoburg/posts/3847874548589839](https://www.facebook.com/CityofJoburg/posts/3847874548589839)

Comments: Details by ward of the on-line meetings were made available from February 1 on Facebook.

Government Reviewer: Agreed

IBP South Africa: Agree

Guidelines: Question 15 asks whether sufficient information about meetings where expenditure and revenue for the draft MTREF were discussed prior to its final tabling in Council, were made public long enough before the engagement and whether this information was easily accessible.

Easily accessible places can be any of the following:
- On the metro’s website
- In community newspapers
- Announced on local radio stations
- Social media (Facebook and Twitter)
- On the metro’s mobile app

Answer “a” applies if the time and place of the meeting were made public at least five working days before the engagement and using at least three of the five places listed above and in at least one language in addition to English. Answer “b” applies if this information was made public and using at least three of the five places listed above and in at least one language in addition to English, but fewer than five working days before the engagement. Answer “c” applies if this information was not made public or if the metro used only one of the methods above, or the metro did not use public participation mechanisms during the budget formulation stage. If only one of the two participation opportunities identified in Questions 9 and 10 was conducted, please answer the question for this opportunity only.
Section 3  Approval of the Draft MTREF

This section assesses transparency, oversight processes and participation opportunities during the approval phase of the budgets of Metropolitan municipalities (questions 16 to 50). The approval phase starts when the draft MTREF is tabled in the Council for approval and completes when the Council approves the draft MTREF. The key document during this phase is the draft MTREF and its supporting documentation.

3.1 Availability and comprehensiveness of the Draft MTREF

The first broad category of questions in the Metro Open Budget Questionnaire looks at the information that is provided in the draft MTREF upon its submission to the Council for consideration, and how that information is presented.

The draft MTREF is one of the most important policy documents that a Metro issues each year, for it is through the budget that governments (including local governments) translate many of their key policy goals into action. It is important that the draft MTREF is transparent because its proposals determine revenues (including how much residents pay in rates and taxes), expenditures (how government resources are distributed among residents), and debt (how much of the cost of government is borne by current or future generations). To allow for an informed public and legislative discussion on the budget, best practice calls for the Metro to provide full explanations of its revenue collection, spending, and borrowing plans well in advance of its enactment. The first section of the questionnaire assesses the content of the draft MTREF.

For the purposes of answering the following questions (16 to 49), researchers should draw their answers from the main draft MTREF that is available to the public, as well as any supporting budget documents that the Metro may provide to the public with the draft MTREF. In order to be considered publicly available by the Metro Open Budget Survey methodology, the draft MTREF and any supporting documents must be released to the public in advance of the legislature approving the budget (See the guidelines in Table 2 regarding the time frame and public availability of the draft MTREF). If, according to the Metro Open Budget Survey standards, the draft MTREF was made publicly available but not in time, the answer to Question 16 will be “b”. If the draft MTREF was not made publicly available at all the answer will be “c”. If the answer to Question 16 is “b” or “c” it means that the draft MTREF cannot be considered publicly available for the purposes of completing the questions regarding the comprehensiveness of the draft MTREF and Questions 17 to 48 should be marked “c” (or “d” in the case of questions with four options).

In this section reference is made to the years relative to the budget year (2021/2022), with the budget year being the first of the three years covered by the draft 2021/2022 MTREF:

- The current year, designated by BY-1 is relative to 2021/2022. For the 2021 Metro OBS this is 2020/2021.
- The budget year, designated by BY, is 2021/2022.
- The first forward projection year, designated by BY+1 is 2022/2023
- The second forward projection year, designated by BY+2, is 2023/2024
There are three different types of expenditure classification, each of which is tested in this section. Each classification system has different advantages and answers a different question:

- Vote -> who spends the money (generally a department or directorate within the metropolitan municipality)
- Functional classification -> for what purpose the money is spent
- Type (operating expenditure only) -> on what the money is spent

Formats for classification by Vote tend to be unique to each metropolitan municipality, while formats for functional classification and type of operating expenditure are prescribed by the National Treasury. Questions are also asked about the sub-classifications of the three classifications listed above. It should be noted that if expenditure is not presented by the classification, it will be impossible to assess if any expenditure presented by it sub-classification adds ups to the totals by classifications. See Appendix 5 for an overview of the structure of a metropolitan budget.

For this section examples on what information should look like can be found in the National Treasury Guidance on the A1 Schedule of municipal budgets at [http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx](http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx). Please note that the references to the relevant tables in the A1 schedule are given for information purposes only to illustrate what the information looks like, that the question seeks to assess. Metros might provide the information in a different format and/or in a table with a different number in the narrative version of their budgets and this will also be acceptable. It should also be noted that only some of the information we are asking for in this section on the draft MTREF can be found in the A1 Schedule.

### 16. When was the draft MTREF made available to the public?

   a. By 24:00 6 April 2021
   b. After 24:00 6 April 2021 but at least in advance of the final budget being adopted by the Council.
   c. It was not released to the public, or only after the budget was adopted by the Council.

**Answer:** A


**Comments:** It was published ahead of the April 6 deadline. (See Table 1 for how this was assessed)

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agree
Guidelines: Please refer to the guidance table above on page 26. The draft MTREF for 2021/22 must have been available by midnight on 6 April 2021 for an “a” answer. Section 16 (2) of the MFMA\(^{10}\) requires the draft MTREF to be tabled at a Council meeting at least 90 days in advance of the start of the budget year. This means that the draft MTREF had to be tabled by 24:00 1 April 2021. Section 22 of the MFMA requires the tabled MTREF to be made public as well as submitted electronically to the National Treasury immediately after it has been tabled in the Council. MFMA Circular No. 94\(^{11}\) provides guidance in terms of how “immediately” should be interpreted by giving a municipality five calendar days to submit the budget to the National Treasury. We follow this guidance, which means that we require the draft MTREF and any supporting documents to be publicly available by 24:00 6 April 2021. For a “b” answer, the draft MTREF must have been published after 6 April 2021, but before the final budget was adopted by the Council. If the draft MTREF was published after the adoption of the final budget in council, or not published at all, the answer will be “c”.

17. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by vote for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, expenditures by vote are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, expenditures by vote are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, expenditures by vote are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A
Sources: Table A3: Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote) on page 24 and Table A5: Consolidated Budgeted Capital Expenditure by vote, standard classification and funding on page 33 presents the operating and capital expenditure by vote. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 4 June 2021.
Comments: The draft MTREF does present the operating and capital expenditures by vote for the respective years.

Government Reviewer:  
Peer Reviewer: Agreed  
IBP South Africa: Agree

Guidelines: Question 17 addresses the presentation of operating and capital expenditure by vote. According to the Municipal Finance Management Act (No. 56 of 2003) a vote is one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality (http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf)


18. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by functional classification for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

   a. Yes, expenditures by functional classification are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   
   b. Yes, expenditures by functional classification are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   
   c. No, expenditures by functional classification are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A


Comments: The draft MTREF does present expenditures, accounting for all operating and capital expenditures, in the current budget year, the next two years and the year before the budget year, by functional classification.

Government Reviewer:  
Peer Reviewer: Agreed  
IBP South Africa: Agree

Guidelines: Question 18 addresses the presentation of operating and capital expenditure by functional classification. This classification indicates the programmatic purpose, sector, or objective for which the funds will be used, such as community and social services, housing or health. Votes are not necessarily aligned with functional classifications. All municipalities are required to present all operating and capital expenditure by functional classification. The Municipal Budget and Reporting Regulations and the formats to be used for tabled and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx.
19. Does the draft MTREF or any supporting budget documentation present operating expenditures by type for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

   a. Yes, operating expenditures by type are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, operating expenditures by type are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, operating expenditures by type are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A

Sources: Table A4: Consolidated Budgeted Financial Performance (revenue and expenditure) on page 27 presents the operating expenditure by type. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 4 June 2021.

Comments: The draft MTREF presents the operating expenditure by type for all the respective budget years.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 19 addresses the presentation of operating expenditure by type. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What expenditure by type should look like can be found in Table A1 of the A1 Schedule.

To answer “a,” the draft MTREF or its supporting documentation must present expenditures, accounting for all operating expenditures, in the budget year and the next two years and the year before the budget year, by type. A “b” response applies, if the information is presented in the draft MTREF document for the budget year and next two years, but not the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if expenditure is not presented by type in the draft MTREF or supporting documentation, if it is presented only for the budget year, or
20. Does the draft MTREF or any supporting budget documentation present operating expenditures by type for individual votes for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, operating expenditures by type for individual votes are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, operating expenditures by type for individual votes are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, operating expenditures by type for individual votes are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A


Comments: The draft MTREF and supporting documents do present operating expenditure by type for individual votes.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 20 asks if the draft MTREF presents operating expenditure by type for individual votes. In order for an “a” answer to be possible here, operating expenditure must be presented by type as identified in Question 19, and by vote as identified in Question 17. Table SA2 of the A1 schedule shows what this might look like for the budget year.

To answer “a” the draft MTREF or its supporting documentation must present expenditures, accounting for all operating expenditures, in the budget year, the next two years and the year before the budget year, by type for each of the individual votes. A “b” response applies, if the information is presented in these two classifications in the draft MTREF document for the budget year and next two years, but not the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if expenditure is not presented by type in the draft MTREF or supporting documentation, if it is presented only for the budget year, or if the answer to Question 16 is “b” “c”). A “c” answer also applies if some but not all operating expenditures are presented by type for each individual vote in all four years, and the expenditures do not add up to total operating expenditure in the budget summary table (akin to Table A1 in Schedule 1).

21. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by sub-vote for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
22. Does the draft MTREF or any supporting budget documentation present operating and capital expenditures by sub-function for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, expenditures by sub-function are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, expenditures by sub-function are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, expenditures by sub-function are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: C
Sources: A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

Comments: The draft MTREF and supporting documents do not present operating and capital expenditure by sub-function at all.

Government Reviewer:

Peer Reviewer:

IBP South Africa: Agree

Guidelines: Question 22 addresses the presentation of operating and capital expenditure by sub-function. The Municipal Budget and Reporting Regulations and the formats to be used for tabled and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the presentation of operating expenditure by sub-function should look like can be found in Tables A2A of the A1 Schedule. The Metro OBS standard requires capital expenditure information also to be presented by sub-function in a similar way.

To answer “a” the draft MTREF or its supporting documentation must present expenditure estimates for BY-1 by sub-function accounting for all operating and capital expenditure. A “b” response applies, if information is presented in the draft MTREF document for the budget year and next two years, but not the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if operating and capital expenditure is not available by sub-function in the draft MTREF or supporting documentation, if it is presented only for the budget year, or if the answer to Question 16 is “b” or “c”). A “c” response also applies if not all operating and capital expenditure for BY-1 are presented by sub-function and the expenditures do not add up to total expenditure as presented in the budget summary table (akin to Table A1 of Schedule 1).

23. Does the draft MTREF or any supporting budget documentation present types of operating expenditures by item for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, types of operating expenditures by item are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, types of operating expenditures by item are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, types of operating expenditures by item are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A


Comments: The draft MTREF presents the operating expenditures by item for the respective years. However, the headings of the columns were not updated to the correct year.
**Guidelines:** Question 23 addresses the presentation of types of operating expenditure by item. Item is the sub-category of the type of operating expenditure. If the type of expenditure is “Employee related costs”, the items will be “Basic salaries and wages”, Pension and UIF Contributions”, etc. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at [http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx](http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx). What operating expenditure by item should look like, can be found in Table SA1 of the A1 Schedule.

To answer “a” the draft MTREF or its supporting documentation must present types of operating expenditures, accounting for all operating expenditures, in the budget year, the next two years and the year before the budget year by item. A “b” response applies, if the information is presented in the draft MTREF document for the budget year and next two years, but not the year before the budget year. Answer “c” applies if this information is not made public (if operating expenditure by item is not available in the draft MTREF or supporting documentation, if it is presented only for the budget year, or if the answer to Question 16 is “b” or “c”). The “c” response also applies, if some but not all operating expenditures are presented for all four years and the expenditures do not add up to total expenditure by type.

**24. Does the draft MTREF or any supporting budget documentation present operating expenditures on contracted services by type of contract for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?**

a. Yes, operating expenditures on contracted services by type of contract are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).

b. Yes, operating expenditures on contracted services by type of contract are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.

c. No, operating expenditures on contracted services by type of contract are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

**Answer:** A C


Table A4: Consolidated Budgeted Financial Performance (revenue and expenditure) on page 27 presents contracted services as per the metro’s summary table, this amount is shown respective to the budget year, the next two years and the current year. This information can be accessed This information can be accessed [https://www.joburg.org.za/documents/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf](https://www.joburg.org.za/documents/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf). Accessed 11 June 2021.
Comments: The draft MTREF presents the operating expenditure on type of contracted services. However, the headings of the columns were not updated to the correct year. After consultation with the summary table on page 27, it was agreed that this score is appropriate as the amount for contracted services is the same as the one in Table SA1.

Government Reviewer:

Peer Reviewer: Disagree. All the contracted services are classified as ‘outsourced services’ – there is for example no ‘Consultants and professional services’, which is one of the categories proposed by the NT. One suspects that the classification is not available in the Jhb system, and therefore all contracts are given a standard single identity. This is not the same as providing information by type of contract.

IBP South Africa: Agree with the peer reviewer. The question requires the contracted services to be disaggregated further into type. C is the correct answer.

Guidelines: Question 24 addresses the presentation of operating expenditure on type of contracted services. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at [http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx](http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx). What the information should look like can be found in Table SA1 of the A1 Schedule (from row 95). The format requires contracted services to be presented by type of contract, e.g., chemical toilets, cleaning services, etc.

To answer “a” the draft MTREF or its supporting documentation must present expenditure on contracted services by type in the budget year, the next two years and the year before the budget year. A “b” answer applies if the information is presented, but only for the three forward years and not the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if information on contracted services by type is not available in the draft MTREF or supporting documentation, if it is presented only for the budget year, or if the answer to Question 16 is “b” or “c”). A “c” answer also applies if some but not all expenditures on contracted services are presented in this way in all three years and expenditure on contracted service by type does not add up to total expenditure on contracted services.

25. In the draft MTREF or any supporting budget documentation, have expenditure estimates (for all three expenditure classifications) for the year prior to the budget year (BY-1) been updated from the original adopted levels to reflect the adjusted budget and the full-year forecast?
   a. Yes, expenditure estimates for all three classifications for BY-1 have been updated from the original adopted levels to reflect the adjusted budget and the full-year forecast.
   b. Yes, some but not all expenditure estimates for BY-1 have been updated from the original adopted levels.
   c. No, expenditure estimates for BY-1 have not been updated from the original adopted levels.

Answer: A

Sources: Table A3: Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote) on page 24 and Table A5: Consolidated Budgeted Capital Expenditure by vote, standard classification and funding on page 33 presents the operating and capital expenditure by vote. This

Table A4: Consolidated Budgeted Financial Performance (revenue and expenditure) on page 27 presents the operating expenditure by type. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 4 June 2021.

Comments: The draft MTREF presents the expenditure updates from the original adopted levels which reflect the adjusted budget for the respective budget year (BY-1) and the full-year forecast.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 25 asks whether the expenditure estimates for the year before the budget year (BY-1) have been updated from the original enacted (adopted MTREF) levels for all three expenditure classifications, namely by vote, function and operating expenditure by type, to reflect the adjusted budget as well as the full-year forecast?

Prior-year information constitutes an important benchmark for assessing the proposals for the upcoming budget year. Estimates of prior years should be presented in the same formats (in terms of classification) as the budget year to ensure that year-to-year comparisons are meaningful. For example, if the budget proposes shifting responsibility for a particular program from one vote to another the prior-year figures must be adjusted before year-to-year comparisons of budget by vote can be made.

Typically, when the draft MTREF is submitted, the year prior to the budget year (BY-1), also known as the current year, has not ended, so the draft MTREF will provide estimates of the anticipated outcome for BY-1. The soundness of these estimates is directly related to the degree to which they have been updated to reflect actual expenditures to date, legislative changes that have occurred, and anticipated changes in macroeconomic, caseload, and other relevant factors for the remainder of the year.

Answer "a" applies if all the estimates (referred to in Questions 17 to 19) have been updated to reflect the adjusted budget and the full-year forecast; answer "b" applies if only some of the estimates have been updated. Answer "c" also applies if this information is not made public at all (if the original estimates are still being used, or if the answer to Question 16 is “b” or “c”).
26. Does the draft MTREF or any supporting budget documentation present individual sources of operating revenue for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, individual sources of operating revenue, accounting for all operating revenue, are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, individual sources of operating revenue, accounting for all operating revenue, are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, individual sources of operating revenue, accounting for all operating revenue, are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A

Sources: Table A4: Consolidated Budgeted Financial Performance (revenue and expenditure) on page 27 presents the individual sources of operating revenue. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 9 June 2021.

Comments: The draft MTREF does present the individual sources of operating revenue for the full-year forecast.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 26 assesses the degree to which the individual sources of operating revenue are disaggregated in the budget and how many years’ information is presented. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx What the information should look like can be found in Table A4 of the A1 Schedule.

An “a” answer applies if the draft MTREF or its supporting documentation present all individual sources of operating revenue for the budget year, the next two years and the year before the budget year. A “b” answer applies, if information is presented for the budget year and the next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if individual sources of operating revenue is not presented at all, if the individual sources of operating revenue do not add up to total operating revenue, if the information is presented for the budget year only, or if the answer to Question 16 is “b” or “c”).
year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.

c. No, individual sources of grant revenue for operating expenditure, accounting for all operating grant revenue, are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A

Sources: Table SA18: Transfers and grant receipts on page 101 presents the individual sources of grant revenue for operating expenditure. This information can be accessed at https://www.joburg.org.za/documents/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 9 June 2021.

Comments: The draft MTREF contains information about the individual sources of grant revenue for operating expenditure.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 27 assesses the degree to which the individual sources of grant revenue for operating expenditure are disaggregated in the budget and how many years’ information is presented. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the information should look like, can be found in Table SA18 of the A1 Schedule.

To answer “a” the draft MTREF or its supporting documentation must present all individual sources of operating grant revenue for the budget year, the next two years and the year prior to the budget year. A “b” answer applies, if the information is presented for the budget year and the next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if individual sources of grant revenue for operating expenditure is not presented in the draft MTREF or supporting documentation, if it is presented only for the budget year, if the individual sources do not add up to the total grant revenue for operating expenditure, or if the answer to Question 16 is “b” or “c”).

28. Does the draft MTREF or any supporting budget documentation present individual sources of capital revenue for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

- a. Yes, individual sources of capital revenue, accounting for all capital revenue, are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
- b. Yes, individual sources of capital revenue, accounting for all capital revenue, are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
- c. No, individual sources of capital revenue, accounting for all capital revenue, are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A
Sources: Table A1: Consolidated Budget Summary on page 20 presents a summary of the metro’s budget component, including sources of capital. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf. Table SA18: Transfers and grant receipts on page 101 presents the individual sources of grant revenue for capital expenditure. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 9 June 2021.

Comments: The draft MTREF presents the individual sources of capital revenue.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 28 assesses the degree to which the individual sources of capital revenue are disaggregated in the budget and how many years’ information is presented. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the information should look like, can be found in Table A5 of the A1 Schedule.

To answer “a” the draft MTREF or its supporting documentation must present all individual sources of capital revenue for the budget year, the next two years, and the year before the budget year. A “b” answer applies if individual sources of capital revenue are presented only for the budget year and the next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if it is not available in the draft MTREF or supporting documentation, if it is presented only for the budget year, if the individual sources of capital revenue do not add up to total capital revenue, or if the answer to Question 16 is “b” or “c”).

29. Does the draft MTREF or any supporting budget documentation present individual sources of grant revenue for capital expenditure for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, individual sources of grant revenue for capital expenditure, accounting for all capital grant revenue, are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, individual sources of grant revenue for capital expenditure, accounting for all capital grant revenue, are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, individual sources of grant revenue for capital expenditure, accounting for all capital grant revenue, are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A
Sources: Table SA18: Transfers and grant receipts on page 101 presents the individual sources of grant revenue for capital expenditure. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 9 June 2021.

Comments: The draft MTREF contains information about the individual sources of grant revenue for capital expenditure for the respective years.

Government Reviewer: Peer Reviewer: Agreed

Guidelines: Question 29 assesses the degree to which the individual sources of grant revenue for capital expenditure are disaggregated in the budget and how many years’ information is presented. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx What the information should look like, can be found in Table SA18 of the A1 Schedule.

To answer “a” the draft MTREF or its supporting documentation must present all individual sources of capital grant revenue for the budget year, the next two years and the year before the budget year. A “b” answer applies if individual sources of grant revenue are presented only for the budget year and the next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if it is not available in the draft MTREF or supporting documentation, if it is presented only for the budget year, if the individual sources of capital grant revenue do not add up to total capital grant revenue, or if the answer to Question 16 is “b” or “c”).

30. In the draft MTREF of any supporting budget documentation, have revenue estimates (for all sources of operating and capital revenue) for the year prior to the budget year (BY-1) been updated from the original adopted levels to reflect the adjusted budget and the full-year forecast?
   a. Yes, revenue estimates for all sources of operating and capital revenue for BY-1 have been updated from the original adopted levels to reflect the adjusted budget and the full-year forecast.
   b. Yes, some but not all revenue estimates for sources of operating and capital revenue for BY-1 have been updated from the original adopted levels.
   c. No, revenue estimates for BY-1 have not been updated from the original adopted levels.

Answer: A

Sources: Table A4: Consolidated Budgeted Financial Performance (revenue and expenditure) on page 27 presents the individual sources of operating revenue. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 9 June 2021.

Table SA18: Transfers and grant receipts on page 101 presents the individual sources of grant revenue for operating expenditure. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 9 June 2021.


Comments: All revenue estimates for sources of operating and capital revenue for BY-1 have been updated from the original adopted levels.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agree

Guidelines: Question 30 asks whether the revenue estimates for the year before the budget year (BY-1, 2020/21 for the 2021 Metro OBS) have been updated from the original enacted (adopted budget) levels for all sources of revenue, namely operating revenue, capital revenue, grant revenue for operating expenditure and grant revenue for capital expenditure (Questions 26 to 29), to reflect the adjusted budget as well as the full-year forecast? See Question 25 for a discussion on the importance of updating the original adopted budget for the current year with the most current information on likely outturn at the time of tabling the budget. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if it is not available in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

31. Does the draft MTREF or any supporting budget documentation present expenditures for each individual capital project for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?  
   a. Yes, expenditure estimates for each individual capital project are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, expenditure estimates for each individual capital project are presented for the budget year (BY) and the next two years (BY+1 and BY+2), but not the current year (BY-1).
   c. No, expenditure estimates for each individual capital project are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: B


Comments: Some estimates are presented in the draft MTREF for only some of the capital projects with the capital projects for BY-1 being omitted.

Government Reviewer:
Peer Reviewer: Agreed, as BY-1 is omitted, but all capital projects are present (total for table on p 208 = total capex in A1)
IBP South Africa: Agree with B

Guidelines: Question 31 asks if the draft MTREF presents expenditure estimates for each individual capital project for the budget year, the next two years and the year before the budget. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the information should look like, can be found in Table SA36.

To answer “a” the draft MTREF or its supporting documentation must present expenditure estimates for each individual capital project for the budget, the next two years and the year before the budget year. It should be noted that some projects may not have budget allocations for all three years, so the method of verification should be whether the estimates for individual projects add up to the total capital expenditure for each of the years. A “b” answer applies if the expenditures on all individual capital projects is presented for the budget year and the next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if expenditure for each individual capital project are not presented in the draft MTREF or supporting documentation, if the information is presented only for the budget year, if the individual projects for which information is presented do not add up to total capital expenditure for each of the years, or if the answer to Question 16 is “b” or “c”).

32. Does the draft MTREF or any supporting budget documentation present estimates of the total cost of each individual capital project with expenditure in the budget year (BY), the next two years (BY+1 And BY+2), or the year before the budget year (BY-1)?
   a. Yes, estimates of the total project cost accounting for each individual capital project are presented.
   b. Yes, estimates of the total project cost accounting for some but not all individual capital project s are presented.
   c. No, estimates of the total project cost of each individual capital project are not presented.

Answer: C B
Comments: After consultation with the draft MTREF it is not clear if the total estimated column accounts for the life span of each capital project. It looks like the amounts in the “Total Estimate Project Cost” column are simply the total amounts allocated for BY, BY+1 and BY+2.

Government Reviewer:
Peer Reviewer: disagree, the draft IDP provides this information for some but not all capital projects (about 5/8ths of the total amount). Score should be B.
IBPS South Africa: Agree with peer reviewer – the answer should be B. See draft IDP from page 312 (PDF) onwards: https://www.joburg.org.za/documents_/Documents/DRAFT%20IDP%202021-26/2021-26%20FINAL%20DRAFT-%20Council%2019%20MARCH%202021.pdf
**Guidelines:** This question (Questions 32) is the first of nine questions (Questions 32 to 40) to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. Table SA36 of the A1 Schedule shows what different types of information should be requested and what the information may look like.

Question 32 asks if the draft MTREF or its supporting documentation presents estimates of the **total cost of for each of the individual capital projects.**

Answer “a” only applies if the draft MTREF or its supporting documentation presents estimates of the total cost across the complete multi-year construction/implementation of each of the capital projects included in the draft MTREF is presented. It should also be noted that a total project cost is not simply the total of the estimates for the budget year and the next two years because project construction could have a longer lifespan, starting before and/or continuing after the years presented in the current budget. Furthermore, we are only asking for estimates of the cost while the capital asset is being constructed or developed and not the projected cost of maintenance, etc. over the life cycle of the asset. Answer “b” applies if the total project cost is only presented for some capital projects. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if total capital project costs are not presented in the draft MTREF for any capital projects, or if the answer to Question 16 is “b” or “c”).

### Question 33

Does the draft MTREF or any supporting budget documentation present estimates of the planned duration for each individual capital project with expenditure in the budget year (BY), the next two years (BY+1 and BY+2), or the year before the budget year (BY-1)?

- a. Yes, estimates of the planned duration are presented for all individual capital projects.
- b. Yes, estimates of the planned duration is presented for some but not all, individual capital projects.
- c. No, estimates of the planned duration is not presented for individual capital projects.

**Answer:** C

**Sources:** A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

**Comments:** The draft MTREF does not contain information about the planned duration of each project.

**Government Reviewer:**

**Peer Reviewer:** Agreed (also not in IDP)

**IBPS South Africa:** Agreed

**Guidelines:** Question 33 is the second of nine questions (Questions 32 to 40) to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. This question asks if the draft MTREF or its supporting documentation presents estimates of the **planned duration** for individual capital projects. This can be planned duration as measured by number of months or the planned start and end dates of the project. Answer “a” applies if this information is presented for all individual capital projects. Answer “b” applies if this information is presented for only some.
individual projects. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if the planned duration of capital projects is not presented for any capital project, or if the answer to Question 16 is “b” or “c”).

34. Where capital projects are to take place in a ward with expenditure in the budget year (BY), the next two years (BY+1 and BY+2) or the year before the budget year (BY-1), does the draft MTREF or any supporting budget documentation indicate in which wards individual capital projects are located?
   a. Yes, ward information is presented for all capital projects, which are to take place in a ward.
   b. Yes, ward information is presented for some but not all capital projects, which are to take place in a ward.
   c. No, ward information is not presented for capital projects.

Answer: C B


Comments: There is no separate column which show the ward information for each project. Although it seems ward information is considered, it has been cut off in the document.

Government Reviewer:

Peer Reviewer: Disagree, the draft IDP provides this information for 5/8ths of the capital budget.

IBPS South Africa: Agree with peer reviewer – the answer should be B. See draft IDP from page 312 (PDF) onwards: https://www.joburg.org.za/documents_/Documents/DRAFT%20IDP%202021-26/2021-26%20FINAL%20DRAFT-%20Council%2019%20March%202021.pdf

Guidelines: This question (Questions 34) is the third of nine questions to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. The information may look like the information in Table SA36 of the A1 Schedule.

Question 34 asks if ward information is presented for relevant individual capital projects. Answer “a” applies if ward information on all individual capital projects with expenditure in the budget year, the next two years or the year before the budget year is provided, and if the ward information on municipal infrastructure, community asset, heritage assets, and investment property capital projects (i.e., projects that are not for purposes of running the office(s) of the Metro) indicates a specific ward(s) for all of these projects. Answer “b” applies if specific ward information is provided for only some of the municipal infrastructure, community assets and housing capital projects with expenditure in any of the four years. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no ward information is presented, if all projects are indicated as “multi-ward”, if the individual capital projects detailed do not add up to total capital expenditure on individual projects, or if the answer to Question 16 is “b” or “c”).
35. Where relevant, does the draft MTREF or supporting budget documentation present the GPS coordinates for each individual capital project with expenditure in the budget year (BY), the next two years (BY+1 and BY+2), or the current year (BY-1)?

a. Yes, the GPS coordinates are presented for all capital projects, where relevant.

b. Yes, the GPS coordinates are presented for some but not all, capital projects, where relevant

c. Not, the GPS coordinates are not presented for capital projects.

Answer: C

Sources: A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

Comments: The draft MTREF does not present GPS coordinates for any of the metro’s projects.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 35 is the fourth of nine questions to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. Information may be presented in ways that are similar to the presentation in Table SA36 of Schedule 1. This question asks whether the GPS coordinates are presented for relevant individual projects. Answer “a” applies if GPS information is presented for all municipal infrastructure, community asset and investment capital projects (i.e., projects that are not for purposes of running the office(s) of the Metro) with expenditure in any of the four years. Answer “b” applies if GPS coordinates are provided for only some of these capital projects with expenditure in any of the four years. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no GPS coordinates are presented, or if the answer to Question 16 is “b” or “c”).

36. Does the draft MTEF or any supporting budget documentation present the strategic objective for each individual capital project with expenditure in any year of the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

a. Yes, the strategic objective is presented for all capital projects.

b. Yes, the strategic objective is presented for some but not all, capital projects.

c. No, the strategic objective is not presented for capital projects.

Answer: C

Sources: A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

Comments: No information on the strategic objective of the metro capital projects is provided in the MTREF.
Guidelines: Question 36 is the fifth of nine questions to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. Information may be presented in ways that are similar to Table SA36 of Schedule 1.

This question asks if the strategic objective is presented for individual capital projects. Metropolitan municipalities list the strategic objectives or goals of the metropolitan municipality in its Integrated Development Plan (IDP). These objectives are numbered and usually have sub-objectives under each objective. If for example the strategic objective 1.1 is indicated for a project, it means that that project contributes to reaching IDP objective 1.1 of the municipality.

Answer “a” applies if this is presented for each individual capital project with expenditure in any of the four years. Answer “b” applies if information on the IDP strategic objective is provided for only some but not all individual capital projects. This can be tested by comparing total expenditure on projects for which IDP objective information is provided, to total capital expenditure. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on the IDP objective of any project is provided in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

37. Does the draft MTREF or any supporting budget documentation present project descriptions for each individual capital project, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, project descriptions are presented for each individual capital project.
   b. Yes, project descriptions are presented for some but not all, capital projects.
   c. No, project descriptions are not presented for capital projects.

Answer: B


Comments: Yes, project descriptions seem to be incorporated in some project names which are detailed enough. However, other project names do not provide enough detail to be considered descriptive of the projects.
Question 37 is the sixth of nine questions to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. Information may be presented in ways that are similar to Table SA36 of Schedule 1.

This question asks if project descriptions are presented for individual capital projects.

Answer “a” applies if project descriptions is presented for each individual capital project with expenditure in any of the four years. Answer “b” applies if project descriptions are provided for only some but not all individual capital projects. This can be tested by comparing total expenditure on projects for which project descriptions are provided, to total capital expenditure. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no project descriptions are provided in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

Question 38 is the seventh of nine questions to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. Information may be presented in ways that are similar to Table SA36 of Schedule 1.

This question asks if the asset class is presented for individual capital projects. The asset class indicates the type of asset the project is delivering, for example infrastructure, community assets, heritage assets, investment property assets, other assets, computer equipment, etc. Please refer to Table A9 of Schedule 1 for a list of asset classes.

Answer “a” applies if the asset class of all individual capital projects with expenditure in any of the four years is provided. Answer “b” applies if the asset class is provided for only some but not all individual capital projects. This can be tested by comparing total expenditure on projects for which the asset class is provided, to total capital expenditure. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on the asset class of any individual projects is provided in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).
39. Does the draft MTREF or any supporting budget documentation present the asset sub-class for each individual capital project, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, the asset sub-class is presented for each individual capital project.
   b. Yes, the asset sub-class is presented for some but not all, capital projects.
   c. No, the asset sub-class is not presented for capital projects.

Answer: B
Comments: The asset sub-class is presented for some but not all, capital projects.

Guidelines: Question 39 is the eighth of nine questions to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. Information may be presented in ways that are similar to Table SA36 of Schedule 1.

This question asks if the asset sub-class is presented for individual capital projects. The sub-asset class provides more detail on the type of asset a capital project is delivering. For example, the sub-asset class for infrastructure will be electrical infrastructure. Please refer to any of the SA34 tables in Schedule 1 for lists of asset sub-classes.

Answer “a” applies if the asset sub-class of all individual capital projects with expenditure in any of the four years is provided. Answer “b” applies if the asset sub-class is provided for only some but not all individual capital projects. This can be tested by comparing total expenditure on projects for which the asset sub-class is provided, to total capital expenditure. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on the asset sub-class of any individual projects is provided in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

40. Does the draft MTREF or any supporting budget documentation indicate which sources of revenue each individual capital project will be funded from, for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, sources of revenue accounting for each individual capital project are presented for the budget year (BY), the next two years (BY+1 and BY+2) and the current year (BY-1).
   b. Yes, sources of revenue accounting for some but not all individual capital projects are presented for the budget year (BY), the next two years (BY+1 and BY+2) and the current year (BY-1).
c. No, sources of revenue accounting for each individual capital project are not presented.

Answer: C

Sources: A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

Comments: The draft MTREF does not present sources of revenue for any of the capital projects.

Government Reviewer: Peer Reviewer: Agreed IBP South Africa: Agreed

Guidelines: Question 40 is the final question to assess the depth of detailed information on individual capital projects in the draft MTREF or its supporting documentation. This is not required by the Municipal Budget and Reporting Regulations and the formats to be used by Metropolitan municipalities. This question is specific to the Metro OBS standard.

This question asks if draft MTREF of its supporting documentation presents the sources of revenue for individual capital projects. Answer “a” applies if sources of revenue are presented for each individual capital project with expenditure in any of the four years. Answer “b” applies if sources of revenue are provided for only some but not all individual capital projects. This can be tested by comparing total expenditure on projects for which sources of revenue are provided, to total capital expenditure. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on the source of revenue of any individual projects is provided in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

41. Does the draft MTREF or any supporting budget documentation present estimates of current and noncurrent assets for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, estimates, disaggregated by type of asset, are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, estimates, disaggregated by type of asset, are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, estimates, disaggregated by type of asset, are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A

Comments: The draft MTREF contains information about current and non-current assets across the respective budget years.

Guidelines: Question 41 asks about the presentation of current and non-current assets. Current assets can easily be converted into cash, e.g., call investment deposits as a type of current asset, while non-current assets are longer term investments, including property and equipment as types of non-current assets. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the information may look like, can be found in Table A6 in Schedule A1. Metros may provide the information in a different format.

Answer “a” applies when information on assets is presented, disaggregated by current and non-current assets and within each of these by type asset, and the information is presented for the budget year, the next two years and the year before the budget year. Answer “b” applies when the information is disaggregated by current and non-current assets and type of asset within each of these and presented for the budget year and the next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no disaggregated information on assets is provided, if not all assets are disaggregated, if the information is available for the budget year only, or if the answer to Question 16 is “b” or “c”).

42. Does the draft MTREF or any supporting budget documentation present estimates of current and non-current liabilities for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, estimates, disaggregated by type of liability, are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, estimates, disaggregated by type of liability, are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, estimates, disaggregated by type of liability, are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A


Comments: The draft MTREF contains information about current and non-current liabilities across the respective budget years.

Government Reviewer: Agreed

Peer Reviewer: Agreed
43. Does the draft MTREF or any supporting budget documentation present estimates of the accumulated surplus/deficit for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?

   a. Yes, disaggregated estimates of the accumulated surplus/deficit are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, disaggregated estimates of the accumulated surplus/deficit are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, disaggregated estimates of the accumulated surplus/deficit are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: C

Sources: A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

Comments: The draft MTREF does not provide disaggregated estimates of the accumulated surplus/deficit for the respective financial years.

Government Reviewer:
Peers Reviewer: Disagree, it is in Table A6, third last line

IBP South Africa: Agree with C – the total is presented but not disaggregated estimates

Guidelines: Question 43 asks about the presentation of the accumulated surplus/deficit. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx.
http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the information may look like can be found in Table SA3 in Schedule A1 (see from row 149 to 158). Metros may provide the information in a different format. Answer “a” applies when the opening and closing accumulated surplus/deficit is presented together with contributing factors to the difference between the two, and the information is presented the budget year, the next two years and the year before the budget year. Answer “b” applies, when the information is presented in this form for the budget year and the next two years, but not the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if information on the accumulated surplus/deficit is not available at all in the draft MTREF or supporting documentation, if it is incomplete, if it is for the budget year only, or if the answer to Question 16 is “b” or “c”).

44. Does the draft MTREF or any supporting budget documentation present estimates of total reserves for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, disaggregated estimates of total reserves are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, disaggregated estimates of total reserves are presented for the budget year (BY), and the next two years (BY+1 and BY+2), but not for BY-1.
   c. No, disaggregated estimates of total reserves are only presented for the budget year (BY), or not at all, or the draft MTREF was not tallied in time to be considered publicly available.

Answer: C A

Sources: A review of the draft MTREF for the year 2021/22, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

Comments: The draft MTREF does not provide disaggregated estimated of total reserves for any of the financial years.

Government Reviewer:
Peer Reviewer: Disagree, Table A6 indicates that there are no reserves (2\textsuperscript{nd} last line).
IBP South Africa: Agree with peer reviewer – if there are no reserves, it cannot be disaggregated. The correct answer is then A.

Guidelines: Question 44 asks about the presentation of total reserves. Saving for future projects, acquisitions, and other allowable purposes is an important planning consideration for municipalities. Reserve funds provide a mechanism for legally saving money to finance all or part of future infrastructure, equipment, and other requirements. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. What the information may look like can be found in Table SA3 in Schedule A1 (see from row 159 onwards). Metros may provide the information in a different format.

Answer “a” applies when estimates of total reserves disaggregated by type of reserve are presented for the budget year, the next two years and the year before the budget year. Answer “b” applies when estimates of the total reserves disaggregate by type are presented for the budget and the next two years,
but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on reserves is presented in the draft MTREF or supporting documentation, if the information is not disaggregated, if it is for the budget year only, or if the answer to Question 16 is “b” or “c”).

45. Does the draft MTREF or any supporting budget documentation present estimates of transfers to municipal and other government entities as well as the full budgets for all municipal entities for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1)?
   a. Yes, estimates of all transfers to municipal and other government entities as well as the full budgets for all municipal entities are presented for the budget year (BY), the next two years (BY+1 and BY+2), and the current year (BY-1).
   b. Yes, estimates of all transfers to municipal and other government entities as well as the full budgets for all municipal entities are presented for the budget year (BY), the next two years (BY+1 and BY+2) but not for BY-1.
   c. No, estimates of transfers to municipal and other government entities and the full budgets for municipal entities are only presented for the budget year (BY), or not at all, or the draft MTREF was not tabled in time to be considered publicly available.

Answer: A

Sources: Table SA21: Transfers and grants made by the municipality on page 102 presents estimates of transfers to other organizations. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 10 June 2021.


Comments: The draft MTREF presents estimates of the metro’s transfers to other organizations and full budgets for all municipal entities.

Government Reviewer:
Peer Reviewer: Agreed with score, but the SA21 table not relevant as those are transfers to organisations outside of the municipality and they are not government entities. The relevant info is in the individual entity budgets (on the revenue side).

IBP South Africa: Agree with score and the peer reviewer’s comments are noted.

Guidelines: Question 45 asks whether the draft MTREF present estimates of all transfers to municipal and other government entities as well as the full budgets for all municipal entities. Many metropolitan municipalities have established municipal entities that deliver municipal services on behalf of the municipality. This question tests both whether the metropolitan municipality provides information on transfers to its entities and whether the full budgets of these entities are provided in the draft MTREF or accompanying documentation. The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at
What information in answer to the first part of the question may look like, can be found in Table SA21 in Schedule A1. Metros might provide the information in a different format. The full budgets for municipal entities should be included in the narrative version of the draft MTREF.

Answer “a” applies if information on transfers and the full budgets of all entities are provided in the draft MTREF and supporting documentation, for the budget year, the next two years and the year before the budget year. Answer “b” applies if both sets of information is provided for the budget year and next two years, but not for the year before the budget year. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on transfers is provided, if no full budgets is presented for any of the municipal entities, if budgets for municipal entities are presented not for all entities or the budgets are incomplete, or if the answer to Question 16 is “b” or “c”).

46. Does the draft MTREF or any supporting budget documentation present information on tax expenditures for at least the budget year?
   - a. Yes, information on tax expenditures along with a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone is presented.
   - b. Yes, some but not all information on tax expenditures is presented or some of the following is not included: a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.
   - c. No, information related to tax expenditures is not presented.

**Answer:** A


**Comments:** The draft MTREF presents information on tax expenditures along with supporting tax-expenditure related information throughout the document.

**Government Reviewer:**

**Peer Reviewer:** Agreed

**IBP South Africa:** Agreed

**Guidelines:** Question 46 focuses on tax expenditures, asking whether “core” information related to these tax preferences is presented. These core components must include for both new and existing tax expenditures:

- a statement of purpose or policy rationale;
- a listing of the intended beneficiaries; and
- an estimate of the revenue foregone.
Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. For Metropolitan municipalities in South Africa tax expenditures refer to exemptions on charges and tariffs granted to companies or individuals. Tax expenditures are called tax expenditures, because they often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, assisting the elderly through exemptions from municipal tariffs, may be structured as municipal programmes to assist the elderly, as it still constitutes a cost in terms of foregone revenues. Expenditure items that require annual authorization are likely to receive more scrutiny than exemptions to specific companies or individuals or groups, that are a permanent feature of municipal tariff and charges policies.

Beyond the core information, some governments may also provide other information about tax expenditures, including for example: the intended beneficiaries by sector and income class (distributional impact); a statement of the estimating assumptions, including the definition of the benchmark against which the foregone revenue is measured; and a discussion of tax expenditures as part of a general discussion of expenditures for those program areas that receive both types of government support (in order to better inform policy choices). For more details on tax expenditures, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf) and section 3.1.3 (p.76-77) of the IMF’s Manual on Fiscal Transparency (2007) (https://www.imf.org/external/np/pp/2007/eng/101907m.pdf).

The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx An illustration of what some of the information on tax expenditures may look like, can be found in Table SA1 of the A1 Schedule, including information related to property rebates and the revenue foregone associated with the provision of Free Basic Services. Metros might provide the information in a different format.

The other core elements might be found in the draft MTREF document and supporting documents. For and “a” answer, all the core components should be provided. To answer “b,” the draft MTREF or supporting documentation must present some of the core components noted above. A “c” answer applies if no information is provided. Answer also “c” applies if the answer to Question 16 is “b” or “c”).

47. Does the draft MTREF or any supporting budget documentation present estimates of earmarked revenues for at least the budget year?
   a. Yes, estimates of all earmarked revenues are presented, along with a narrative discussion.
   b. Yes, some but not all estimates of earmarked revenues are presented, or a narrative discussion is not included.
   c. No, estimates of earmarked revenues are not presented.

Answer: B


Comments: The draft MTREF contains information about estimated earmarked revenues, but a narrative discussion is not included.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 47 asks about estimates of earmarked revenues, which are revenues that may only be used for a specific purpose (for example, revenues from an operational or capital grant that can only be used for a specific purpose). This information is important in determining which revenues are available to fund the government’s general expenses, and which revenues are reserved for particular purposes. The specific information here should include all operating and capital transfers and grants from other spheres of government (outside of the equitable share transfer).

The Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx. Table SA18 of the A1 Schedule shows what a typical table showing the earmarked transfers and grants from other spheres of government may look like. The Metro might provide the information in a different format.

To answer “a,” the draft MTREF or supporting documentation must present for at least the budget year estimates covering all earmarked revenues as well as a narrative discussion of the earmarked revenue. The researcher should consult the relevant national Division of Revenue Act and relevant provincial budget to identify the grants transferred to the Metro. If a narrative discussion is not included, and estimates for only some earmarked revenues are presented, then a “b” answer is appropriate. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if information on earmarked revenues is not available in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

48. Are service delivery performance targets assigned to service delivery indicators for the budget year in the draft MTREF or any supporting budget documentation?
   a. Yes, service delivery performance targets are assigned for all service delivery indicators for the budget year.
   b. Yes, service delivery performance targets are assigned for some but not all service delivery indicators for the budget year.
   c. No, service delivery performance targets are not assigned.

Answer: B

Sources: Table A10: Consolidated Basic Service Delivery Measurement on page 42 presents service delivery performance targets assigned for the respective budget years. This information can be accessed at https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf Accessed 10 June 2021.

Comments: Although the metro does not have an SDBIP for the budget year available on their website, the draft MTREF contains information about service delivery performance targets. It does however not provide targets for all service delivery targets.

Government Reviewer:
Peer Reviewer: Agreed, as the draft SDBIP was not available
IBP South Africa: Agreed
Guidelines: Question 48 asks about service delivery performance targets assigned for the budget year. The Service Delivery and Budget Implementation Plan (SDBIP) is one of the draft MTREF’s supporting documents. For all municipal directorates or departments responsible for service delivery, the SDBIP should provide targets for the service delivery indicators for the budget year, for example an annual target for the number of water services points (taps) provided to informal settlements.

To answer “a”, targets should be assigned to all service delivery indicators for the budget year. The information can usually be found in the Service Delivery and Budget Implementation Plan (SDBIP) or sometimes in the Integrated Development Plan (IDP). Answer “b” applies if targets have only been assigned to some service delivery indicators. Table A10 of the A1 Schedule (see the Municipal Budget and Reporting Regulations and the formats to be used for tables and approved budgets can be viewed at [http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx](http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx)) usually presents targets for the delivery of basic services to households. If only that information is presented in the draft MTREF or its supporting documents a “b” answer will also apply. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on service delivery targets for the budget year is available in the draft MTREF or supporting documentation, or if the answer to Question 16 is “b” or “c”).

<table>
<thead>
<tr>
<th>49. Did the Metropolitan Municipality publish a Citizens Budget for the draft MTREF?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, the Metropolitan Municipality published a Citizens Budget.</td>
</tr>
<tr>
<td>b. No, the Metropolitan Municipality did not publish a Citizens Budget.</td>
</tr>
</tbody>
</table>

Answer: B

Sources: Consultation with the metro website indicates that this document is not available.

Comments: The metro did not publish a Citizens Budget of the draft MTREF.

Government Reviewer:
Peer Reviewer: Agreed

Guidelines: Question 49 asks whether the Metro publishes a Citizens Budget of the draft MTREF. A Citizens Budget is the popular presentation of budget information that can take many forms ranging from a simple brochure to a comprehensive report, but its distinguishing feature is that it is a simplified summary of the budget designed to reach and be understood by as large a segment of the population as possible and facilitate discussion. Governments are strongly encouraged to issue such reports. The government production of a Citizens Budget serves to institutionalize the government’s commitment to presenting its policies in a manner that is understandable and accessible to the public.

Answer “a” applies if the Metro publishes a Citizens Budget at the same time as the draft MTREF (please refer to Table 1 and the reference table on page 26). Answer “b” applies if a Citizens Budget is not published at all or published after the draft MTREF.)
3.2 Role and Effectiveness of Oversight Institutions in the Budget Approval Phase

The questions in this section are designed to assess the role and effectiveness of oversight institutions in the budget approval phase (lasting from the tabling of the draft MTREF and supporting documentation in the Council for approval to adoption of the MTREF), and in particular the role of the relevant metro’s Council and Section 79 Council Committees. Section 79 of the Municipal Structures Act (117 of 1998) [http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Structures%20Act/Local%20Government%20-%20Municipal%20Structures%20Act,%20No.%20117%20of%201998.pdf] makes provision for a municipal Council to establish one or more committees necessary for the effective and efficient performance of its functions or exercise of its powers. In this section, as in other sections on oversight, any questions referring to a Council Committee refers to formally constituted Section 79 Council Committees. It is important to distinguish a Committee of the Council (established in terms of Section 79 of the Municipal Structures Act) from a committee of the executive (established in terms of Section 80 of the Municipal Structures Act). So-called ‘Section 79 Committees’ are chaired by a non-executive Councillor and report to the Council. They are more suitable for oversight than so-called Section 80 Committees, which are chaired by a member of the executive and which report to the executive. Most of the Metros have a list of Section 79 Committees online.

The questions in Section 3.2 evaluate whether there are adequate checks and balances for ensuring integrity and accountability in the Metro’s use of public resources. The questions in this section are likely to require the researcher to both examine publicly available documents and interview relevant officials from the Metro. The documents can include hard or electronic copies of notices, agendas and minutes of council meetings, as well as documents tabled at council meetings. A document review alone is however unlikely to allow the researcher to determine the various activities of the Council and its committees.

50. During the most recent budget approval process, when did the Council approve the annual budget?
   a. During the most recent budget approval process, the Council approved the annual budget at least 30 days before the start of the budget year.
   b. During the most recent budget approval process, the Council approved the annual budget less than 30 days before the start of the budget year, but at least by the start of the budget year.
   c. During the most recent budget approval process, the Council did not approve the annual budget before the start of the budget year.

Answer: a


Comments: The Council of City of Johannesburg approved its annual budget on 25-27 May 2021. This means that the Council approved the annual budget at least 30 days before the start of the budget year.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed
Guidelines: Question 50 assesses whether the Council approved the annual budget in time to be compliant with the law and/or align with international good practice. International good practice recommends that the draft budget should be approved by the Council before the start of the fiscal year the budget proposal refers to. This gives the Administration time to implement the budget in its entirety, particularly new programs and policies. Section 24 (1) of the MFMA requires annual budget to be considered at least 30 days before the start of the budget year (see http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf). But Section 24 (2)(a) requires the budget to be adopted before the start of the financial year. An “a” answer applies if the budget was approved no later than 31 May 2021 (so at least 30 days before the start of the financial year). A “b” answer applies if the budget was adopted after 31 May 2021, but before 1 July 2021. A “c” answer applies if the annual budget was approved later than 30 June 2021 or is not yet approved by the time the questionnaire is completed.

51. During the most recent budget approval process, did a Section 79 Council Committee with budget or finance responsibilities examine the draft MTREF and did it have at least one month to do so?

   a. Yes, a Section 79 Council Committee with budget or finance responsibilities had at least one month to examine the draft MTREF and submitted a report to Council with findings and recommendations at least one month prior to the annual budget being adopted.
   b. Yes, a Section 79 Council Committee with budget or finance responsibilities examined the draft MTREF and submitted a report to Council with findings and recommendations prior to the annual budget being adopted, but it had less than one month to do so.
   c. Yes, a Section 79 Council Committee with budget or finance responsibilities examined the draft MTREF but did not submit to Council a report with findings and recommendations prior to the annual budget being adopted.
   d. No, a Section 79 Council Committee with budget or finance responsibilities did not examine the draft MTREF.

Answer: D

Sources: Minutes of the section 79 Committee meetings made available by a City Official

Comments: Minutes of meetings of the section 79 committee on Finance made available by the City Official suggest that the Committee did not meet between the tabling and the approval of the MTREF for 2021/22. However, it is possible that the Committee met during this period but the relevant minutes of its meetings were not made available to the researcher.

Government Reviewer:
Peer Reviewer: Cannot agree or disagree: not privy to minutes made available, but answer seems right assuming reading of minutes is correct.

IBP South Africa: Agree with D. IBP was provided with the minutes by the researcher. No minutes were provided which indicates that a meeting took place between when the draft MTREF was tabled and when it was approved. It is thus impossible to know based on the information provided whether such a meeting took place at all, and if so, whether a discussion on this took place.
**Guidelines:** Question 51 assesses the role of a specialized budget or finance (Section 79) committee of the Council during the budget approval stage. A report with the committee’s findings and recommendations is intended to inform the debate in the full Council, therefore it must have been submitted to Council before the Council adopted the budget.

Response “a” requires that, in the last budget approval process, a specialized budget or finance committee had one month or more to examine the draft MTREF, and a report with findings and recommendations was submitted to Council prior to the budget being adopted. Researchers should use the adoption day’s date and deduct one month, i.e., if the annual budget was adopted on the 29th of June, the draft MTREF had to be referred to the committee by 29 May 2021, and the report needed to have been submitted before 29 June 2021. If the annual budget was adopted on the 31st of the month, a month prior would be the last day of the previous month. Response “b” applies where such a committee examined the draft budget and submitted a report, but within a shorter timeframe than one month. Response “c” applies if the relevant committee examined the budget (without regard to the time period) but did not submit a report prior to the MTREF being approved. Response “d” applies if the relevant committee did not examine the draft MTREF.

Please specify in your comment the name of the committee and the number of days it had available to examine the budget and to publish a report. If applicable, provide a copy of the report or a reference to the URL.

**52.** During the most recent budget approval process, did Section 79 Council Committees responsible for particular sectors examine the proposed revenue collection and expenditure related to the sector which they are responsible for in the draft MREF, and did they have at least one month to do so?

a. Yes, more than one Section 79 Council Committee responsible for a particular sector had at least one month to examine the proposed revenue collection and expenditure related to the sector which they are responsible for in the draft MTREF, and they submitted to Council a report with findings and recommendations prior to the annual budget being adopted.

b. Yes, more than one Section 79 Council Committee responsible for a particular sector examined the proposed revenue collection and expenditure related to the sector which they are responsible for in the draft MTREF, and they submitted to Council a report with findings and recommendations prior to the annual budget being adopted, but they had less than one month to do so.

c. Yes, more than one Section 79 Council Committee responsible for a particular sector examined the proposed revenue collection and expenditure related to the sector which they are responsible for in the draft MTREF but did not submit to Council a report with findings and recommendations prior to the annual budget being adopted.

d. No, Section 79 Council Committees responsible for particular sectors did not examine the proposed revenue collection and expenditure related to the sector which they are responsible for in the draft MTREF, or only one such a committee did this.

**Answer:** D

**Sources:** Minutes of section 79 committees made available by a City Official via email. The meetings are:
Minutes of the 35th Ordinary Meeting of the Section 79 Environment, Infrastructure and Services Committee held through Microsoft Teams, on Wednesday, 14 May 2021, at 10:00.

Comments: The minutes of the 32nd Ordinary Meeting of the Section 79 Community Development Committee held on 10 May 2021, at 10:00, indicate that, this Committee discussed and made recommendations to amend the tariffs in relation to the Johannesburg City Park and Zoo, Library, Sport Facilities, Recreation Centres and Swimming Pools, Cemeteries and Crematoria. I did not have access to minutes of meetings of other section 79 committees for the period between March to May 2021 to establish if they examined the proposed revenue collection and expenditure for their sectors.

Government Reviewer:

Peer Reviewer: Cannot agree or disagree: not privy to minutes made available. However, if one committee had examined, possible that it is the practice though, and more did. Looking at the responsibilities of different committees, suggest they all have responsibility for reviewing the IDP and budget for their respective directorates.

IBP South Africa: IBPSA has obtained copies of the minutes for the relevant meeting, and can confirm the reading of the researcher. It is however difficult to make a definitive decision on the score, as the peer reviewer does make a valid point that it is likely that more than one committee did the same as the community development committee during the same timeframe. Given the lack of evidence, the score however remains a D.

Guidelines: Question 52 assesses the role of Section 79 committees of the Council that are responsible for particular sectors (e.g., portfolio committees for human settlements, transport, water, etc.) during the budget approval stage. The approval stage is the stage of the budget process between the tabling of the draft MTREF for approval and the adoption of the final MTREF.

A report with the committee’s findings and recommendations is intended to inform the debate in the full Council, so therefore must be submitted before the Council has adopted the budget. Response “a” requires that more than one sector committee had one month or more to examine the Draft MTREF and submitted a report with findings and recommendations prior the budget being adopted. Response “b” applies where more than one such a committee examined the draft budget and submitted a report, but within a shorter timeframe of less than one month. Response “c” applies if more than one sectoral committee examined the budget (without regard to the time period) but did not submit a report prior to the adoption of the budget. Response “d” applies where sectoral committees did not examine the Draft MTREF, or only one such a committee examined the Draft MTREF.

Researchers should refer to the guidance in question 51 on what ‘at least one month’ means.

Please provide in the comments a brief overview of the committee structure and specify the number of days that sectoral committees had available to examine the budget and to submit their reports. If applicable, provide a sample copy or URL of at least one of the reports.

For purposes of responding to this question, use those sectoral committees that are best performing – that is, the ones that examine the budget the longest and that publish reports.
53. During the most recent budget approval process did the Council and/or a Section 79 Council Committee specifically deliberate on the prioritization of individual capital projects, and did they have at least one month to do so after the tabling of the draft MTREF?

a. Yes, the Council and/or a Section 79 Council Committee had at least one month to specifically deliberate on the prioritization of individual capital projects and made publicly available a report on its deliberations.

b. Yes, the Council and/or a Section 79 Council Committee specifically deliberated on the prioritization of individual capital projects and made publicly available a report on its deliberations but had less than one month to do so.

c. Yes, the Council and/or a Section 79 Council Committee specifically deliberated on the prioritization of individual capital projects but did not make publicly available a report on its deliberations.

d. No, the Council and/or a Section 79 Council Committee did not specifically deliberate on the prioritization of individual capital projects.

Answer: D

Sources: Minutes of section 79 committee meetings made available by a City Official via email.

Council Meetings:
- Minutes of the 22nd extra-ordinary meeting of the City of Johannesburg Municipal Council held on Tuesday, 20 April 2021
- Minutes of the 23rd extra-ordinary meeting of the City of Johannesburg Municipal Council, held on Monday, 26 April 2021.
- Minutes of the 24th Extra-Ordinary Meeting of the City of Johannesburg Municipal Council held on Tuesday, 4 May 2021.
- Minutes of the 25th Extra-Ordinary Meeting of the City of Johannesburg Municipal Council held on Tuesday, 11 May 2021, at 10:00

Section 79 Committees
- Minutes of the 32nd Ordinary Meeting of the Section 79 Community Development Committee held on Monday, 10 May 2021, at 10:00.
- Minutes of the 51st Ordinary Meeting of the Municipal Public Accounts Committee held on Thursday, 20 May 2021, at 11:00.

Comments: After examining the above referred minutes, it seems the Council and/or a Section 79 Committee of the Council did not specifically deliberate on the prioritization of individual capital projects.

Government Reviewer:
Peer Reviewer: Cannot agree or disagree: not privy to minutes made available. But answer seems correct: it may have been the Finance Committee, but later answers suggest these minutes were also made available. Besides, the finance committee is tasked only to look at IDP and budget for the Revenue and Finance Directorate
IBP South Africa: Agreed with the score given by the researcher. The minutes of the meetings which were reviewed, and which were provided to IBP, did not indicate that either the council or the section 79 committees reviewed deliberated the prioritization of individual capital projects ahead of the budget approval.

Guidelines: Question 53 assesses whether the Council and/or a Section 79 Council committee specifically discussed the prioritization of individual capital projects during the last budget approval stage. This should at a minimum include discussing whether the scoring criteria were properly applied to individual capital projects as well as discussing the ranking of individual capital projects based on the scoring process. Response “a” requires that the Council and/or a Council committee had at least one month to specifically discuss the prioritization of individual capital projects and published a report on its deliberations. Response “b” applies where the Council and/or a Council committee discussed the prioritization of individual capital projects and published a report on these deliberations, but within a shorter timeframe of less than one month. Response “c” applies where the Council and/or a Council committee discussed the prioritization of individual capital projects but did not publish a report on these deliberations. Response “d” applies where the Council and/or a Council committee did not discuss the prioritization of individual capital projects. Researchers should refer to the guidance in question 51 on what ‘at least one month’ means. If applicable, provide a copy or the URL of this report.

3.3 Public Engagement in the Budget Approval Phase

This section examines the processes, mechanisms, and practices the Metro’s Administration and Council have in place to ensure that the public is included in the approval phase of the Metro’s budget. The approval phase is from the tabling of the draft MTREF for approval, to its adoption by Council. The section therefore assesses opportunities for the public to participate meaningfully in budget decisions by Council on the tabled draft MTREF.

54. During the approval phase, did the Metropolitan municipality provide feedback to the public on how their inputs provided during the formulation phase have been included in the draft MTREF?
   a. Yes, the Metropolitan municipality provided feedback in a structured, facilitated and open process where the public was provided with information on which of the specific interventions that they identified during the formulation process have been included in the draft MTREF, which interventions have not been included in the draft MTREF, and the reasons for these decisions.
   b. Yes, the Metropolitan municipality provided feedback in a structured, facilitated and open process where the public was provided with information on which of the specific interventions that they identified during the formulation process have been included in the draft MTREF, which interventions have not been included in the draft MTREF, but no reasons for these decisions were provided.
   c. No, the Metropolitan municipality did not provide any feedback.
**Answer:** C

**Sources:** https://www.joburg.org.za/documents_/Documents/2021-22%20Draft%20Medium%20Term%20Budget%20Reports/2021-22%20BUDGET%20BOOK.pdf

**Comments:** Pertains to feedback on preceding CBP sessions.
The draft budget itself does not provide feedback on how and/or whether CBP-identified priorities were incorporated.
The public participation sessions on the draft budget also did not include structured feedback on CBP-identified priorities.

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** Question 54 assesses whether the Metro closes the participation loop from eliciting inputs during the drafting of the MTREF to providing feedback on how these have been incorporated in the draft MTREF as tabled. Note that interventions may mean both capital projects or services and other interventions financed through the operational budget. The METRO OBS standard for this feedback is:

1. The members of the public must be provided with information on whether the specific interventions they identified during participation in the MTREF preparation process, were included in the draft MTREF or not.
2. If the interventions were not included, reasons must be provided.
3. The feedback must be provided in a participation process during the approval phase of the MTREF, that is open, structured and facilitated. This means the process must be:
   - open to all members of the public (i.e., not on invite only).
   - facilitated (i.e., must be chaired); and
   - structured (i.e., must have an agenda and records are kept).

An ‘a’ answer applies if all these conditions are met. Note that a meeting does not have to be in-person to qualify as open and all virtual meetings and opportunities should be assessed. A “b” answer applies if all the conditions are met except condition 2 (i.e., when no reasons are provided for including or not including specific interventions identified by the public). A “b” answer would also apply if feedback was given with reasons, but not through an open, facilitated and structured process. Answer “c” applies if the Metro did not provide any feedback at all or provided feedback on what interventions were included but did not provide reasons and it was not through a suitable process.
55. Did the Metropolitan municipality hold open public meetings and/or use other participation mechanisms through which the public could provide input during the approval of the annual budgets?

- a. Yes, open public meetings were held, and members of the public could make oral and/or written submissions.
- b. No, open public hearings were not held, but contributions from the public were received through other means.
- c. No, there were no open public meetings or other participation mechanisms, but the Metropolitan municipality invited specific individuals to provide input (participation was thus in practice not open to everyone).
- d. No open public meetings or other participation mechanisms were used.

Answer: A


[https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/April.aspx](https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/April.aspx)

[https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/City-chases-service-delivery-targets-in-Region-D.aspx](https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/City-chases-service-delivery-targets-in-Region-D.aspx)

Municipal Official
Zayd Ebrahim
Director: Strategic Coordination and Management Support at City of Johannesburg

Comments: The city held IDP Review / Budget meetings across its seven regions in April 2021 using a mix of physical and hybrid meetings. A number of the meetings are summarised on the City web site under its ‘Newsroom’ section:

“The City is holding IDPs across the seven regions, which are employing virtual, physical or hybrid approaches. This is due to the current Covid-19 restrictions which has put limitation on the number of people allowed to gather.”

In addition, inputs could be provided online on either the IDP or budget up to 8 May via two designated email addresses (one for the budget and one for the IDP):

“Residents may review the documents on the City’s website: [www.joburg.org.za](http://www.joburg.org.za). The City has two dedicated emails for the IDP and Budget: budgetinputs@joburg.org.za and idpinput@joburg.org.za. The closing date for emailed comments is Saturday, 8 May.”

[https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/Comment-on-Joburg%e2%80%99s-draft-IDP-and-Budget.aspx](https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/Comment-on-Joburg%e2%80%99s-draft-IDP-and-Budget.aspx)

The city also made use of a newsletter (Joburg Update) where public meetings were announced and where the abovementioned email addresses for budget and IDP inputs were also provided, though with no further detail on the public meetings.
The participation schedule was posted on Facebook 11 April and 18 April, including venues and links to join virtually.

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** Question 55 asks whether there were open participation mechanisms for members of the public to provide input on the draft MTREF. This means that open opportunities (i.e., not through invite only) through which members of the public could make oral or written submissions on the draft MTREF. Again, note that that a meeting does not have to be in-person to qualify as open and all virtual meetings and opportunities should be assessed.

An “a” answer applies if the opportunity was an open public meeting, i.e., if it was not through invite only and the opportunity was a meeting with officials of the Metro and/or councillors. Answer “b” applies if members of the public could provide contributions of some nature (e.g., through a ‘tip’ line or an on-line facility), but not through a meeting. This means that there was no opportunity for interaction with officials and/or councillors. Answer “c” applies if contribution could be made through any means, but from invited members of the public / organisations only. Answer “d” applies if no opportunities were provided by the Metro for contributions from the public on the draft MTREF after its tabling.

**56. With reference to the two processes identified in Questions 54 and 55, did the Metropolitan municipality provide comprehensive prior (at least five working days) information on the process of engagement, so that the public could participate in an informed manner?**

Comprehensive information must include at least three of the following elements:
- Purpose
- Scope
- Constraints
- Intended outcomes.

- a. Yes, comprehensive information was provided at least five working days prior to the public’s engagement in the budget approval phase.
- b. Yes, comprehensive information was provided, but less than five working days prior to the public’s engagement in the budget approval phase!
- c. No, comprehensive information was not provided prior to the engagement.

**Answer:** C

**Sources:**

**Comments:** The researcher could find no evidence that comprehensive information was provided prior to the public engagement on the process to be followed.
There is no reference in any of the articles on particular public meetings held to structure, process, outcomes, or similar considerations, and it appears as though the ‘Budget feedback’ section with email addresses is limited to providing the email addresses and indicating that it can be used for comment.

**Government Reviewer:**
**Peer Reviewer:** Agreed, information on scope, but not other aspects
**IBP South Africa:** Agreed

**Guidelines:** Question 56 assesses the quality of the processes conducted by the Metro during which members of the public were provided with feedback on their identified interventions (question 54) and given the opportunity to provide contributions on the draft MTREF (Question 55).

The question relates to the GIFT principle of “Openness,” and addresses whether the Metro provides relevant information on the process of the engagement before public participation takes place, in order to help residents, engage effectively. The question addresses whether the “rules of the public engagement” are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. Specifically:

- **Purpose** refers to a brief explanation of why the public engagement is being undertaken, including the Metro’s objectives for its engagement with the public.
- **Scope** refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include an engagement on the capital budget only and excludes the operational budget.
- **Constraints** refers to whether there are any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.
- **Intended outcomes** refers to what the Metro hopes to achieve as a result of the engagement. Examples of intended outcomes could be to revise a policy to better reflect residents’ or service-user views, to elicit input on capital project selection, or to improve the way in which a particular program is administered.

Answer “a” applies if information is provided on at least three of the elements for participation identified above for the opportunities provided in Questions 54 and 55, at least five days before the engagement. Answer “b” applies if information is provided on at least three of the elements, but less than five working days before the engagement. Answer “c” applies if less than three of the listed elements were provided, even if the information was provided five working days or more before the engagement or if the Council does not use public participation mechanisms during the budget implementation stage. **If only one of the two participation opportunities identified in Questions 54 and 55 was conducted, please answer the question for this opportunity only.**

**57. With reference to the two processes identified in Questions 54 and 55, did the metropolitan municipality make public the time and place for meetings where the draft MTREF would be discussed at least five working days in advance and was the information easily accessible?**

   a. The time and meeting place were made public in easily accessible places at least five working days in advance.
b. The time and meeting place were made public in easily accessible places but fewer than five working days in advance.
c. The time and meeting place were not made public in easily accessible places.

Answer: B


Comments: Regarding online participation, the City posted an article in its newsroom on 25 March 2021, indicating that the draft IDP and Budget were tabled the day before and would be on the web site the next day (26 March). The article referred to community-based planning which had allegedly informed the documents and requested email comment on the budget at the end of the article, where an email address for IDP comment and one for Budget comment are provided, and the deadline for comments through this channel is confirmed as 8 May.

The article also refers to public meetings which are to be held in the period from 8 April to 5 May, as follows:

> “Public participation meetings will also be hosted from 8 April 2021 to 5 May 2021. Meeting details and links to virtual sessions will be available on the City’s website: [www.joburg.org.za](http://www.joburg.org.za) from 1 April 2021.”

It would be helpful to specify more precisely where on the web site details about public meeting will be uploaded (if on the home page it would still be helpful to state this).

The researcher could not find any further reference to dates and venues for upcoming public / virtual meetings in the City newsroom; this is surprising since it would seem the logical place to upload such content to.

A subsequent article on participation, dated 21 April 2021, is essentially a cut and paste of the 25 March article, but reference to the public meetings is not included now. This is not to suggest that they did not take place though (they did), with the first one occurring 14 April: [https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/First-physical-IDP-meeting-held-without-glitches-in-Region-D.aspx](https://www.joburg.org.za/media_/Newsroom/Pages/2021%20News%20Articles/April/First-physical-IDP-meeting-held-without-glitches-in-Region-D.aspx)


In a March 2021 notice, the tabled date is confirmed, and an alternative means of participation, namely written and submitted by hand at the regional offices, is also provided.

The Notice also confirms that budget documents can be collected from each of the regional offices, gives the address, as well as the contact person and their mobile nr.

In April, a notice was put on the web site asking for online comment, per region, as well as a notice for a virtual meeting for region D, to take place on 8 April 2021.

In May a notice was posted for IDP engagement, virtually, for four sectors (women, youth, PWD, business): [https://www.joburg.org.za/Documents/2021%20Notices/May/IDP%20Sector%20Engagement%202021.pdf](https://www.joburg.org.za/Documents/2021%20Notices/May/IDP%20Sector%20Engagement%202021.pdf)
Since the dates are either 4 or 5 May in all cases, and the notice was uploaded, the likelihood is that the 5 days requirement was not met. These Notices can be found by clicking on ‘key documents’ then “SDBIP, IDO, Budget’ and then Notices, a fairly tortuous route. There is a link at the bottom of the home page called “public notices’ where these notices could also be expected to be found, but this not been updated and the most recent folder is ‘2018 Notices’.

To conclude thus far, neither the newsroom nor notices section contain a schedule of meetings, public or virtual. The only place where the researcher could find the actual schedule of public meetings was on the City facebook page, uploaded 11 April and 18 April (https://www.facebook.com/CityofJoburg/photos/?ref=page_internal), which would be too late given that the sessions started 8 April with D region.

Government Reviewer:
Peer Reviewer: The first Facebook and twitter notices were 11 April. On the notices page, a notice was posted on 8 April the day of the first consultation. So, agreed with the score
IBP South Africa: Agreed

Guidelines: Question 57 asks whether sufficient information about the processes of the approval phase public participation meetings was published before the meetings. Easily accessible places can be any of the following:

- On the metro’s website
- In community newspapers
- Announced on local radio stations
- Social media (Facebook and Twitter)
- On the metro’s mobile app

Answer “a’ applies if the time and place of the meeting were made public at least five working days before the engagement and using at least three of the five places listed above and in at least one language in addition to English. Answer “b” applies if this information was made public and using at least three of the five places listed above and in at least one language in addition to English, but fewer than five working days before the engagement. Answer “c” applies if this information was not made public or if the metro used only one of the methods above, or the metro did not use public participation mechanisms during the budget approval stage. If only one of the two participation opportunities identified in Questions 9 and 10 was conducted, please answer the question for this opportunity only.

58. Did the metropolitan municipality take concrete steps to assist residents with no or limited internet access, to participate in virtual engagements to provide input during the approval of the draft MTREF?
a. Yes, the metropolitan municipality took concrete steps to facilitate participation by residents with no or limited access to the internet in virtual engagements during the approval of the draft MTREF.

b. No, the metropolitan municipality did not take concrete steps to facilitate participation by residents with no or limited access to the internet in virtual engagements during the approval of the draft MTREF.

Answer: B

Sources:

Comments: The city held its sessions online, as had been the case with the sessions in the formulation phase. There is no evidence that concrete steps were taken to support online participation, beyond the general fact, already alluded to, that the city does provide free Wi-Fi at a wide range of spots for residents who register with an email address.

Government Reviewer: Agreed
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: In light of the regulations to address, prevent and combat the spread of COVID-19 during various levels of the national lockdown, some metropolitan municipalities used virtual public engagement opportunities or a combination of virtual and in-person opportunities to enable the public to provide input during the approval of the draft MTREF. This question assesses if the metro took concrete steps to enable participation in virtual opportunities by residents with no or limited access to the internet.

The objective of this question is to recognise innovation and the guidelines here are not prescriptive. To qualify for an answer “a”, the metro must have taken some steps to enable residents with no or limited access to the internet to provide input during virtual engagements on the draft MTREF. This can, for example, be provision of free Wi-Fi access at certain municipal facilities. The researcher is required to describe any innovations in the Comments section. If there is no evidence of any such innovative steps, a “b” answer will apply.

Section 4 Implementation of the Annual Budget

Section 4 asks questions about the transparency of documentation available for, and the effectiveness of oversight processes and openness of participation opportunities for members of the public during the implementation phase of the budget. The implementation phase of the budget is the fiscal year, staring
on 1 July and ending on 30 June of the subsequent year. The Section looks at the Adopted Budget, the Monthly Budget Statements and oversight and participation processes that use the Monthly Budget Statements.

4.1 Comprehensiveness of the Adopted Budget

After debating the draft MTREF, the Council typically enacts some form of a budget or appropriation, referred to as the adopted MTREF. The adopted MTREF provides the baseline information for any analyses conducted during the fiscal year. In other words, it is the starting point for monitoring the implementation phase of the budget. Sometimes the draft MTREF varies significantly from the adopted MTREF and the Metro OBS Questionnaire specifically asks about how much information is provided about the changes between the draft and final MTREF.

59. When was the adopted budget made available to the public?
   a. The adopted budget was made available within 10 working days of its adoption.
   b. The adopted budget was made available after more than 10 working days of its adoption, or it was not released to the public.

Answer: A


Comments: The budget was published on the website on May 31 2021. This was determined by using the javascript tool. That means it was published ahead of the timeline set out, which is that the document must be published ten working days after the budget was adopted. The budget was adopted on May 27.

Government Reviewer: Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 59 tests whether the adopted budget is publicly available. Please refer to the guidance on the timely publication of budget documents in Table 2. The adopted budget must have been available at least 10 working days after adoption by Council for an “a” answer. For a “b” answer, the adopted budget was not published by this deadline, or not released to the public at all.

60. If the adopted budget was made available within 10 working days, did it present a statement of the changes between the draft MTREF and the adopted budget?
a. Yes, a statement of all changes was presented, along with a narrative discussion.
b. Yes, a statement of all changes was presented, but a narrative discussion was not included.
c. No, a statement of changes was not presented.

Answer: C

Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/2021-24%20Final%20Medium%20Term%20Budget%20Reports/202124-Final-Medium-Term-Budget-Reports.aspx

Comments: A statement of changes was not published together with the adopted budget.

Government Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Answer “a” applies if the adopted budget or its supporting documentation presents a statement of all the changes between the draft and the adopted MTREF (the adopted budget), including a narrative discussion. The statement can be in the form of a table or a list of all the changes. Answer “b” applies if a statement of changes is presented, but no narrative discussion. Answer “c” applies if no statement of changes is provided, or if the adopted budget is not considered publicly available (if the answer to Question 59 is “b”).

61. Did the Metro publish a Citizen’s Budget for the adopted budget?

a. Yes, the Council or the Administration published a Citizen’s Budget.
b. No, the Council or the Administration did not publish a Citizen’s Budget.

Answer: B

Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/2021-24%20Final%20Medium%20Term%20Budget%20Reports/202124-Final-Medium-Term-Budget-Reports.aspx

Comments: The metro did not publish a citizen’s budget on the website together with the adopted budget.

Government Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 61 asks whether the Metro publishes a Citizens Budget of the adopted budget. A Citizens Budget is a type of popular presentation of budget information that can take many forms, but its distinguishing feature is that it is designed to reach and be understood by as large a segment of the population as possible. A Citizens Budget is a simplified summary of the budget designed to facilitate discussion. Governments are strongly encouraged to issue such reports. The government production of a Citizens Budget serves to institutionalize the government’s commitment to presenting its policies in a
manner that is understandable and accessible to the public. In order to be considered publicly available by the Metro Open Budget Survey methodology, the Citizens Budget must be released at the same time as a “publicly available” adopted budget, that means 10 working days after adoption. A “b” answer applies if no Citizens budget was released or it was released more than 10 working days after adoption, or not at the same time as the adopted budget.

4.2 Comprehensiveness of the Monthly Budget Statements

Monthly Budget Statements are issued during the year as the budget is being executed. They are intended to show the Administration’s progress in implementing the budget. The Municipal Finance Management Act (MFMA, No 56 of 2003) requires the accounting officer of a metro to submit Monthly Budget Statements to the mayor and quarterly reports on the implementation of the budget to the council (See Sections 52 and 71, http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf). For the purposes of answering the following questions (62 to 80) researchers should draw their answers from the Monthly Budget Statements. Section 71 (1) of the MFMA requires monthly budget statements to be submitted to the mayor no later than 10 working days after the end of each month, while the Municipal Budget and Reporting Regulations Section 30(1) and the MFMA Section 76(2) require the statements to be placed on the municipality’s website within five calendar days after being tabled. Based on these requirements published in time means the statements are made publicly available within 10 working days plus five calendar days after the end of each month. For the purposes of completing the questions on the Monthly Budget Statement the researcher should verify whether all 12 statements for the 2020 calendar year have been released according to the accepted timeframe and whether these statements are consistent. This means that the survey assesses the last six statements for the 2019/20 financial year and the first six statements for the 2020/21 financial year. Table 2 under Section 1.2 provides dates for when statements for 2020 should have been published. If all 12 statements have not been released or some are not complete the researcher should select answer “b” for Questions 63 to 80. If no statements have been released for the preceding 12 months or none of the 12 are complete, answer “c” will apply for all questions.

62. When were the Monthly Budget Statements made available to the public?
   a. All 12 statements were published in time to be considered.
   b. All 12 statements were published, but one or more were published later than the stipulated time or not published at all.
   c. No monthly budget statements were published.

Answer: c

Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx

Comments: No Monthly Budget Statements were published on the city’s website

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 62 assesses the public availability of the Monthly Budget Statements. Section 71 (1) of the MFMA requires monthly budget statements
to be submitted to the mayor no later than 10 working days after the end of each month, while the Municipal Budget and Reporting Regulations Section 30(1) and the MFMA Section 76(2) require the statements to be placed on the municipality’s website within five calendar days after being tabled. Based on these requirements published in time means the statements are made publicly available within 10 working days plus five calendar days after the end of each month. Table 2 under Section 1.2 provides dates for when statements should have been published for the 2020 calendar year.

Answer “a” applies if the last 12 statements were available on the Metro’s website on time. Please see Table 2 what this would mean in specific dates relative to when the assessment is done. Answer “b” applies if all twelve statements were published, but one or more were released later than the specific deadline for that month or not released at all. Answer “c” applies if Monthly Budget Statements were not published at all.

<table>
<thead>
<tr>
<th>63. Do the Monthly Budget Statements present actual operational and capital expenditures by vote and function?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, all actual expenditures are presented by vote and function.</td>
</tr>
<tr>
<td>b. Yes, some but not all actual expenditures are presented by vote and function.</td>
</tr>
<tr>
<td>c. No, actual expenditures are not presented by vote or function.</td>
</tr>
</tbody>
</table>

Answer: c

Sources: [https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx](https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx)

Comments: Monthly Budget Statements were not published on the website

Government Reviewer:

Peer Reviewer: Agreed

IBP South Africa: Agreed

Guidelines: Question 63 asks about the presentation of actual operational and capital expenditures for the year to date by vote and functional classification. Answer “a” applies if all actual operating and capital expenditures are presented by both vote and functional classification. Answer “b” applies if some operating and capital expenditures are presented by vote and function and the expenditures do not add up to total operating and capital expenditure, or if only one of the classifications are presented. Answer “b” also applies if not all 12 statements have been released on time even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual expenditures are not presented by vote and function at all.

<table>
<thead>
<tr>
<th>64. Do the Monthly Budget Statements present actual operational expenditures by type?</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, all actual operational expenditures are presented by type.</td>
</tr>
<tr>
<td>b. Yes, some but not all actual operational expenditures are presented by type.</td>
</tr>
<tr>
<td>c. No, actual operational expenditures are not presented by type.</td>
</tr>
</tbody>
</table>

Answer: c
65. Do the Monthly Budget Statements present actual operational expenditures by type for individual votes?
   a. Yes, all actual operational expenditures are presented for votes by type.
   b. Yes, some but not all actual operational expenditures are presented for votes by type.
   c. No, actual operational expenditures are not presented for votes by type.

   Answer: c

   Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx

   Comments: Monthly Budget Statements were not published on the website

   Government Reviewer: Agreed
   Peer Reviewer: Agreed
   IBP South Africa: Agreed

Guidelines: Question 65 asks about the presentation of actual operational expenditures for the year to date by type. Answer “a” applies if all actual operating expenditures are presented by type. Answer “b” applies if only some actual operational expenditures are presented type and the expenditures do not add up to total expenditure. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual operational expenditures are not presented by type, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

66. Do the Monthly Budget Statements present actual operational and capital expenditures by sub-vote and sub-function?
   a. Yes, all actual expenditure estimates are presented by sub-vote and sub-function classifications.
   b. Yes, some but not all actual expenditure estimates are presented by sub-vote and sub-function classifications.

   Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx

   Comments: Monthly Budget Statements were not published on the website

   Government Reviewer: Agreed
   Peer Reviewer: Agreed
   IBP South Africa: Agreed

Guidelines: Question 66 asks about the presentation of actual operational expenditures for the year to date, by type for individual votes. Answer “a” applies if all actual operational expenditures are presented by type for all individual votes. Answer “b” applies if only some expenditures are presented in this way and the expenditures do not add up to total expenditure. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual expenditures are not presented by type for individual votes, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).
c. No, actual expenditure estimates are not presented by sub-vote or sub-function classification.

**Answer:** c  
**Sources:** [https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx](https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx)  
**Comments:** Monthly Budget Statements are not made publicly accessible  
**Government Reviewer:**  
**Peer Reviewer:** Agreed  
**IBP South Africa:** Agreed

**Guidelines:** Question 66 asks about the presentation of actual operational and capital expenditures for the year to date by sub-vote and sub-functional classification. Answer “a” applies if all actual operational and capital expenditures are presented by both sub-vote and sub-functional classification. Answer “b” applies if some operational and capital expenditures are presented by sub-vote and sub-function and the expenditures do not add up to total operational and capital expenditure, or if only one of the classifications are presented. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual expenditures are not presented by sub-vote or sub-function, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

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**67. Do the Monthly Budget Statements present type of actual operational expenditures by item?**  
   a. Yes, all types of actual operational expenditures are presented by item.  
   b. Yes, some but not all types of actual operational expenditures are presented by item.  
   c. No, types of actual operational expenditures are not presented by item.

**Answer:** c  
**Sources:** [https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx](https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx)  
**Comments:** Monthly Budget Statements were not published on the website  
**Government Reviewer:**  
**Peer Reviewer:** Agreed  
**IBP South Africa:** Agreed

**Guidelines:** Question 67 asks about the presentation of actual operational expenditures by item. Item is the sub-category of type of operating expenditure. Answer “a” applies if all actual operational expenditures are presented by item. Answer “b” applies if only some operating expenditures are presented in this way and the expenditures do not add up to total operating expenditure. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual operating expenditures are not presented by item, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).
68. Do the Monthly Budget Statements compare actual year-to-date operational and capital expenditures with the original estimate for that period (based on the adopted budget)?
   a. Yes, comparisons are made for all expenditures presented in the Monthly Budget Statements.
   b. Yes, comparisons are made for some but not all expenditures presented in the Monthly Budget Statements.
   c. No, comparisons are not made for all expenditures presented in the Monthly Budget Statements.

Answer: c
Sources: https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx

Comments: Monthly Budget Statements are not publicly available
Government Reviewer: Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 68 asks whether the Monthly Budget Statements compare actual operational and capital expenditures to-date with the enacted levels (as shown in the adopted MTREF). To answer “a,” comparisons must be made for all operational and capital expenditures presented in the Monthly Budget Statements. Answer “b” applies if no comparisons are shown, if comparisons are made for only some operational or capital expenditure, or if comparisons are made for only one of the classifications, or if not all 12 statements have been released even though comparisons are made those that have been released (if the answer to Question 62 is “b”), or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

69. Do the Monthly Budget Statements present explanations for material year-to-date variances in operating expenditure by vote and type?
   a. Yes, explanations are presented for all material year-to-date variances in operating expenditure by vote and type.
   b. Yes, explanations are presented for some but not all material year-to-date variances in operating expenditure by vote and type.
   c. No, explanations are not presented for material year-to-date variances in operating expenditure by vote and type.

Answer: c
Sources: https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx

Comments: Monthly Budget Statements are not publicly available
Government Reviewer: Peer Reviewer: Agreed
IBP South Africa: Agreed
Guidelines: Question 69 asks whether the Monthly Budget Statements present any explanations for over-, or underspending shown in the monthly budget statement for the year to date relative to the budgeted estimates, for operating expenditure by vote and type. Answer “a” applies if explanations are presented for all material variances shown in operating expenditure by vote and type. Answer “b” applies if explanations are only presented for some material variances shown, or only by vote or by type, or if some of the statements were not published or published late (if the answer to Question 62 is “b”). Answer “c” applies if no explanations are presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

70. Do the Monthly Budget Statements present remedial steps to address material year-to-date variances in operating expenditures by vote and type?
   a. Yes, remedial steps are presented to address all material year-to-date variances in operating expenditures by vote and type.
   b. Yes, remedial steps are presented to address some but not all material year-to-date variances in operating expenditures by vote and type.
   c. No, remedial steps are not presented to address material year-to-date variances in operating expenditures by vote and type.

Answer: c

Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx

Comments: Monthly Budget Statements are not publicly available

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 70 asks whether the Monthly Budget Statements present any remedial steps or corrective action for the material variances in operating expenditure by vote and type, referred to in the previous question. Answer “a” applies if remedial steps are presented to address all material variances in operating expenditures by vote and type. Answer “b” applies if remedial steps are presented to only address some material variances. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if no remedial steps are presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

71. Do the Monthly Budget Statements present individual sources of actual operating revenue collected?
   a. Yes, individual sources of revenue, accounting for all actual operating revenue collected, are presented.
   b. Yes, individual sources of revenue, accounting for some but not all actual operating revenue collected, are presented.
   c. No, individual sources of actual operating revenue collected are not presented.

Answer: c

Sources: https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx
**Comments:** Monthly Budget Statements are not publicly available

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** Question 71 asks about the presentation of actual revenue collected, according to all individual sources of operating revenue. Answer “a” applies if all actual revenues are presented for all individual sources of operating revenue. Answer “b” applies if actual revenues are only presented for some individual sources of operating revenue. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual individual sources of operating revenue are not presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

<table>
<thead>
<tr>
<th>72. <strong>Do the Monthly Budget Statements present individual sources of actual grant revenue received for operating expenditure?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, individual sources of grant revenue, accounting for all actual operating grant revenue received, are presented.</td>
</tr>
<tr>
<td>b. Yes, individual sources of grant revenue, accounting for some but not all actual operating grant revenue received, are presented.</td>
</tr>
<tr>
<td>c. No, individual sources of actual operating grant revenue received are not presented.</td>
</tr>
</tbody>
</table>

**Answer:** c

**Sources:** [https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx](https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx)

**Comments:** Monthly Budget Statements are not available on the website

**Government Reviewer:**
**Peer Reviewer:** Agreed
**IBP South Africa:** Agreed

**Guidelines:** Question 72 asks about the presentation of actual grant revenue collected, specifically for operating expenditure. In other words, it asks about the collection of operating grant revenues. Answer “a” applies if all actual revenues are presented for all individual operating grants. Answer “b” applies if actual revenues are only presented for some operating grants. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual individual sources of operating grant revenue are not presented, or if the statement were not published at all, or all were published late (if the answer to Question 62 is “c”).

<table>
<thead>
<tr>
<th>73. <strong>Do the Monthly Budget Statements present individual sources of actual capital revenue collected?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Yes, individual sources of revenue, accounting for all actual capital revenue collected, are presented.</td>
</tr>
<tr>
<td>b. Yes, individual sources of revenue, accounting for some but not all actual capital revenue collected, are presented.</td>
</tr>
<tr>
<td>c. No, individual sources of actual capital revenue collected are not presented.</td>
</tr>
</tbody>
</table>
**Answer:** c  
**Sources:** [https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx](https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx)  
**Comments:** Monthly Budget Statements are not available on the website  
**Government Reviewer:**  
**Peer Reviewer:** Agreed  
**IBP South Africa:** Agreed

**Guidelines:** Question 73 asks about the presentation of actual revenue collected, according to all individual sources of capital revenue. Answer “a” applies if all actual revenues are presented for all individual sources of capital revenue. Answer “b” applies if actual revenues are only presented for some individual sources of capital revenue. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual individual sources of capital revenue are not presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

---

**74. Do the Monthly Budget Statements present individual sources of actual grant revenue received for capital expenditure?**

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<tbody>
<tr>
<td>a.</td>
<td>Yes, individual sources of grant revenue, accounting for all actual capital grant revenue received, are presented.</td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td>Yes, individual sources of grant revenue, accounting for some but not all actual capital grant revenue received, are presented.</td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td>No, individual sources of actual capital grant revenue received are not presented.</td>
<td></td>
</tr>
</tbody>
</table>

**Answer:** c  
**Sources:** [https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx](https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx)  
**Comments:** Monthly Budget Statements are not available on the website  
**Government Reviewer:**  
**Peer Reviewer:** Agreed  
**IBP South Africa:** Agreed

**Guidelines:** Question 74 asks about the presentation of actual grant revenue collected, specifically for capital expenditure. In other words, it asks about the collection of capital grant revenues. Answer “a” applies if all actual revenues are presented for all individual capital grants. Answer “b” applies if actual revenues are only presented for some capital grants. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual individual sources of capital grant revenue are not presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).
75. Do the Monthly Budget Statements compare actual year-to-date revenues with the original estimate for that period (based on the adopted budget)?
   a. Yes, comparisons are made for all revenues presented in the Monthly Budget Statements.
   b. Yes, comparisons are made for some but not all revenues presented in the Monthly Budget Statements.
   c. No, comparisons are not made for revenues presented in the Monthly Budget Statements.

   Answer: c
   Sources: https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx
   Comments: Monthly Budget Statements are not available on the website
   Government Reviewer: 
   Peer Reviewer: Agreed
   IBP South Africa: Agreed

   Guidelines: Question 75 asks whether the Monthly Budget Statements compare the actual year-to-date collection of operating and capital revenues with the original estimate for the period (based on the adopted MTREF). Answer “a” applies if comparisons are presented. Answer “b” applies if comparisons are not presented or if all 12 statements have not been released even though comparisons are made in those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual year-to-date collection of operating and capital revenues are not compared with the original estimate, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

76. Do the Monthly Budget Statements present actual expenditures for individual capital projects?
   a. Yes, actual expenditures are presented for all individual capital projects.
   b. Yes, actual expenditures are presented for some but not all individual capital projects.
   c. No, actual expenditures are not presented for individual capital projects.

   Answer: c
   Sources: https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx
   Comments: Monthly Budget Statements are not available on the website
   Government Reviewer: 
   Peer Reviewer: Agreed
   IBP South Africa: Agreed
**Guidelines:** Question 76 asks about the presentation of actual expenditures for individual capital projects. Answer “a” applies if the Monthly Budget Statement presents actual year-to-date expenditures for all individual capital projects. Answer “b” applies if actual year-to-date expenditures are presented for some but not all individual capital projects. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if actual expenditures on capital projects are not presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
<th>Sources</th>
<th>Comments</th>
<th>Government Reviewer</th>
<th>Peer Reviewer: Agreed</th>
<th>IBP South Africa: Agreed</th>
</tr>
</thead>
</table>
| 77. Do the Monthly Budget Statements present explanations for material year-to-date variances in expenditures on individual capital projects? | a. Yes, explanations are presented for all material year-to-date variances in expenditures on individual capital projects.  
b. Yes, explanations are presented for some but not all material year-to-date variances in expenditures on individual capital projects.  
c. No, explanations are not presented for material year-to-date variances in expenditures on individual capital projects. | https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx | Monthly Budget Statements are not available on the website | | | |

**Guidelines:** Question 77 asks if the Monthly Budget Statement presents explanations for material over- or underspending for the year to date relative to the budgeted estimates for individual capital projects. Answer “a” applies if the Monthly Budget Statement presents explanations for all such variances in expenditures on individual capital projects. Answer “b” applies if explanations are presented for some but not all variances. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if no explanations for variances are presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
<th>Sources</th>
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</table>
| 78. Do the Monthly Budget Statements present remedial steps to address material year-to-date variances in expenditures on individual capital projects? | a. Yes, remedial steps are presented for all material year-to-date variances in expenditure on individual capital projects.  
b. Yes, remedial steps are presented for some but not all material year-to-date variances on expenditure on individual capital projects.  
c. No, remedial steps are not presented for material year-to-date variations in expenditures on individual capital projects. | https://www.joburg.org.za/documents_/Pages/Key%20Documents/Key-Documents.aspx |
Comments: Monthly Budget Statements are not available on the website
Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 78 ask whether the Monthly Budget Statements present remedial steps or corrective action to address the material year-to-date variances in expenditures on individual capital projects, referred to in the previous question. Answer “a” applies if remedial steps are presented for all such variances. Answer “b” applies if remedial steps are only presented for some variances. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). And answer “c” applies if no remedial steps are presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

79. Do the Monthly Budget Statements present explanations for material year-to-date variances in capital expenditure by vote?
   a. Yes, explanations are presented for all material year-to-date variances in capital expenditure by vote.
   b. Yes, explanations are presented for some but not all material year-to-date variances in capital expenditure by vote.
   c. No, explanations are not presented for material year-to-date variances in capital expenditure by vote.

Answer: c
Sources: https://www.joburg.org.za/documents/Pages/Key%20Documents/Key-Documents.aspx
Comments: Monthly Budget Statements are not available on the website
Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 79 asks if the Monthly Budget Statements present explanations for material over- or underspending for the year to date relative to the budgeted estimates for capital expenditure by vote. Answer “a” applies if the Monthly Budget Statement presents explanations for all such variances in capital expenditure by vote. Answer “b” applies if explanations are presented for some but not all variances. Answer “b” also applies if not all 12 statements have been released even if the information is complete for those that have been released (if the answer to Question 62 is “b”). Answer “c” applies if no explanations for variances are presented, or if the statements were not published at all, or all were published late (if the answer to Question 62 is “c”).

80. Do the Monthly Budget Statements present remedial steps to address material year-to-date variances in capital expenditure by vote?
   a. Yes, remedial steps are presented to address all material year-to-date variances in capital expenditure by vote.
   b. Yes, remedial steps are presented to address some but not all material year-to-date variances in capital expenditure by vote.
   c. No, remedial steps are not presented to address material year-to-date variances in capital expenditure by vote.
4.3 The Procurement System

81. Did the Metropolitan Municipality publish a consolidated Annual Procurement Plan, which includes procurement information for all relevant departments and entities?

   a. The Annual Procurement Plan was published and included consolidated information for all relevant departments and entities.
   b. The Annual Procurement Plan was published but did not include the procurement plans of all departments and entities, and therefore was not complete.
   c. There was no information publicly available on the annual procurement plans to be implemented by the Metropolitan Municipality and entities

Answer: C


Comments: The municipality did not publish an annual consolidated procurement plan on its website.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed
**Guidelines:** Question 81 asks about the public availability of the Annual Procurement Plan. A Procurement Plan sets out all the goods and services that a department or institution will need to meet its performance targets and fulfil the objectives in its strategic plans. At a minimum the plan should include the name of the relevant department or entity, the name and contact details of the head of the department, a description of all the goods and/or services being procured, the estimated cost (inclusive of VAT), the name of the responsible officer, and the date on which the bid will be advertised, the closing date for bids to be submitted and the date by which the contract will be awarded. Metros sometimes publish their Annual Procurement Plan at the same time as the draft MTREF, or as one of the annexures to the draft MTREF.

Answer “a” applies if the plan is publicly available and includes the minimum information described above for all the Metro’s departments and entities. Answer “b” applies if such a plan is publicly available but does not include the minimum information for all the departments or entities or provides less that the minimum information described above for some or all departments and entities. Answer “c” applies if the Metro does not publish any information on its procurement plans and the procurement plans of its entities.

82. Does the Metropolitan Municipality publish tender specifications for all tender notices on its website, can they be downloaded free of charge and do they remain on the website of the full duration of the contract?

   a. Yes, the Metropolitan Municipality publishes tender specifications for all tender notices on its website which are downloadable, free of charge and remain on the website for the full duration of the contract.

   b. Yes, the Metropolitan Municipality publishes tender specifications for all tender notices on its website, which are downloadable, free of charge, but removes them from the website once the tender closes.

   c. Yes, the Metropolitan Municipality publishes tender specifications, but for only some tender notices.

   d. No, the Metropolitan Municipality does not publish tender specifications.

**Answer:** C

**Sources:**


https://www.joburg.org.za/work_/Pages/Work%20in%20Joburg/Tenders%20and%20Quotations/Links/List%20of%20awarded%20contracts/List-of-awarded-contracts.aspx -- Page where you find awarded contracts

**Comments:** The procurement section on the website of the City of Johannesburg has two separate sections where tender documents can in theory be accessed. The “e-tenders” section diverts one to the National Treasury’s temporary e-tender portal. The Metro OBI requires the documents to be available on the relevant metro’s website and will therefore not assess the comprehensiveness of the documents on the National Treasury’s website. In the tender document section on the metro’s website the bid specifications are included in the set of tender documents for all tenders advertised in that
section. As of July 2021, the section includes tenders with closing dates as far back as March 2021. This does not however suggest that the documents remain online after award of contract, as there are no documents available for tenders that closed before March 2021. The section with information on awarded tenders has not been updated since 2019, and does not include tender specifications for the awards made at that time. The score for this question is therefore a “c”. It should be noted that many of the metro’s entities (such as Johannesburg Water and Pikitup) are responsible for their own procurement and as such advertise their own tenders. For the purposes of the Metro OBI we mainly assess procurement transparency on the parent municipality’s website – the rationale for this is that if any of the entities scores better than the parent municipality, it will still not improve an overall combined score for the parent municipality and its entities.

**Government Reviewer:**
**Peer Reviewer:** Agreed on the argumentation. There are no links available to tenders pre-March 21.

**IBP South Africa:** Agreed

**Guidelines:** Question 82 asks about the availability of tender specifications. The tender specifications form part of the set of tender documents that are made available when an invitation to tender is issued for a specific good or service. The tender specifications are the document that contains all the details about the exact nature, technical specifications and amount of the goods or service required, as well as the timing of the delivery of the goods or services.

Answer “a” applies if the metro publishes tender specifications which are downloadable, free of charge and remain on the website after the closing date of the tender, after the award of the tender and until the contract is completed, for all tender notices on its website. Answer “b” applies if the tender specifications are downloadable and free of charge, but the metro removes the document after the closing date/award of the tender. To test this, the researcher should verify if any tender specifications are still downloadable for any tenders that have closed before the date of completion of the Metro OBS Questionnaire (14 July 2021) – for at least as far back as 12 months. Answer “c” applies when the metro only publishes downloadable tender specifications for some of the tender notices on its website. Answer “d” applies when the metro does not publish tender specifications for any of the tender notices on its website.

<table>
<thead>
<tr>
<th>83. Is information on the awarding of public tenders made publicly available within five working days of the award?</th>
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<tbody>
<tr>
<td>a. Yes, information on the awarding of all public tenders is made publicly available within five working days of the award.</td>
</tr>
<tr>
<td>b. No, information on the awarding of public tenders is not made publicly available within five working days of the award.</td>
</tr>
</tbody>
</table>

**Answer:** B

**Sources:**
[https://www.joburg.org.za/work_/Pages/Work%20in%20Joburg/Tenders%20and%20Quotations/Links/List%20of%20awarded%20contracts/List-of-awarded-contracts.aspx](https://www.joburg.org.za/work_/Pages/Work%20in%20Joburg/Tenders%20and%20Quotations/Links/List%20of%20awarded%20contracts/List-of-awarded-contracts.aspx)

**Comments:** The awarded contracts lists were last updated in 2019, which means that the awarding of public tenders are clearly not made publicly available within five working days after it was awarded.
84. Is information on the deviations from the usual procurement processes and extensions or variations to contracts made publicly available within seven working days of the award?

   a. Yes, information on deviations, extensions or variations is made publicly available within seven working days of the award.
   b. No, information on deviations, extensions or variations is not made publicly available within seven working days of the award.

Answer: B


Comments: (See comments for question 83.) Information on awards made through deviations, extensions and variations are often included in the section with the information on awards made through the usual procurement process. The tender award section has not been updated since 2019.
85. Does the Metropolitan Municipality publish the additional agreements negotiated after the award of a tender on its website?
   a. Yes, the Metropolitan Municipality publishes additional agreements negotiated after the award of a tender on its website.
   b. No, the Metropolitan Municipality does not publish additional agreements negotiated after the award of a tender.

Answer: B
Comments: There are no additional agreements published which were negotiated after the tender was awarded. On the contrary the initial agreement is not even published and kept on the website.
Government Reviewer: Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 85 asks whether the public has access to post-award agreements between the Metro and contractors. Many bid specifications explicitly indicate that after the award of the contract a further service agreement will be negotiated, or a service delivery schedule will be drawn up. Please note that this does not refer to extensions or variations to existing contracts made through an award process (referred to in the previous question). This question specifically refers to additional service delivery schedules or agreements which are negotiated immediately after the award of the contract and which contains additional information on how a service should be delivered.
Answer “a” applies if the Metro adds these additional agreements to its website and answer “b” applies if the Metro does not publish any additional agreements after the award of a contract. It might be difficult to verify for which tenders additional agreements were negotiated and if all of these agreements are available on the Metro’s website. A Metro will therefore score an “a” if there is, as a minimum requirement, a section on its website where these agreements are published and if the researcher can provide some evidence that this section is being updated on a regular basis.

4.4 Role and Effectiveness of Oversight Institutions in the Budget Implementation Phase

86. In the past 12 months, did a Section 79 Council Committee with budget or finance responsibilities examine the Monthly Budget Statements?
   a. Yes, a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements on at least four occasions in the past 12 months, and it made publicly available reports with findings and recommendations.
   b. Yes, a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements on one or more occasions (but less than four times) in the past 12 months, and it made publicly available reports with findings and recommendations.
c. Yes, a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements but did not make publicly available reports with findings and recommendations.

   d. No, the Monthly Budget Statements were not examined by any Section 79 Council Committee with budget or finance responsibilities.

**Answer: d**

**Sources:** Minutes of section 79 committees made available by a City Official via email.

**- Municipal Public Accounts Committee**

   - Minutes of the 19th Extra-Ordinary meeting of the MPAC held on Microsoft Teams, on Thursday, 3 December 2020, at 11:00.
   - Minutes of the Ordinary meeting of the MPAC held on Microsoft Teams, on Thursday, 15 October 2020, at 11:00.
   - Minutes of the 51st Ordinary meeting of the MPAC held on Microsoft Teams, on Thursday, 20 May 2021, at 11:00.

**Finance Committee**

   - Minutes of the 32nd Ordinary meeting of the Finance Section 79 Committee held on Microsoft Teams, on Tuesday, 20 October 2020, at 10:00.
   - Minutes of the 33rd Ordinary meeting of the Finance Section 79 Committee held on Microsoft Teams, on Thursday, 19 November 2020, at 10:00.
   - Minutes of the 34th Ordinary meeting of the Finance Section 79 Committee held on Microsoft Teams, on Friday, 12 February 2021, at 10:00.
   - Minutes of the 35th Ordinary meeting of the finance section 79 committee, held on Microsoft Teams, on Friday, 5 March 2021, at 10:00.

**Comments:** After examining the above minutes section 79 Committees I could not find evidence suggesting that the Municipal Public Accounts Committee or the Finance Committee examined the monthly budget statements.

**Government Reviewer:**

**Peer Reviewer:** Cannot agree or disagree, as not privy to the minutes, but the answer appears correct if the reading of the minutes was correct.

**IBP South Africa:** Agreed with the researcher’s score. Despite references to in-year monitoring reports being discussed in the minutes provided to IBP, there’s no evidence that the content of the monthly budget statements were discussed if it was discussed at all.

**Guidelines:** Question 86 is about Council oversight of budget implementation through examining the Monthly Budget Statements.

To answer “a”, a Section 79 Council Committee with budget or finance responsibilities must have examined the Monthly Budget Statements at least four times during the course of the relevant budget year and published reports with findings and recommendations. Answer “b” applies where this occurred
on one or more occasion but less than four times. Choose “c” if such a committee examined in-year implementation (without regard to frequency) but did not publish any report with findings and recommendations. Answer “d” applies where a Section 79 Council Committee did not examine in-year implementation.

If the answer is “a” or “b,” please specify the name of the committee and when it reviewed budget implementation and provide a copy or the URL of its report(s). If the answer is “c,” please specify the name of the committee and when it reviewed budget implementation.

87. In the past 12 months, did Section 79 Council Committees responsible for particular sectors examine actual revenue collection and expenditure for their specific sectors?

a. Yes, more than one Section 79 Council Committee responsible for a particular sector examined revenue collection and expenditure for their specific sectors on at least four occasions in the past 12 months and their reports with findings and recommendations are publicly available.

b. Yes, more than one Section 79 Council Committee responsible for a particular sector examined revenue collection and expenditure for their specific sectors on one or more occasions (but less than four times) in the past 12 months and their reports with findings and recommendations are publicly available.

c. Yes, more than one Section 79 Council Committee responsible for a particular sector examined revenue collection and expenditure for their specific sectors in the past 12 months but their reports are not publicly available.

d. No, only one Section 79 Council Committee or not a single Section 79 Council Committees responsible for a particular sector examined revenue collection and expenditure for their specific sectors in the past 12 months.

Answer: D

Sources: Minutes of section 79 committees made available by a City Official via email.

Community Development Committee

- Minutes of the 32nd Ordinary Meeting of the Section 79 Community Development Committee held on Microsoft Teams, on Thursday, 4 March 2021, at 11:00.
- Minutes of the 5th Extra-Ordinary Meeting of the Section 79 Community Development Committee held on Microsoft Teams, on Thursday, 18 March 2021, at 10:00.
- Minutes of the 32nd Ordinary Meeting of the Section 79 Community Development Committee held on Microsoft Teams, on Monday, 10 May 2021, at 10:00.

Environment, Infrastructure and Services Committee

- Minutes of the 32nd Ordinary Meeting of the Section 79 Environment, Infrastructure and Services Committee held through Microsoft Teams on Wednesday, 18 November 2020, at 10:00.
• Minutes of the 33rd Ordinary Meeting of the Section 79 Environment, Infrastructure and Services Committee held through Microsoft Teams, on Tuesday, 9 February 2021, at 10:00.
• Minutes of the 34th Ordinary Meeting of the Section 79 Environment, Infrastructure and Services Committee held through Microsoft Teams, on Tuesday, 16 March 2021, at 11:00.
• Minutes of the 35th Ordinary Meeting of the Section 79 Environment, Infrastructure and Services Committee held through Microsoft Teams, on Wednesday, 14 May 2021, at 10:00.

Housing Committee

• Minutes of the 30th Ordinary Meeting of the Section 79 Housing Committee held on Microsoft Teams, Wednesday, 21 October 2020, at 10:00.
• Minutes of the 8th extra-ordinary meeting of the section 79 Housing Committee will be held on Microsoft Teams, Wednesday, 18 November 2020, at 10:00.
• Minutes of the 31st Ordinary Meeting of the Section 79 Housing Committee will be held on Microsoft Teams, Tuesday, 9 and 18 February 2021, at 10:00.
• Minutes of the 32nd Ordinary Meeting of the Section 79 Housing Committee held on Microsoft Teams, Tuesday, 9 March 2021, at 11:00.

Public Safety

• Minutes of the 34th Ordinary Meeting of the Section 79 Public Safety Committee held through Microsoft Teams, on Friday, 19 February 2021, at 10:00.
• Minutes of the 33rd Ordinary Meeting of the section 79 Public Safety committee held through Microsoft Teams, on Thursday, 19 November 2020, at 10:00.
• Minutes of the 5th Extra-Ordinary Meeting of the Section 79 Public Safety Committee held through Microsoft Teams, on Tuesday, 16 March 2021, at 10:00.

Comments: After examining the above minutes, I could not find any evidence suggesting a Section 79 Council Committee(s) responsible for a particular sector examined revenue collection and expenditure for their specific sectors in the past 12 months.

Government Reviewer:

Peer Reviewer: Cannot agree or disagree, as not privy to the minutes, but the answer appears correct if the reading of the minutes was correct.
**IBP South Africa:** Agreed. Did not have access to minutes of the environment, infrastructure and services committee, but the minutes which were provided to IBP did not show that a discussion took place in which a section 79 committee responsible for a specific sector examined revenue collection and expenditure in those sections. There were general discussions on items related to revenue and expenditure in the housing committee meetings, but not a proper discussion on it and the details related to it. The score should therefore be D.

**Guidelines:** Question 87 is also about Council oversight of budget implementation through examining the Monthly Budget Statements or any other report on revenue collection and expenditure but refers to the Section 79 Council Committees for particular sectors.

To answer “a”, more than one Section 79 Council Committees responsible for a particular sector must have examined the Monthly Budget Statements or any other reports on revenue collection and expenditure for their specific sector at least four times during the course of the relevant budget year and published reports with findings and recommendations. Answer “b” applies where this occurred on one or more occasion(s) but less than four times. Choose “c” if such committees examined in-year implementation (without regard to frequency) but did not publish any report with findings and recommendations. Answer “d” applies where such Section 79 Council Committees did not examine in-year implementation or where only one such committee examined Monthly Budget Statements or revenue collection and expenditure reports which suggest it is not common practice in the metro.

If the answer is “a” or “b,” please specify the name of the committees and when they reviewed budget implementation and provide a copy or the URL of its report(s). If the answer is “c,” please specify the name of the committees and when they reviewed budget implementation. For purposes of responding to this question, provide this information for at least two committees.

**4.5 Public Engagement in the Budget Implementation Phase**

**88.** In the past 12 months, when a Section 79 Council Committee with **budget or finance responsibilities** examined the Monthly Budget Statements for the adopted budget, were the meetings open to the public and did this committee pro-actively request input from the public?

a. Yes, the meetings where a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements for the adopted budget were open to the public, and the Committee requested the public to provide feedback on the implementation of the budget.

b. Yes, the meetings where a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements for the adopted budget were open to the public, but the public were not requested to provide feedback on the implementation of the budget.

c. The meetings where a Section 79 Council Committee with budget or finance responsibilities examined the Monthly Budget Statements for the adopted budget were not open to the public, or such meetings did not take place.

**Answer:** C
### Guidelines

Question 88 tests whether the public can attend the meetings on the Monthly Budget Statements tested in Question 86 and whether the Section 79 Council Committee with budget or finance responsibilities provides opportunities for the public to provide input. “Open to the public” means that any member of the public can attend the committee. Pro-actively request means the Committee made public an invitation to all members of the public (not just selected groups or persons) to provide verbal or written inputs to its deliberations. Note that a meeting does not have to be in-person to qualify as “Open to the public” and all virtual meetings and opportunities should be assessed.

An “a” answer applies if the meetings of the Section 79 Council Committee with budget or finance responsibilities to consider the Monthly Budget Statements were open to the public and the Committee invited the public beforehand to provide written or verbal input. A “b” answer applies if the meetings were open to the public, but the public was not invited beforehand to provide inputs. Answer “c” applies if the meetings were held but the public cannot attend, or no meetings were held (if the answer to question 86 was “d”).

### 89. In the past 12 months, when Section 79 Council Committees responsible for particular sectors examined revenue collection and/or expenditure for their specific sectors, were the meetings open to the public and did these committees pro-actively request input from the public?

- **a.** Yes, the meetings where Section 79 Council Committees responsible for particular sectors examined revenue collection and/or expenditure for their specific sectors were open to the public, and the Committees requested the public to provide feedback on the implementation of the budget.
- **b.** Yes, the meetings where Section 79 Council Committees responsible for particular sectors examined revenue collection and/or expenditure for their specific sectors were open to the public, but the public were not requested to provide feedback on the implementation of the budget.
- **c.** The meetings where Section 79 Council Committees responsible for particular sectors examined revenue collection and/or expenditure for their specific sectors were not open to the public, or such meetings did not take place.

**Answer:** C

### Sources:

**Comments:** No desk-based evidence was obtainable for this response, and, despite repeated attempts, the municipality did not respond to this question.

**Government Reviewer:**
Guidelines: Question 89 tests whether the public can attend the meetings on the Monthly Budget Statements or expenditure and revenue collection reports tested in Question 87 and whether the Section 79 Council Committees with responsibility for particular sectors provide opportunities for the public to provide input. “Open to the public” means that any member of the public can attend the committee. Note that a meeting does not have to be in-person to qualify as “Open to the public” and all virtual meetings and opportunities should be assessed. Pro-actively request means the Committee made public an invitation to all members of the public (not just selected groups or persons to provide verbal or written inputs to its deliberations.

An “a” answer applies if the meetings of the Section 79 Council Committees with responsibility for particular sectors to consider the Monthly Budget Statements or expenditure and revenue collection, were open to the public and the Committee invited the public beforehand to provide written or verbal input. A “b” answer applies if the meetings were open to the public, but the public was not invited beforehand to provide inputs. Answer “c” applies if the meetings were held but the public cannot attend, or no meetings were held (if the answer to question 87 was “d”). For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.

90. With reference to the meetings identified in Questions 86 and 87, did the metropolitan municipality provide comprehensive prior (at least five working days) information on the process of engagement, so that the public could participate in an informed manner?

Comprehensive information must include at least three of the following elements:

- Purpose
- Scope
- Constraints
- Intended outcomes.

a. Yes, comprehensive information was provided at least five working days prior to the public’s engagement in the budget formulation phase.
b. Yes, comprehensive information was provided, but less than five working days prior to the public’s engagement in the budget formulation phase.
c. No, comprehensive information was not provided prior to the engagement.

Answer: C

Sources:
Comments: No desk-based evidence was obtainable for this response, and, despite repeated attempts, the municipality did not respond to this question.
IBP South Africa: Agreed

Guidelines: Question 90 assesses whether the notices provided to the public on the meetings tested in Questions 86 and 87 complied with the GIFT principles of openness. It addresses whether the Metro provides relevant information on the meeting and the process of the engagement beforehand, so that the public engage effectively. The question addresses whether the “rules of the public engagement” are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. Specifically:

- Purpose refers to a brief explanation of why the public engagement is being undertaken, including the Metro’s objectives for its engagement with the public.
- Scope refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include an engagement on actual capital expenditure and revenue only and excludes the operational budget.
- Constraints refers to whether there are any explicit limitations on the engagement.
- Intended outcomes refers to what the Metro hopes to achieve as a result of the engagement. Examples of intended outcomes could be to improve the way in which specific expenditures are managed.

Answer “a” applies if information is provided on at least three of the elements for participation identified above for the opportunities provided in Questions 86 and 87, at least five days before the engagement. Answer “b” applies if information is provided on at least three of the elements, but less than five working days before the engagement. Answer “c” applies if less than three of the listed elements were provided, even if the information was provided five working days or more before the engagement or if the Council does not use public participation mechanisms during the budget implementation stage. If only one of the two participation opportunities identified in Questions 86 and 87 was conducted, please answer the question for this opportunity only.

91. With reference to the meetings identified in Questions 86 and 87, did the metropolitan municipality make public the time and place for meetings where budget implementation would be discussed at least five working days in advance and was the information easily accessible?

   a. The time and meeting place were made public in easily accessible places at least five working days in advance.
   b. The time and meeting place were made public in easily accessible places, but fewer than five working days in advance.
   c. The time and meeting place were not made public.

Answer: C

Sources:

Comments: No desk-based evidence was obtainable for this response and, despite repeated attempts, the municipality did not respond to this question.

Government Reviewer: Agreed

Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 91 asks whether sufficient information about the meetings covered in Questions 86 and 87 is published before the meetings. Easily accessible places can be any of the following:

- On the metro’s website
- In community newspapers
- Announced on local radio stations
- Social media (Facebook and Twitter)
- On the metro’s mobile app

Answer “a” applies if the time and place of the meeting were made public at least five working days before the engagement and using at least three of the five places listed above and in at least one language in addition to English. Answer “b” applies if this information was made public and using at least three of the five places listed above and in at least one language in addition to English, but fewer than five working days before the engagement. Answer “c” applies if this information was not made public or if the metro used only one of the methods above, or the metro did not use public participation mechanisms during the budget implementation stage. If only one of the two participation opportunities identified in Questions 86 and 87 was conducted, please answer the question for this opportunity only.

92. Are the metropolitan municipality’s Bid Adjudication Committee meetings open to the public and are the notice of the time, date and venue of the meeting and the agenda of the meeting, as well as the full set of documents to be discussed publicly available at least 5 working days before the meeting.

   a. Yes, the Bid Adjudication Committee meetings are open to the public, and the notice of the time, date and venue, the agenda of the meeting, as well as the full set of documents to be discussed are publicly available at least 5 working days before the meeting.

   b. Yes, the Bid Adjudication Committee meetings are open to the public and the notice of the time, date and venue and the agenda of the meeting are publicly available at least 5 working days before the meeting, but the full set of documents to be discussed is not made available.

   c. Yes, the Bid Adjudication Committee meetings are open to the public and the notice of the time, date and venue is made publicly available at least 5 working days before the meeting, but the agenda and the full set of documents to be discussed are not made available.

   d. No, the Bid Adjudication Committee meetings are not open to the public.

Answer: D
Sources:
Comments: No desk-based evidence was obtainable for this response, and, despite repeated attempts, the municipality did not respond to this question.

Government Reviewer:
Peer Reviewer: Agreed. Bid adjudication notices were only published up to 2020. None since. 
IBP South Africa: Agreed

Guidelines: Question 92 tests whether members of the public can attend the bid-adjudication committee meetings of the Metro. The bid adjudication committee is the committee that considers the reports and recommendations of bid evaluation committees, and either, depending on its delegations, make a final award or a recommendation to the accounting officer to make a final award, or make another recommendation to the accounting officer on how to proceed with the relevant procurement (Regulation 29(1)(b)(ii) of the Municipal Supply Chain Management Regulations of 2005). The question tests whether the meetings are open to the public, and whether the public has enough information on the meeting to be well informed.

An “a” answer applies if the meetings are open to the public, and the notice of the time, date and venue, the agenda of the meeting, as well as the full set of documents to be discussed are publicly available at least 5 working days before the meeting. Open to the public means that any member of the public can attend. Note that a meeting does not have to be in-person to qualify as “open to the public” and all virtual meetings should be assessed. A “b” answer applies if the meetings are open, and information on the meeting (time, place, venue and agenda) is available at least 5 days before the time, but the full set of documentation is not provided. A “c” answer applies when the meetings are open, and some information on the meeting is available at least 5 days before the time, but the full set of documentation and the agenda are not provided. Answer “d” applies if the meetings are not open to the public at all.

93. Does the Metropolitan Municipality provide a specific mechanism through which the public can provide feedback on the execution of individual procurement contracts?
   a. Yes, the Metropolitan Municipality provides a specific mechanism through which the public can provide feedback on the execution of individual procurement contracts and then reports on how such public inputs were used to take remedial action.
   b. Yes, the Metropolitan Municipality provides a specific mechanism through which the public can provide feedback on the execution of individual procurement contracts but does not report on how such public inputs were used to take remedial action.
   c. No, the Metropolitan Municipality does not provide such a mechanism.

Answer: C
Sources:
Comments: No desk-based evidence was obtainable for this response, and, despite repeated attempts, the municipality did not respond to this question.
Government Reviewer: 
Peer Reviewer: Agreed 
IBP South Africa: Agreed
Guidelines: Question 93 asks whether the Metro provides a specific mechanism through which the public can provide feedback on the execution of individual procurement contracts. This can for example be a tender/contracts “hotline” or a section on the metro’s website which allows the public to provide feedback online. Answer “a” applies if the Administration provides both such a mechanism as well as subsequent reports on how public inputs were used to take remedial action. Answer “b” applies if such a mechanism is provided, but the Administration does not provide reports on how such inputs were used to take remedial action. Answer “c” applies when no such mechanism is provided.

Section 5  Audit phase

The Audit phase comprises the processes undertaken by the Metropolitan Municipality and the Auditor General to close the Metro’s reporting on activities and its finances for the fiscal year. The phase produces two important accountability reports – published together -- that should be made public on time, to provide the public with assurance that the Metro had implemented the budget as planned in the MTREF and undertaken the activities it had set out to do in the IDP and associated operational plans (the Annual Report); and on the soundness of the Metro’s financial management processes and the accuracy of its accounts (the Audit Report). This section tests the availability and comprehensiveness of these reports, and oversight processes and opportunities for contributions by members of the public in this phase.

5.1 Comprehensiveness of the Annual Report (inclusive of the Audit Report)

The Annual Report is a key accountability document. Annual Reports ought to cover all of the major items included in the budget, explaining differences between the original estimates (as amended by the legislature during the year) and the actual outcomes for expenditure, revenue, debt, and the macroeconomic assumptions. The reports should also review nonfinancial performance information and other important policy areas. Reports can also include a financial statement.

Section 121 (1) of the MFMA states that the purpose of the Annual Report is “to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates; to provide a report on the performance against the budget of the municipality or municipal entity for that financial year”. In addition, it must include “the annual financial statements of the municipality” and the “consolidated financial statements” if the municipality has sole control of municipal entity” (see http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf).

For the purposes of answering Questions 94 – 106 researchers should draw their answers from the draft version of the Annual Report that is used to solicit input from the Council, relevant Council Committees and the public. In order to be considered publicly available by the Metro Open Budget Survey methodology, the Annual Report must be released to the public no later than seven months after the end of the financial year. Section 127 (2) of the MFMA states that the mayor “must, within seven months after the end of a financial year, table in the municipal Council the annual report of the municipality and
of any municipal entity under the municipality’s sole or shared control.” Section 127 (5) of the Act requires the accounting office of the municipality to “make public the annual report” ... “immediately” after it is tabled in the Council. If according to the Metro Open Budget Survey standards, the Annual Report is not considered publicly available, then all questions regarding the Annual Report should be marked “c”.

Many of the Annual Report questions ask whether information is provided that shows the actual outcome for the fiscal year as well as the original estimates. These original estimates refer to the estimates adopted by Council, including the original adopted budget estimate and the final adjusted budget estimate.

94. When was the Annual Report made publicly available?
   a. Within seven months after the end of the financial year.
   b. More than seven months after the end of the financial year
   c. The Annual Report was not made publicly available.

Answer: A


Comments: The draft annual report was published on the website on May 11 2021. The document was published more than a month after the extended deadline of 5 April 2021 (see Table 2 for the explanation of this deadline). According to the oversight report on the 2019/20 Annual Report tabled in council by the Municipal Public Accounts Committee (MPAC), the tabling of the draft Annual Report was delayed because the audit of the metro’s financial statements was affected by delays due to COVID-19 and was only completed on the 30th of April 2021. The draft consolidated annual report was tabled in Council during an extra-ordinary meeting on 11 May 2021. The document was made publicly available on the same date. See https://www.joburg.org.za/documents_/Documents/2019-20%20Annual%20Report/Oversight%20report%20on%202019-20%20annual%20report%20-%20Final%20%20%28002%29%20%281%29.pdf, page 3. Due to these extra-ordinary circumstances the content of the report is assessed as part of the 2021 Metro OBS.

Government Reviewer:
Peer Reviewer: On assumption that this was discussed with the DOI/IBPSA, I agree. But in principle I disagree. I would argue that there was already a 2 months’ extension, and of the other cities reviewed all made except eThekwini. And eThekwini the researcher decided to reject because it was published just late, on the 7th of April. That the JHB City Council saw fit to plead COVID, and perhaps eThekwini not (or the researcher is unaware that they did), is to my mind not enough of an argument for being more than a month late for the extended date. Also, if one rejects the NMB budget for being a few days late (with Covid cited), it is also not consistent to accept the CoJ AR.
In keeping with this, I would argue that for inter-municipal consistency all the answers following on the AR should be C. I have reviewed them however as if this answer is A.

**IBP South Africa:** Agree with answer A and that the content of the annual report should be assessed. The reason why the decision was taken to assess the content of the Annual report was because the late completion and tabling of the draft Annual Report was the result of the delay in the audit of the financial statements by the Auditor General. This audit was only completed on the 30th of April which meant that the metro could not publish the Annual Report inclusive of the audit report before then.

**Guidelines:** Question 94 asks whether the Annual Report is publicly available. In order to be considered publicly available by the Metro Open Budget Survey methodology, the Annual Report must be released to the public no later than seven months after the end of the financial year. Section 127 (2) of the MFMA states that the mayor “must, within seven months after the end of a financial year, table in the municipal Council the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control.” Section 127 (5) of the Act requires the accounting office of the municipality to “make public the annual report” ... “immediately” after it is table in the Council. (see [http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf](http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf)).

For the 2021 Metro OBS, researchers should use the Annual Report for 2019/20. As set out in Table 2 this means that the Annual Report must have been available by midnight on 5 April 2021.

An “a” answer applies if the Annual Report was available by this time. A “b” answer applies if the Annual Report was published after this date and time. A “c” answer applies if the Report was not available online.

95. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for expenditures by vote, function and operating expenditure by type?
   a. Yes, estimates of both the adopted levels and the actual outcome are presented for all expenditures by vote, function and operating expenditure by type, along with a narrative discussion.
   b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all expenditures by vote, function and operating expenditure by type, or a narrative discussion is not presented.
   c. No, estimates of both the adopted levels and the actual outcome for expenditures are not presented by vote, function or operating expenditure by type.

**Answer:** B


**Table 4 -- Page 16 (page 39 on PDF)** - Financial performance broadly refers to expenditure. Does not break it down.

**Table 3.1 - Statement of Financial performance (page 525 -- page 548 on PDF)** - gives a breakdown of operating expenditure by type, including adopted budget and actual spend, and the variance between those.
Comments: The municipality receives a B as it does not provide estimates of both the adopted levels and the actual outcome for all expenditures by vote, and function. While detailed information is available in the annual reports of the metro’s entities, this is not true for the votes that don’t correspond to entities.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 95 asks whether the Annual Report includes estimates of both the enacted levels (including the adopted budget estimates and the final in-year changes adopted by the Council) and actual expenditures for the year, for expenditures by vote (operating and capital), function (operating and capital) and operating expenditure by type; and whether these estimates are accompanied by a narrative discussion.

To answer “a,” the Annual Report must present estimates of both the enacted levels and the actual outcome for all three expenditure classifications (capital and operating by vote and function, and operating by type), along with a narrative discussion. Answer “b” applies if some but not all expenditure is presented by all three classifications, i.e., if capital or operating expenditure does not add up to total capital or recurrent expenditure in any one classification. Answer “b” also applies if estimates and a narrative discussion are presented for one or two, but not all three classifications. Answer “b” also applies if all estimates are presented by vote, function and operating expenditure by type, but a narrative discussion is not included. Answer “c” applies if no estimates of adopted levels and actual outcomes are presented according to the expenditure classifications or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

96. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for operating expenditures for individual votes by type?
   a. Yes, estimates of both the adopted levels and the actual outcome are presented for all operating expenditures for votes by type, along with a narrative discussion.
   b. Yes, estimates of the both the adopted levels and the actual outcome are presented for some but not all operating expenditures for votes by type, or a narrative discussion is not presented.
   c. No, estimates of the adopted levels and the actual outcome for operating expenditures are not presented for votes by type.

Answer: C

Table 20: ICT Financial Performance Year 2019/20 – Pages 94-95 – On pages 117-118 of the PDF. Shows the adopted budget, actual spend and variance by expenditure type.
Joburg Water: Table 16: 2019/2020 financial performance year: Water Services – (page 129 ) (Page 152 of the PDF) only indicates expenditure according to employees and other expenditures. Does not give all expenditure by type.


City Power: Table 44: Statement of Financial Position – page 166-167 (pages 189 – 190 PDF) – expenditure is given by type and shows the adopted budget and actual spend.

Table 49: Financial Performance: Expenditure City Power – page 170 (page 193 on PDF) shows expenditure by type, with adopted budget and actual spend over three financial years.

Housing department: Table 55: Financial Performance – page 186 (page 209 PDF) – shows expenditure by type, but is incomplete. Does not show 2019/20 budget or alternatively actual spend for all the expenditure line items.

Joburg Social Housing Company: Table 35: Statement of Financial Performance as at 30 June 2020 – page 198 (page 221 PDF)

Johannesburg Roads Agency does not indicate its operating expenditure.

Department of transport : Table 48: Financial Performance: Transport Department – page 227 (page 250 on PDF) The table shows expenditure by type and gives details about the adopted budget, adjusted budget and the actual spend.

Metrobus: Table 53: Metrobus Financial Performance – page 237 ( page 260 PDF) – The Table shows expenditure by type and gives details about the original budget, the adopted budget, the actual spend and the variance.

Department of development planning : Table 60: Financial Performance Year: Development Planning – page 253 ( page 276 on the PDF). It shows expenditure by type and details the original budget, the adopted budget, the actual spend and the variance.

Department of economic development: Table 69: Financial Performance: DED – pages 292-293 (pages 315 -316 on PDF) – shows expenditure by type and shows original budget, adjusted budget and full year forecast.

Joburg Market – no operational expenditure indicated.

Johannesburg Property Company: Table 95: Financial Performance: JPC – page 308 (page 331 on PDF) Shows operational expenditure by type and details original budget, adjusted budget, actual spend and variance to budget.

Metro Trading Company – no operational expenditure indicated.

Department of community development – no operational expenditure indicated.

Johannesburg City Parks and Zoo: Table 80: Financial performance – page 342 (page 365 on PDF). The table groups all expenditure together and does not show expenditure by type. It gives details on the budget, the actual spend and the variance.

Department of Environmental and Infrastructure services development: Table 87: Financial Performance: EISD -- page 363 -364 (page 386 -387 on PDF) Shows expenditure by type and gives details about the original budget, adjusted budget, actual spend and the variance to the budget.

Department of health : Table 94: Financial Performance: Department of Health – page 371 (Page 394 on PDF). Table shows expenditure by type and details the adjusted budget, the target and the actual spend.

Department of public safety: Table 99: Public safety performance – page 382 (page 405 on PDF) --- table shows operational expenditure by type and shows the original budget, the adjusted budget, the actual spend and the variance.
**Department of Information and Communication Technology:** Table 111: Financial Performance Year 2019/20 ICT – page 410 (page 433 on PDF) – shows expenditure by type and gives details on the original budget, adjusted budget, actual spend and variance to budget.

**Comments:** Not all the different votes show operational expenditure by type, such as the operational expenditure for Joburg City Parks and Zoo which just groups it all under expenditure. The operational expenditure for the majority of votes is also not accompanied by narrative discussions. For most the year-in changes and actual expenditure is shown in the different tables.

**Government Reviewer:**
**Peer Reviewer:** On the researcher’s argument the score should be B. “Answer “b” applies if estimates of the enacted levels and the actual outcome are presented for only some of the operating expenditures for individual votes by type, or if all estimates are presented but a narrative discussion is not included.”

**IBP South Africa:** Agree with peer reviewer – some information is provided, so a B answer applies.

**Guidelines:** Question 96 asks whether the Annual Report includes estimates of the enacted levels (including the final in-year changes adopted by the Council) and actual expenditures for the year for all operating expenditures for individual votes by type, and whether these estimates are accompanied by a narrative discussion. This is similar to Question 20 (asking whether this information is in the draft MTREF) and Question 98 (asking whether it is in the Monthly Statements).

To answer “a,” the Annual Report must present estimates of the adopted levels and the actual outcome for all operating expenditures for individual votes by type, along with a narrative discussion. Answer “b” applies if estimates of the enacted levels and the actual outcome are presented for only some of the operating expenditures for individual votes by type, or if all estimates are presented but a narrative discussion is not included. Answer “c” applies if no estimates of adopted levels and actual outcomes are presented for individual votes by type in the Annual Report or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

97. **Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for expenditures by sub-vote and sub-function?**
   a. Yes, estimates of both the adopted levels and the actual outcome are presented for all expenditures by sub-vote and sub-function, along with a narrative discussion.
   b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all expenditures by sub-vote and sub-function, or a narrative discussion is not presented.
   c. No, estimates of both the adopted levels and the actual outcome for expenditures are not presented by sub-vote or sub-function.

**Answer:** C

Comments: Expenditure information is not provided by sub-vote or sub-function

Guidelines: Question 97 asks whether the Annual Report includes estimates of both the enacted levels (including the final in-year changes adopted by the Council) and actual expenditures for the year for all operating and capital expenditures by sub-vote and by sub-function, and whether these estimates are accompanied by a narrative discussion.

To answer “a,” the Annual Report must present estimates of the adopted levels and the actual outcome for all operating and capital expenditures by sub-vote and by sub-function, along with a narrative discussion. Answer “b” applies if estimates are presented for only some operating and capital expenditures by sub-vote and sub-function or if all estimates are presented but only for only one of the classifications, or if all estimates are presented but a narrative discussion is not included. Answer “c” applies if no estimates of adopted levels and the actual outcome in expenditures by sub-vote and sub-function are presented in the Annual Report or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

98. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual outcome for operating expenditures by item?
   a. Yes, estimates of both the adopted levels and the actual outcome are presented for all operating expenditures by item, along with a narrative discussion.
   b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all operating expenditures by item, or a narrative discussion is not presented.
   c. No, estimates of the adopted levels and the actual outcome for operating expenditures are not presented by item.

Answer: B


Table 20: ICT Financial Performance Year 2019/20 – on page 97 (page 120 on the PDF) salaries and allowances are listed specifically, which means a specific item is listed. The budget and the year to date actual spend is detailed for this item.

Pikitup : Statement of Financial Performance – Page 150 (Page 173 on PDF) details expenditure by item. This includes expenditure on the fleet. Details are given on the approved budget, the adjusted budget, the final budget, the actual spend and the variance

Comments: B
**Guidelines**:

Question 98 asks whether the Annual Report includes estimates of both the enacted levels (including the final in-year changes adopted by the Council) and actual expenditures for the year for all operating expenditures by item, and whether these estimates are accompanied by a narrative discussion. Please see Question 23 for an explanation of what “by item” means.

To answer “a,” the Annual Report must present estimates of both the enacted levels and the actual outcome for all operating expenditures by item, along with a narrative discussion. Answer “b” applies if estimates are presented for only some operating expenditures by item, or if all estimates are presented but a narrative discussion is not included. Answer “c” applies if no estimates of adopted levels and actual outcomes for operating expenditures by item are presented in the Annual Report or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

**99. Does the Annual Report present both the adopted levels (including in-year changes adopted by the Council) and the actual expenditure outcome for individual capital projects?**

- a. Yes, estimates of both the adopted levels and the actual expenditure outcome are presented for all individual capital projects, along with a narrative discussion.
- b. Yes, estimates of both the adopted levels and the actual expenditure outcome are presented for some but not all individual capital projects, or a narrative discussion is not included.
- c. No, estimates of the adopted levels and the actual expenditure outcome for individual capital projects are not presented.

**Answer: B**


Table 21: ICT Capital Expenditure – page 99 (page 122 on PDF) -- the Capital Expenditure: Information and Communication Technology is merely listed as the total capital expenditure and does not give details for individual capital projects.

Table 30: Capital Expenditure: Water, Sanitation and Wastewater – page 130-132 (pages 153 – 154 on PDF) It shows the adjusted budget, actual spend and the variance of individual capital projects.

Table 26: Capital Expenditure: Pikitup – page 145 (page 168 on PDF). It shows all capital expenditure as one line item and does not show all the different capex projects for Pikitup. It shows among others the budget, the adjusted budget, the actual spend and the variance from the original expenditure.
Table 50: Capital Expenditure: City Power – page 171 (page 194 on PDF) It shows the capital expenditure for broad projects such as electrification in general, electrification of mega projects and service connections. It does however not go into the nitty gritty such as indicating how much money is spent on which electrification project.

Table 44: Capital Expenditure: JRA – page 213 – 217 (pages 236-240). The table gives the project description, the actual budget, the revised budget, the actual spend and the percentage of the budget spent.

Table 49: Capital Expenditure: Transport Department – page 228 – 230 (pages 251-253 on the PDF) Table shows individual capital projects and details the budget, adjusted budget, actual expenditure and the variance between those. No narrative discussion with the table.

Table 54: Metrobus Capital Expenditure – page 238 (page 261 on PDF). The table shows the capital expenditure budget by project and details the budget, the adjusted budget, the year to date actual spend and the year to date variance. There’s no narrative discussion on the table.

Table 61: Capital Expenditure: Development Planning – pages 253 -255 (pages 276 - 278 on PDF). The capital expenditure is listed by project and provides details on the budget, the adjusted budget, the actual spend and the variance. There is also a narrative discussion on the spend.

Table 96: Capital Expenditure: JPC – pages 309 -315 (page 332- 338 on PDF) The budget is show by project and gives details on the budget, the adjusted budget, the actual spend and the variance. There is no narrative discussion together with the table.

Table 100: Capital Expenditure - Libraries, Sports, Arts and Culture – pages 327- 328(page 350-351 on PDF). The capital expenditure is provided by project and details the budget, the adjusted budget, the actual spend and the variance from the original budget. It shows no narrative discussion together with the table.

Table 81 (a): JCPZ Capital Expenditure – pages 343 - 345 (page 366 - 368 on PDF). The capital expenditure is listed by project and details are for most items, but not all, provided on the actual spend, the annual budget and the variance. No indication is given on whether the annual budget refers to the original budget or the adopted budget. The table is accompanied by a basic narrative discussion.

Table 112: Capital expenditure (EISD) – pages 366 – 367 (pages 389- 390 on PDF). The capital expenditure is listed by project and details the budget, the adjusted budget and actual expenditure. It is accompanied by a basic narrative discussion.

Table 96: Health Capital Expenditure – pages 372-373 ( pages 395-396 on PDF). Capital expenditure is given by project and shows the original budget, the adjustment budget, the actual spend in amount and percentage. The table does not have a narrative discussion.

Comments: While the majority of tables dealing with capital expenditure for the different votes do give the capital expenditure by project, for some votes only total capital expenditure is given, e.g. for Pikitup. In addition, a narrative discussion is not given for all votes.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 99 asks whether the Annual Report includes estimates of both the enacted levels (including the final in-year changes adopted by the Council) and actual expenditures for the year for all individual capital projects, and whether these estimates are accompanied by a narrative discussion.
To answer “a,” the Annual Report must present estimates of both the enacted levels and the actual outcome for all individual capital projects, along with a narrative discussion. Answer “b” applies if estimates are presented for only some individual capital projects, or if all estimates are presented but a narrative discussion is not included. Answer “c” applies if no estimates of adopted levels and actual outcomes in expenditures on individual capital projects are presented in the Annual Report or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

100. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of operating revenue?

   a. Yes, estimates of both the adopted levels and the actual outcome for individual sources of operating revenue are presented, along with a narrative discussion.
   
   b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all individual sources of operating revenue, or a narrative discussion is not included.
   
   c. No, estimates for adopted levels and the actual outcome are not presented for individual sources of operating revenue.

   **Answer:** A


3.1. Statement of Financial Performance – page 525 (page 548 on PDF). The statement of financial performance shows the different operating revenue sources and gives details on the budgeted target, the actual revenue and the variance between the target and the actual income.

Chapter 5: Statement of Financial performance – the city touches on the impact of Covid-19 on the operating revenue on pages 524 and 525 (pages 547 and 548 on PDF)

**Comments:** The city does provide the estimates of both the adopted levels and the actual outcome for individual sources of operating revenue in the annual report, while it also provides a narrative discussion in the chapter on the statement of Joburg’s financial performance.

**Government Reviewer:**

**Peer Reviewer:** Answer is A. The narrative discussion is in the main report, and the individual sources is in the AFS, which is an annexure to the AR published on the same day (PDF page 10).

**IBP South Africa:** Agreed

**Guidelines:** Question 100 asks if the Annual Report presents estimates of both the adopted levels (including the final in-year changes adopted by the Council) and actual outcomes for individual sources of operating revenue. Answer “a” applies if estimates of both the adopted levels and actual outcomes for all individual sources of operating revenue are presented along with a narrative discussion. Answer “b” applies if estimates are provided for only some individual sources of revenue or a narrative discussion is not included. Answer “c” applies if no estimates of the adopted levels and the actual outcome are presented or if the Report was not published on time (the answer to Question 94 was “b” or “c”).
101. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of operating grant revenue?
   a. Yes, estimates of both the adopted levels and the actual outcome for individual sources of operating grant revenue are presented, along with a narrative discussion.
   b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all individual sources of operating grant revenue, or a narrative discussion is not included.
   c. No, estimates for adopted levels and the actual outcome are not presented for individual sources of operating grant revenue.

Answer: c

Sources:


Comments: Individual sources of operating grant revenue is not provided in the statement of financial performance. The municipality merely gives the total amount for government grants and subsidies, but does not give a breakdown of the different operating grants and subsidies.

Government Reviewer:
Peer Reviewer: I would argue for A. The AFS from page 91 (PDF) by grant provides information for the reporting year on balance unspent at start, current year receipts, paid back, and transferred to revenue, for each individual grant. It is not a neat table, but actually more valuable as it provides info on roll-overs.


Guidelines: Question 101 asks if the Annual Report presents estimates of both the adopted levels and actual outcomes for individual sources of operating revenue. Answer “a” applies if estimates of both the adopted levels and actual outcomes for all individual sources of operating revenue are presented along with a narrative discussion. Answer “b” applies if estimates are provided for only some individual sources of revenue or a narrative discussion is not included. Answer “c” applies if no estimates of the adopted levels and the actual outcome are presented or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

102. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of capital revenue?
   a. Yes, estimates of both the adopted levels and the actual outcome for individual sources of capital revenue are presented, along with a narrative discussion.
   b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all individual sources of capital revenue, or a narrative discussion is not included.
No, estimates for adopted levels and the actual outcome are not presented for individual sources of capital revenue.

Answer: C A


Comments: The municipality provides detailed information about capital expenditure but does not provide information on capital revenue in the annual report as far as can be determined.

Government Reviewer:

Peer Reviewer: Answer is A. The narrative discussion is in the main report, and the individual sources is in the AFS, which is an annexure to the AR published on the same day (PDF page 10).


Guidelines: Question 102 asks if the Annual Report presents estimates of both the adopted levels and actual outcomes for individual sources of capital revenue. Answer “a” applies if estimates of both the adopted levels and actual outcomes for all individual sources of capital revenue are presented along with a narrative discussion. Answer “b” applies if estimates are provided for only some individual sources of revenue or a narrative discussion is not included. Answer “c” applies if no estimates of the adopted levels and the actual outcome are presented or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

103. Does the Annual Report present estimates of both the adopted levels and the actual outcome for individual sources of capital grant revenue?

a. Yes, estimates of both the adopted levels and the actual outcome for individual sources of capital grant revenue are presented, along with a narrative discussion.

b. Yes, estimates of both the adopted levels and the actual outcome are presented for some but not all individual sources of capital grant revenue, or a narrative discussion is not included.

c. No, estimates for adopted levels and the actual outcome are not presented for individual sources of capital grant revenue.

Answer: C A


Comments: The municipality does not provide information about individual sources of capital grant revenue, as it does not provide information on capital grant revenue at all as far as can be determined from the annual report.

Government Reviewer:
**Peer Reviewer:** I would argue for A. The AFS from page 91 (PDF) by grant provides information for the reporting year on balance unspent at start, current year receipts, paid back, and transferred to revenue, for each individual grant (operating and capital). It is not a neat table, but actually more valuable as it provides info on roll-overs.


**Guidelines:** Question 103 asks if the Annual Report presents estimates of both the adopted levels and actual outcomes for individual sources of capital grant revenue. Answer “a” applies if estimates of both the adopted levels and actual outcomes for all individual sources of capital grant revenue are presented along with a narrative discussion. Answer “b” applies if estimates are provided for only some individual sources of capital grant revenue or a narrative discussion is not included. Answer “c” applies if no estimates of the adopted levels and the actual outcome are presented or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

104. **Does the Annual Report present information on contingent liabilities, such as government loan guarantees or insurance programs?**
   - a. Yes, information on the core elements is presented for all contingent liabilities, including a rationale for each contingent liability.
   - b. Yes, some information is presented, but it excludes some core elements or some contingent liabilities.
   - c. No, information related to contingent liabilities is not presented.

**Answer:** B A


Risk Finance (Insurance) – page 70 (page 93) on the PDF.

3.2 Statement of Financial Position – page 529 (page 552 on the PDF)

**Comments:** In terms of contingent liabilities the municipality does provide information on their insurance policies and that insurance is taken out to mitigate losses. It does however only refer to the insurance policies in broad strokes and does not really give details. The municipality does not refer to contingent liabilities, but merely to current and non-current liabilities.

**Government Reviewer:**

**Peer Reviewer:** The answer should be A. The question is not whether the city has insurance to cover its risks, but rather whether it has provided guarantees to lenders to any of its entities. Contingent liabilities are reported in the Final Audited Group Annual Financial Statements, which is an annexure to the AR and published on the same date. [https://www.joburg.org.za/documents_/Documents/2019-20%20Annual%20Report/Final%20Audited%20Group%20Annual%20Financial%20Statements%2030%20June%202020.pdf](https://www.joburg.org.za/documents_/Documents/2019-20%20Annual%20Report/Final%20Audited%20Group%20Annual%20Financial%20Statements%2030%20June%202020.pdf)

**Guidelines:** Question 104 Reference source not found focuses on contingent liabilities, asking whether “core” information related to these liabilities is presented in the Annual Report (specifically in the annual financial statements). These core components include:

- all contingent liabilities for the year under review, such as guarantees or insurance commitments;
- a statement of purpose or policy rationale for each contingent liability; and
- the total amount of contingent liabilities such as outstanding guarantees or insurance commitments at the end of the year under review. This reflects the gross exposure of the government in the case that all guarantees, or commitments come due (even though that may be unlikely to occur).


To answer “a,” the Annual Report must present all of the core information related to contingent liabilities as well as some additional information beyond the core elements. To answer “b,” the draft MTREF or supporting documentation must present some of the core components noted above, or present all the core components, but only for some contingent liabilities. Answer “c” applies if the information provided does not meet the Metro OBS standard at all (if no information on contingent liabilities is presented in Annual Report, or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

### 105. Does the Annual Report present outcomes for service delivery performance targets assigned to service delivery indicators?

- a. Yes, outcomes are presented for all service delivery performance targets assigned to all service delivery indicators.
- b. Yes, outcomes are presented for some but not all service delivery performance targets assigned to service delivery indicators.
- c. No, outcomes not presented for service delivery performance targets.

**Answer:** A


Table 7: Information and Communication Technology objectives from IDP – pages 89-92 (pages 112-115) the service delivery targets and outcomes are provided, with some detailed discussion on the actual outcome.

**Chapter 3 – Service delivery performance – service delivery targets and outcomes are available under different parts of the chapter.**

Table 14: Water Service Policy strategic objectives taken from the IDP – page 126-127 (page 149-150 of the PDF) targets and outcomes are shown in the table.

Table 31: Sewer pipe replace programme – pages 132-133 (pages 155-156 on PDF) The planned target and the actual outcome is provided together with comments.

Table 23: Pikitup IDP Deliverables – page 141 (page 164 on PDF) gives details on targets and actual outcomes.
There is some information on City Power targets and actual outcomes on page 155 (page 178 PDF), but its listed and not in a table. Further detail is provided under 3.1.2 Highlights and Achievements on page 161 (page 184 on PDF).

Table 41: Electricity service policy objectives taken from IDP – page 163 (page 186 on PDF) Table provides target and the actual outcome.

Table 52: Housing -Strategic objectives taken from the IDP – page 179-180 (202-203 on PDF) gives the service delivery targets and the actual outcomes.

Table 33: JOSHCO IDP Deliverables – page 196 (page 219 on PDF) The table provides the target and the actual outcomes.

Table 42: Road Service Policy strategic objectives taken from IDP – page 233 on PDF – provides service delivery targets and actual outcomes. JRA also provides information on targets and outcomes under milestones in the written part of its report.

Table 46: Transport IDP Deliverables – page 255 (248 on PDF) Targets are given together with the actual outcomes.

Table 78: JCPZ - Actual performance against the service standards – pages 337-338 (360-361 on PDF) The targets are given together with the actual outcome.

Table 11231: Institutional Service Delivery Budget Implementation Plan 2019/20 – pages 413 -430 (page 436- 453) Service delivery targets and outcomes are provided for all key performance indicators.

Comments: Outcomes for all key performance indicators are given in comparison to the targets set out in the SDBIP. Additionally the different votes also give detail about their targets and the outcome of those efforts in some detail under their own sections.

Government Reviewer: 
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 105 asks whether the Metro reports publicly on the achievement of the service delivery targets it set out in the MTREF for the reporting year. Answer “a” applies if outcomes are presented for all targets and all indicators. Answer “b” applies if outcomes are only presented for some targets or some indicators. Answer “c” applies if no outcomes are presented for service delivery performance targets or if the Report was not published on time (the answer to Question 94 was “b” or “c”).

106. Does the Metropolitan Municipality make available to the public a report on what steps it has taken or will take to address audit recommendations or findings that indicate a need for remedial action?
   a. Yes, the Metropolitan Municipality reports publicly on what steps it has taken or will take to address audit findings.
   b. Yes, the Metropolitan Municipality reports publicly on what steps it has taken or will take to address some, but not all, audit findings.
   c. No, the Metropolitan Municipality does not report on steps it has taken or will take to address audit findings.

Answer: A

Corrective Action Taken / To Be Taken to Resolve Auditor General Findings – pages 559 - 575 (582 - 598 on PDF)
Comments: The city does report publicly on what steps it has taken to address audit findings in quite some detail in its annual report.

Government Reviewer: 
Peer Reviewer: Agreed 
IBP South Africa: Agreed

Guidelines: Question 106 asks whether the Administration reports to the public on the steps it has taken or will take to address audit recommendations made by Auditor-General, as well as the recommendations of the Municipal Public Accounts Committee. Section 121 of the MFMA requires the annual report of a Metro to include the Auditor-General’s audit report as well as “particulars of any corrective action taken or to be taken in response to issues raised in the audit reports” (see http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Finance%20Management%20Act/Municipal%20Finance%20Management%20Act%20(No.%2056%20of%202003).pdf). The ultimate purpose of audits is to verify that the accounts are accurate, and that the budget was executed in a manner consistent with existing law and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the Auditor-General’s audit reports.

To answer "a," the Metro must report publicly on the steps it has taken or will take to address all audit findings, including the recommendations of the Municipal Public Accounts Committee in the Annual Report. A “b” response applies if the Metro reports in the Annual Report on the steps it has taken or will take to address some, but not all, audit findings. A “c” response applies if the Metro does not report at all on its steps to address audit findings or if the Report was not published online (the answer to Question 94 was “b” or “c”).

5.2 Role and Effectiveness of Oversight Institutions in the Audit Phase

The questions in this section are designed to assess the role and effectiveness of oversight institutions in the audit phase, and in particular the role of the relevant Metro’s Council and Section 79 Council Committees. Section 79 of the Municipal Structures Act (117 of 1998) (http://mfma.treasury.gov.za/MFMA/Legislation/Local%20Government%20-%20Municipal%20Structures%20Act/Local%20Government%20-%20Municipal%20Structures%20Act,%20No.%20117%20of%201998.pdf) makes provision for a municipal Council to establish one or more committees necessary for the effective and efficient performance of its functions or exercise of its powers. In this section, as in other sections on oversight, any questions referring to a Council Committee, refers to formally constituted Section 79 Council Committees. It is important to distinguish a Committee of the Council (established in terms of Section 79 of the Municipal Structures Act) from a committee of the executive (established in terms of Section 80 of the Municipal Structures Act). So-called ‘Section 79 Committees’ are chaired by a non-executive Councillor and report to the Council. They are more suitable for oversight than so-called Section 80 Committees, which are chaired by a member of the executive and which report to the executive. Most of the Metros have a list of Section 79 Committees online. For the Audit Phase a key Section 79 Committee is the Committee charged with oversight of the public accounts, referred to in most cases as the Municipal Public Accounts Committee. Because of its key role, questions are asked specially for this committee, relative to other Section 79 Committees and the full Council.
107. Did the Municipal Public Accounts Committee (MPAC) examine the Annual Report, including the audited Performance Report and the audited Annual Financial Statements, produced by the Auditor-General in an open meeting?

a. Yes, the Municipal Public Accounts Committee examined the Audit Report on the annual budget in an open meeting within three months of its availability and its report with findings and recommendations is publicly available.

b. Yes, the Municipal Public Accounts Committee examined the Audit Report on the annual budget within three months of its availability but its report with findings and recommendations is not publicly available or the examination of the Audit Report took place in a closed meeting.

c. No, the Municipal Public Accounts Committee did not examine the Audit Report on the annual budget.

Answer: a


Comments: The Annual report was tabled on 11 May 2021. Subsequently, the MPAC examined the Audit Report on the annual budget in an open meeting on 9 June 2021. Therefore, the MPAC examined the Annual Report, including the Audit Report on the annual budget, within three months of its availability and its report with findings and recommendations is publicly available.

Government Reviewer:
Peer Reviewer: Agreed
IBP South Africa: Agreed

Guidelines: Question 107 asks whether the Municipal Public Accounts Committee (a Section 79 Committee) examined the Annual Report, including the audited performance report and the audited financial statements in timely manner so that remedial action can be applied as soon as possible. Section 130 of the MFMA requires meetings at which the Annual Report is considered to be open to the public. Thus, the requirement for openness applies to both virtual and physical meetings. To answer “a,” the Municipal Public Accounts Committee must have examined in an open meeting the annual Audit Report within three months of it being released by the Auditor-General, and its report (or reports) with findings and recommendations must be publicly available. (Note that the three-month period should only take into account time when the Council is in session.)

Answer “b” applies when the committee examines it but its report with its findings and recommendations is not publicly available or if the relevant committee meeting was closed to the public. Answer “b” would also apply if the Committee did examine the Audit Report and its findings and recommendations are publicly available, but they became available later than three months but within six months of the Audit Report becoming available. Answer “c” applies where the Municipal Public Accounts did not examine the annual Audit Report or if the Report was not published online (the answer to Question 94 was “b” or “c”).
If the answer is “a”, please specify the name of the committee and when it reviewed the Audit Report and provide a copy or the URL of its report(s). If the answer is “b”, please specify the name of the committee and when it reviewed budget implementation. In order to assess three months, the researcher must take the date of tabling and add two months to identify the target deadline month. If the date of tabling is not present in the target month’s days, the last day of the target month must be used (e.g., from 31 November to 28 February).

108. Did the full Council consider the Annual Report in an open meeting within two months of its tabling?
   a. Yes, the full Council considered the Annual Report in an open meeting and within two months of its tabling.
   b. Yes, the full Council considered the Annual Report, but after two months of its tabling or the Council considered the Annual Report in a closed meeting.
   c. No, the full Council did not consider the Annual Report.

Answer: A
Sources: Minutes of the Council made available by a City Official via email.

-The minutes of the 49th Ordinary Meeting of the City of Johannesburg Municipal Council, held on Wednesday, 23 June 2021,

Comments: The minutes of the 49th Ordinary Meeting of the City of Johannesburg Municipal Council, held on Wednesday, 23-24 June 2021, indicate the full Council considered the Annual Report in an open meeting and within two months of its tabling.

Government Reviewer:
Peer Reviewer: Cannot agree or disagree – not privy to the minutes, but if the reading is correct of the minutes, the answers seem right (the published MPAC report also suggests the same).
IBP South Africa: Agree with A. The IBPSA was unable to obtain the full council minutes, but an extract from the minutes show the Annual Report was approved at this meeting. A notice on Facebook inviting public comment also suggests that the Annual Report was supposed to be considered on the 23-24th of June in a full Council meeting https://www.facebook.com/CityofJoburg/photos/a.643414392369220/4169298809780743/?__cft__[0]=AZUtsgusXNMAkxl0ks8KJlxT4dtE8mAOBFx15coUVl0TN-N7PEubZ1eBq1zyMs05gj84onoduguOlzNd6o_hkHxAUWKy8Urm-PvcB3Olz8s7i1LDhcTgzCKvIDxa9vWE0q-wQWY5r26rnZtZOOU&__tn__=EH-R

Guidelines: Question 108 asks whether the Annual Report was formally considered in an open meeting by the Council timeously so that remedies could be implemented as soon as possible. In terms of section 129(1) of the MFMA the Council is required to consider the annual report within two months of its tabling. Section 130 of the MFMA requires meetings at which the Annual Report is considered to be open to the public. This question seeks to establish if these requirements were complied with. Answer “a” should be selected if the Council complied with the requirement while answer “b” is
applicable if the Council considered the annual report but after two months of its tabling or if the meeting at which the Annual Report was considered was closed to the public. Answer “c” should be selected if the Council did not consider the Annual Report at all.


a. Yes, the Oversight Report, was adopted by Council within two months of the tabling of the Annual Report.
b. Yes, the Oversight Report, was adopted by Council but after two months had passed since the tabling of the Annual Report.
c. No, the Oversight Report was not adopted by Council.

Answer: A

Sources: Minutes of the Council made available by a City Official via email.
- Minutes of the 25th Extra-Ordinary meeting of the City of Johannesburg Municipal Council held on Tuesday, 11 May 2021, at 10:00
- Minutes of the 49th Ordinary meeting of the City of Johannesburg Municipal Council, held on Wednesday, 23 June 2021, at 10:00 and Thursday, 24 June 2021, at 10:00.

Comments: The above referred minutes indicate that the Annual Report was tabled on 11 May 2021. Subsequently, the Annual Report was approved by the 49th Ordinary Meeting of the City of Johannesburg Municipal Council on 23 June 2021. These minutes highlight that the Oversight Report, was adopted by Council within two months of the tabling of the Annual Report.

Government Reviewer:
Peer Reviewer: Cannot agree or disagree – not privy to the minutes, but if the reading is correct of the minutes, the answers seems right
IBP South Africa: Agree with A based on the assumption that the researcher’s interpretation is correct (The IBPSA was not able to obtain the minutes)

Guidelines: Question 109 asks whether the Council adopted an oversight report on the Annual report within two months of its tabling as required by section 129(1) of the MFMA.
Answer “a” should be selected if the Council adopted an oversight report on the Annual report within two months of its tabling. Answer “b” applies if this was done but after two months after the tabling of the Annual report and answer “c” applies if the Council did not adopt the oversight report at all.

110. Did the Oversight Report on the Annual Report include comments as well as a statement from the Council?

a. Yes, the Oversight Report, included a statement whether the Council has approved the annual report with or without reservations; has rejected the annual report; or has referred the annual report back for revision, as well as comments on the Annual report.
b. Yes, the Oversight Report included either a statement whether the Council has approved the annual report with or without reservations; has rejected the annual report; or has referred the annual report back for revision, or comments on the Annual Report but not both the statement and comments.
c. An oversight report was not adopted by the Council.

**Answer:** A


Minutes of the 49th Ordinary meeting of the City of Johannesburg Municipal Council, held on Wednesday, 23 June 2021, at 10:00 and Thursday, 24 June 2021, at 10:00

-Oversight report was made available by a City official via an email.

**Comments:** The minutes of the above meeting indicate that the Council approved the oversight report on the 2019/20 annual report of the City of Johannesburg. The Council considered the content and recommendations of the section 79 Portfolio committee on the oversight report, which are attached as annexures to the Oversight report. Thus, the Council approved the Oversight Report with reservations and commented on the Annual Report.

**Government Reviewer:**

**Peer Reviewer:** Cannot agree or disagree – not privy to the minutes, but if the reading is correct of the minutes, the answers seems right (provided that the specific text was there as is required by the MFMA)


**Guidelines:** Question 110 asks whether the Council produced an oversight report on the Annual report within two months of its tabling as required by section 129(1) of the MFMA. Section 129(1) requires that the report includes comments on the Annual report as well as a statement whether the council:

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

Answer “a” should be selected if the Council complied fully with the requirement. Answer “b” is applicable if the Council included either the statement or comments in the Oversight Report but not both, while answer “c” applies if the Oversight Report was not adopted by Council (if the answer to question 109 is “c”).

### 111. Was the Oversight Report made public within seven days of its adoption?

- **a.** Yes, the Oversight Report was published within seven days of its adoption.
- **b.** Yes, the Oversight Report was published but more than seven days after its adoption.
- **c.** No, the Oversight Report was never published.
112. Did the Municipal Manager, participate and attend all MPAC meetings during which the Annual Report was discussed?
   a. Yes, the Municipal Manager, attended and participated in all MPAC meetings during which the Annual Report was discussed.
   b. Yes, the Municipal Manager, attended and participated in some but not all the MPAC meetings during which the Annual Report was discussed,
   c. No, the Municipal Manager did not attend any MPAC meetings during which the Annual Report was discussed or attended but did not participate.

   Answer: B

   A report titled “Annexures to the Oversight Report on 2019/2020 Annual Report” indicate on page 312 that the MPAC had five (5) meetings at which the Oversight Report and Annual Report were discussed. The details are as follow:
112. The above referred minutes indicate that the Acting City Manager, F. Brink attended the MPAC meeting held on Thursday, 17 June 2021, at 09:00. However, the Municipal Manager did not attend other meetings of the MPAC, as outlined above, which discuss the Annual Report.

Comments: The above referred minutes indicate that the Acting City Manager, F. Brink attended the MPAC meeting held on Thursday, 17 June 2021, at 09:00. However, the Municipal Manager did not attend other meetings of the MPAC, as outlined above, which discuss the Annual Report.

Government Reviewer: Cannot agree or disagree – not privy to the minutes, but if the reading is correct of the minutes, the answer seems right


Guidelines: Question 112 asks whether the Municipal Manager was present in the MPAC meeting(s) during which the annual report was discussed. Section 129(2) of the MFMA requires that the Municipal Manager attends the meetings. Evidence of the participation of the Municipal Manager can be gathered by scrutinising the minutes of these meetings. Participated means that the Municipal Manager was allowed the opportunity to respond to questions from the Council. Answer “a” should be selected if the Municipal Manager participated (was present and responded to questions) in the MPAC meetings. Answer “b” should be selected if the Municipal Manager participated in only some MPAC meetings on the Annual Report. Answer “c” applies if the Municipal Manager did not attend any MPAC meetings at which the Annual Report was discussed or attended but did not participate. The researcher should indicate the source of the information e.g., minutes of the MPAC meeting.

113. Do the corrective actions, as adopted by Council as part of the Oversight Report, remain on the agenda of MPAC after their adoption?
   a. Yes, the corrective actions remain on the agenda of the MPAC after their adoption by the council.
   b. No, the corrective actions do not appear again on the MPAC’s agenda after the adoption by the council.

Answer: A
Sources: Minutes of the MPAC made available by a City Official via email.
- Minutes of the Ordinary Meeting of the MPAC held on Microsoft Teams, on Thursday, 15 October 2020, at 11:00
Comments: The above referred minutes suggests that the corrective actions remain on the agenda of the MPAC after their adoption by the Council as part of the Oversight Report.

Government Reviewer:
Peer Reviewer: Cannot agree or disagree – not privy to the minutes, but if the reading is correct of the minutes, the answer seems right

IBP South Africa: Agree with A. The minutes provided to IBPSA confirms the researcher’s view that the corrective action remains on the agenda of MPAC after it was adopted by council as part of the oversight report. (The minutes can be requested from the IBPSA)

Guidelines: Question 113 asks if the corrective actions adopted by the council as part of the Oversight Report remain on the agenda of the MPAC after their adoption. Evidence of the corrective actions remaining on the MPAC’s agenda after their adoption by the Council can be established by scrutinising the agenda for MPACs’ meetings. Given that the time period between the adoption of corrective actions (as part of the Oversight Report) for the 2019/20 financial year and when the survey is implemented (May-June 2021) is too short to establish any meaningful pattern of the corrective actions remaining on the MPAC’s agenda, the assessment year for this question is the 2018/19 financial year. Answer “a” should be selected if there is evidence to suggest that the corrective actions remain on the agenda of the MPAC after their adoption by the Council while answer “b” applies if the corrective actions do not appear again on the MPAC’s agenda after their adoption by the council.

5.3 Public Engagement in the Audit Phase

114. Did the metropolitan municipality invite the public to comment on the Annual Report immediately after its tabling?
   a. Yes, the metropolitan municipality invited the public to comment on the Annual Report immediately after its tabling.
   b. Yes, the metropolitan municipality invited the public to comment on the Annual Report, but not immediately after its tabling.
   c. No, the metropolitan municipality did not invite the public to comment on the Annual Report.

Answer: B
Sources: Zayd Ebrahim
Director: Strategic Coordination and Management Support at City of Johannesburg

Comments: The response received from the municipal official was that “all processes were followed and communities were consulted:”; however, no further evidence was provided and follow up queries were not responded to.

Government Reviewer:
Peer Reviewer: I would suggest C, as some evidence beyond a single claim should be required.

IBP South Africa: Agree with B – a Facebook post from 20 May ([https://www.facebook.com/CityofJoburg/posts/4169298906447400](https://www.facebook.com/CityofJoburg/posts/4169298906447400)) request the public to comment on the Annual Report. This is however 11 days after the tabling of the Annual Report on 11 May 2021.

**Guidelines:** Question 114 asks whether the Metro invites the public to comment on the Annual Report immediately after its tabling. The researcher must present evidence to support that public invites were extended publicly. In order to qualify, the invite must be publicised, i.e., must be published on the Metro’s website or in a newspaper. Evidence of radio invites will also count if the researcher can provide evidence that these were made, e.g., correspondence about radio interviews, a transcript of the interview or evidence of advertising booked. The invite must specify how members of the public can provide input. The invite may be to hearings in which the public can participate, for written submissions or for text messages, tiplines or other forms of instant feedback. Note that hearings do not have to be in person and can be virtual.

Answer “a” applies if the Metro immediately asked for public comment. For purposes of the Survey, immediately means within 2 working days (not calendar days) of the Annual Report being tabled. Answer “b” applies if the public was invited to comment, but later than 2 working days after the tabling of the Annual Report. Answer “c” applies if the public was not invited to comment.
Appendix 1: Definition of key terms used.

**Adjusted Budget:** The Adjusted Budget includes any amendments to the original Adopted (Annual) budget approved by Council during the fiscal year. Under normal circumstances a Metro would have only one Adjustment Budget approved to incorporate changes after six months of implementation. In extraordinary circumstances, such as when a supplementary (or additional) budget is required before the normal Adjustment Budget time, more than one set of amendments would be incorporated into the Adjusted Budget. Section 27 of the Municipal Finance Management Act provides a list of circumstances under which the original adopted budget can be revised.

**Adopted Budget:** The Adopted Budget is the approved Annual Budget for the each of the outer two years. In the survey we distinguish between the draft MTREF (the draft budget), the Adopted Budget and the Adjusted Budget. The Adopted Budget is the original approved budget by the Council for the first year of the draft MTREF (or the Budget Year). The Municipal Finance Management Act requires this budget to be approved before the start of the fiscal year (Section 24 (1)).

**Allocation:** Allocation is the amount specified in a budget for the vote, functional and type classifications used, or for other categories or units in the budget, such as capital projects. An allocation is an indication of how much money will be spent on that category over the budget period. An allocation is not equal to an appropriation, as not all allocations in a budget are appropriated.

**Annual Budget:** The Annual Budget is the appropriated or adopted budget for the first year of the MTREF.

**Annual Report:** The Annual Report is the report submitted to the Council and published by municipalities after the end of the fiscal year, to report on Metro’s activities and performance against the budget for the fiscal year. It is required by the Municipal Finance Management Act Section 121, which specifies the required content of the report, including that it must contain the Audit report for the fiscal year.

**Appropriation:** An appropriation is a specific type of allocation, namely an allocation that has been approved by the legislature (the council in the case of municipalities) as a limit on expenditure against the expenditure category. The Municipal Finance Management Act Section 15 sets appropriations as the allocations to votes in the approved budgets of municipalities. In addition, Municipalities can make specific appropriations to ringfence expenditures within a vote.

**Asset class and asset sub-class** refers to the classification of individual capital projects by the type of asset a capital project is delivering. If infrastructure is the asset class, electrical infrastructure will be the sub-asset class. Please refer to any of the SA34 tables in Schedule 1 for lists of asset sub-classes.

**Audit phase:** The audit phase occurs after the end of the fiscal year and refers to the processes and key documents of ex post reporting, audit and oversight by the council.
Audit Report: The Audit Report is the report submitted by the Auditor General of South Africa to the Council of the municipality after the end of the fiscal year. The Audit Report is published by the municipality as part of its Annual Report. In South Africa this report has both aspects of assurance on the accuracy of the accounts of the municipality (the financial audit) and assurance that the budget was implemented in accordance with the applicable administrative laws and regulations (the regulatory audit). In addition to these two audits, the municipalities performance measure results are also audited, to provide assurance to the Council and the public on their accuracy. This is done in accordance with the Municipal Systems Act section 45(b).

Bid Adjudication Committee: Municipalities are required to use three types of committees in their procurement processes. Bid specification committees are set up to specify the parameters of the tender. Budget evaluation committees evaluate the bids that are submitted for tenders. The bid adjudication committee is the committee that considers the report and recommendations of bid evaluation committees, and either, depending on its delegations, make a final award or a recommendation to the accounting officer to make a final award, or make another recommendation to the accounting officer on how to proceed with the relevant procurement (Regulation 29(1)(b)(ii) of the Municipal Supply Chain Management Regulations of 2005).

Budget approval: Budget approval is the second phase of the budget cycle and refers to the period after the final draft MTREF has been tabled in the municipal council, up to the point when it is adopted or approved by the council.

Budget cycle: The budget cycle refers to the cycle of processes through which municipalities plan/prepare budgets before the start of the fiscal year; municipal councils approve budgets; municipalities implement and report on budgets in-year; and report, audit and review budgets after the end of the fiscal year, feeding into a new cycle.

Budget formulation process: The budget formulation process is the starting point of a new budget cycle and refers to the period and processes up to the tabling of the final draft MTREF in the municipal council for approval.

Budget implementation: Budget implementation occurs during the fiscal year and comprises the processes and reports associated with raising revenue and spending money in accordance with the adopted budget. It starts on the first day of the fiscal year and ends on the final day of the fiscal year.

Budget policy: Budget policy can be read to refer to the priorities and decisions taken on the distribution of the budget across different purposes, functions and types of expenditure, linked to the policy priorities of the government. Fiscal policy in contrast can be read to refer to the priorities and decisions taken on revenue, expenditure and borrowing/debt aggregates. The terms are however often used interchangeably.

Budget year (BY): The Budget Year (BY) in the Metro OBS questionnaire is the fiscal or financial year for which a budget is being prepared. The term is particularly relevant to the assessment of the draft MTREF where it is used to anchor references to the array of fiscal years for which information should be provided. It is the first year of the three forward budget information years in the document. The second year (or the first of the two outer years) then become B+1, and the third year (or the second of the two outer years B+2). The current year relative to the year in which the budget was planned, is the year before the budget year, and is therefore BY-1.
Capital assets, expenditure, revenue and the capital budget: Generally, capital in public accounting refers to assets that have a life of more than one year. Capital assets are the municipalities net fixed assets, including machinery, buildings and so on. Capital revenue is revenue that is earmarked for capital expenditure. Capital expenditure is expenditure on the acquisition, upgrading and major maintenance of assets lasting more than one year. The capital budget is aggregate capital expenditure.

Capital grant revenue: A grant is a sum of money given to a municipality, often for particular purposes. These inflows are called grant revenue. Metros receive grants from National Government that are earmarked for a specific purpose. When the revenue is for operational purposes, it is called an operational grant. When revenue is for capital purposes, it is called a capital grant.

Citizens Budget: A Citizens Budget is a type of popular presentation of budget information that can take many forms, but its distinguishing feature is that it is designed to reach and be understood by as large a segment of the population as possible. A Citizens Budget is a simplified summary of the budget designed to facilitate discussion: they are typically written in accessible language and incorporate visual elements to help non-specialist readers understand the information. Please see https://www.internationalbudget.org/open-budget-survey/resources-for-governments/citizens-budgets/ for examples of Citizens Budgets.

Contingent Liabilities: Contingent liabilities are liabilities for which the budgetary impact is dependent on future events which may or may not occur. Contingent liabilities can arise from explicit contractual liabilities, such as government loan guarantees, government insurance programmes, and legal claims against the government. Contingent liabilities can also be implicit, and these are obligations arising from expectations about the role of the state, such as providing natural disaster relief to citizens.

Contracted Services: Contracted Services is one of the types of operating expenditure in the “type” classification. It refers to expenditure on contracts that the Metro has issued to service provider for the provision of services on its behalf. Contracted services are broken down by types of service, for example cleaning services; chemical toilets; meter reading; etc. The National Treasury does not prescribe how contracted services should be broken down, as it would be driven by the kinds of services different municipalities contract out. Other types of operating expenditure are employee expenditures, depreciation and asset impairments; bulk purchases and other expenditures by type.

Current assets: Current assets can easily be converted into cash, e.g., call investment deposits as a type of current asset, while non-current assets are longer term investments, including property and equipment as types of non-current assets.

Current liabilities: Current liabilities refer to money owed by the municipality that has to be repaid within 12 months. Current liabilities are in contrast to non-current liabilities that refer to the long-term debt of the municipality.

Current year (BY-1): The fiscal year before the budget year in budget tables that present a time series of budget data against a classification or sub-classification. Note that the current year is defined relative to the document/budget table rather than the year in which the researcher is assessing. The
budget year is the anchor year of the series and is the year for which the budget will be approved. For the MTREFs 2021/22 to 2023/24 the budget year is 2021/22 and therefore the current year is 2020/21.

**Expenditure in Arrears:** Expenditure in arrears is the accrued amount of debt that is overdue. For the purposes of the Metro OBS this is taken to be all outstanding debt that is past due date (more than 30 days outstanding) at a point in time. For example, expenditure in arrears in the Monthly Budget Statement for May 2019/20 would present the accumulated amount outstanding past due date on 31 May 2020. The tables may break up the accumulated amount by providing the total amount at the beginning of the period the net amount added during the period, and the balance at the end of the period.

**Financial / fiscal year:** The financial or fiscal year is the year as reckoned for budget and accounting purposes. The South African Municipal Financial or Fiscal Year starts on 1 July and ends on 30 June.

**Financial Statements:** Financial Statements are the statement of the financial position of the municipality at any point in time, but usually refers to the Statements submitted to the Auditor General for auditing after the end of the financial year, on the financial position of the municipality at the end of the fiscal year. The required content is set out in the Municipal Finance Management Act, and includes statements on the financial position, financial performance, and cash flow of the municipality, plus any other statements that may be prescribed and the notes to the statements.

**Fiscal:** Fiscal is a term used to refer to public finance and taxes. In public financial management it is often used specifically to refer to higher level policy issues, estimates and outcomes, e.g., the fiscal framework refers to the framework of aggregate revenue, expenditure and the resulting fiscal balance, with available expenditure being determined by how much new borrowing can be afforded to supplement revenue, given existing debt.

**Function and functional classification:** A function are a government purpose, such as education, health and transport. The functional classification organises government activities according to their purposes, so that comparisons can be made over time and across governments even when unique administrative and other classifications change. In South Africa the functional classification of local government activities is prescribed by the National Treasury and include functions such as “community and public safety”, “economic and environmental service” and “trading services”.

**Grant:** A grant is a sum of money given to a municipality, often for particular purposes. These inflows are called grant revenue. Metros receive grants from National Government that are earmarked for a specific purpose. When the revenue is for operational purposes, it is called an operational grant. When revenue is for capital purposes, it is called a capital grant.

**In-year:** In-year means occurring during the fiscal year. For example, in-year reports refer to the reports produced by the municipality on its budget and service delivery performance during the fiscal year.
**Irregular expenditure:** Irregular expenditure is expenditure that is made in contravention of the stipulations of the Municipal Finance Management Act, the Municipal Systems Act, the Public Office Bearers Act or the supply chain management policies of the Municipality, and that has not been condoned by the National Treasury. Irregular expenditure does not include unauthorised expenditure.

**Item:** Item is the sub-category of the “type” classification and is used only for operational expenditure. If the type of expenditure is “Employee related costs”, the items will be “Basic salaries and wages”, Pension and UIF Contributions”. Items for some types of expenditure are prescribed by the National Treasury and are common across municipalities.

**Medium Term Revenue and Expenditure Framework (MTREF):** The Medium-Term Revenue and Expenditure Framework is the Metro’s budget estimates for the next three years (medium-term). It allows annual rolling revenue and expenditure planning, that links the medium-term expenditure priorities to the hard budget constraints of the metro.

**Monthly Budget Statements:** Monthly Budget Statements are the summary reports on the state of the municipality’s budget presented to the Municipal Council. The reports presenting actual expenditure, revenue and borrowing, amongst other, for the month just completed and aggregate expenditure, revenue and borrowing for the year to date. The Monthly Budget Statements are required in terms of the Municipal Finance Management Act Section 71 and are sometimes called Section 71 Reports the Act stipulates that statements on the state of the budget must be accompanied when necessary, by explanations for any material variance between budgeted and actual expenditure, the remedial actions to be taken. It also requires that a projection for expenditure for the remainder of the year is presented on the information required, including on revenue, expenditure and borrowing.

**Multi-year:** Multi-year refers to providing a series of data for more than one year, or planning revenue, expenditure and borrowing (and other budgetary categories) for more than one year. It is most often used to refer to having a multi-year forward horizon in the budget, i.e., the proposed or approved appropriations for the budget year, plus forecasts for the subsequent two years.

**Municipal Entity** is a private company, a service utility or a multi-jurisdictional service utility owned by the municipality.

**Municipal Manager** is the person appointed in terms of the Municipal Structures Act Section 82 as the head of the municipality’s administration and the accounting officer.

**Municipal tariff** means a tariff for services which a municipality may set for the provision of a service to the local community and includes a surcharge on such tariff.

**Municipal tax** means property rates or other taxes, levies or duties that a municipality may impose.

**Municipal Public Accounts Committee (MPAC):** The Municipal Public Accounts Committee is established in terms of Section 79 of the Municipal Structures Act to hold the municipal executive and administration accountable for the use of the municipality’s resources. All municipalities in South Africa have MPACs
by agreement. COGTA and the National Treasury provided Guidelines for MPACs in 2011 (http://www.salga.org.za/event/mmf/Documents/Guide%20and%20Toolkit%20for%20Municipal%20Public%20Accounts%20Committees.pdf), which sets out the primary functions as:

- consider and evaluate the content of the annual report and to make recommendations to the Council;
- track the implementation of past recommendations;
- examine the financial statements and audit reports of the municipality and municipal entities;
- promote good governance, transparency and accountability on the use of municipal resources;
- recommend any investigation in its area of responsibility, and perform any other functions assigned to it through a resolution of the Council within its area of responsibility.

**Non-current assets:** Non-current assets are longer term investments, including property and equipment as types of non-current assets, current assets can easily be converted into cash, e.g., call investment deposits as a type of current asset.

**Non-current liabilities:** Non-current liabilities are used in contrast with current liabilities and refers to money owed by the municipality that can be repaid over a longer period than a year.

**Operating expenditure:** Operating expenditure refers to all the expenditures on ongoing activities to fulfil the functions of the metro. It includes expenditure to run the administration of the municipality and to provide the services of the municipality, such as on salaries, travel and transport, office expenses, and materials and supplies. It is distinct from capital expenditure which is the expenditure to produce any asset that lasts for more than one year, used in the administration and services of the municipality.

**Operational grant revenue:** A grant is a sum of money given to a municipality, often for particular purposes. These inflows are called grant revenue. Metros receive grants from National Government that are earmarked for a specific purpose. When the revenue is for operational purposes, it is called an operational grant. When revenue is for capital purposes, it is called a capital grant.

**Oversight Institutions:** The oversight institutions are the structures of the metro that have been mandated with oversight functions. Specifically, it refers to the Council and Section 79 Committees of the Council, that has the duty of approving raising and spending resources on behalf of the metro’s residents, of overseeing whether revenue was raised and used as approved, and of overseeing the performance of the metro.

**Oversight Report:** An oversight report is the report produced by the Council of a municipality that provides its comments and matters it wishes to raise on the Annual Report of the municipality. It is produced in terms of Section 129 of the Municipal Finance Management Act, which requires that it should include a formal statement on whether the Annual Report is accepted, rejected or referred back to the Mayor, and that it is published.

**Overspending:** Overspending occurs when a municipality spends more than what was allocated to a classification category. Overspending is equal to unauthorised expenditure when the overspending is against an approved amount for a vote, or a specific appropriation within a vote. The Municipal Finance Management Act provides for circumstances under which overspending against an appropriation can be authorised.
**Pre-Budget Statement:** The Pre-Budget Statement, sometimes referred to as the Pre-Budget Report, presents the metro’s policy priorities, and revenue and expenditure plans for the forthcoming budget year and encourages debate on the budget in advance of the presentation of the more detailed draft MTREF. The Pre-Budget Statement reflects the culmination of the strategic planning phase of the budget process, in which the Administration broadly aligns its policy goals with the resources available under the budget’s fiscal framework — the total amount of expenditure, revenue, and debt for the upcoming budget year. This process establishes the parameters of the budget proposal before detailed program funding decisions are made. By laying out the budget’s broad parameters, the statement can help create appropriate expectations for the draft MTREF.

**Publicly available:** In normal language use publicly available means that information can be accessed by the public. In the Metro OBS however, publicly available has the specific meaning of being available where all citizens can access the information free of charge. For documents, publicly available therefore means specifically that the document is available on the municipality’s website. For information such as public notices on participation opportunities, the OBS will also accept proof of open distribution through other means, e.g., radio announcements or newspaper articles.

**Revenue:** Revenue refers to the income streams of a municipality. This includes property rates, charges for services, licenses and permits, payments for agency services, rents, fines and penalties, interest and dividends received, transfers from other spheres of government or other municipalities and subsidies, amongst other.

**Section 56 Manager:** A Section 56 Manager is appointed in terms of Section 56 of the Municipal Systems Act and is a manager appointed by the Municipal Manager and directly accountable to the Municipal Manager. Across municipalities Section 56 Managers usually include a manager in charge of corporate services; infrastructure services; roads and transport; local economic development etc.

**Section 79 Committees:** These are municipal council committees, appointed in terms of section 79 of the Municipal Structures Act. Section 79 Committees are headed by a ‘non-executive councillor’, i.e., a councillor who is not on the municipal executive. In that sense, they are similar to parliamentary committees. These section 79 committees are different from committees established in terms of section 80 of the Municipal Structures Act. **Section 80 Committees** report to the executive and are chaired by a member of the municipal executive. They thus lean much more towards the municipal executive.

**Sub-function:** A sub-function is a sub-category of the functional revenue and expenditure classification. Functional classification is the categorisation of revenue and expenditure according to the purposes of a municipality. The function and sub-functions of municipalities are standardised across government. So, the community and public safety function breaks out into community and social services; sport and recreation; public safety; housing and health.

**Sub-vote:** Sub-votes are the break downs of the main segments into which a budget of a municipality is divided for the appropriation of money to different departments or functional areas of the municipality. Sub-votes are usually the sub-units or divisions within the department.

**Tax expenditures:** Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. For Metropolitan municipalities in South Africa tax expenditures refer to exemptions on charges and tariffs granted to companies or individuals. Tax expenditures are
called tax *expenditures*, because they often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, assisting the elderly through exemptions from municipal tariffs, may be structured as municipal programmes to assist the elderly, as it still constitutes a cost in terms of foregone revenues.

**Transfers**: Transfers refer to the revenue received or transferred to another sphere of government. These revenues are not raised by the municipality itself but are transferred from another municipality to fulfil a function on behalf of that municipality, or from national or provincial government.

**Type**: Expenditure by type organises municipal expenditures by the type of input that is purchased. Types of operating expenditure are employee expenditures, depreciation and asset impairments; bulk purchases; contracted services and other expenditures by type.

**Vote**: A vote is one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality, which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. Votes are not standardised across municipalities but are unique to how each municipality is structured.
Appendix 2: Structure of Responses to the Questions

The majority of questions in the five sections of the Metro OBS Questionnaire have three possible responses. For questions with three options, the first response (the letter “a”) is the most positive answer, reflecting the best practice for the specific subject matter of that question. The second response (the letter “b”) generally reflects weaker, but still good practice, while the third response (the letter “c”) reflects the most negative response. For a handful of questions there will be a “not applicable/other option.” With regard to questions for which this response is an option, if selected as the answer, the question will not be included in the scoring. The “not applicable/other option.” does NOT apply to situations where metros do not produce the relevant document; in such cases option “c” is typically the correct one.

For the purposes of numerically scoring the responses on the questionnaire, if the question has three possible options, an “a” response will be scored as 100 percent, “b” will be scored as 50 percent, and “c” as 0 percent. For the small number of questions with four possible responses, an “a” will be scored as 100 percent, “b” as 67 percent, “c” as 33 percent, and “d” as 0 percent. As indicated above, if the “not applicable/other” option applies, the question will not be scored or included in the overall score.

Appendix 3: Answers Involving Documents that are Not Available to the Public

The Metro OBS Questionnaire is intended to evaluate information on the relevant metro’s budget that is available to the public. A document is only considered publicly available if it is available on the website of that metro within the timeframe specified in the Municipal Finance Management Act and the Metro OBS methodology, and the members of the public can obtain the documents free of charge. Therefore, researchers should not answer questions based on information that they may have unique access to through, for example, contacts in the metro’s administration, or from a document that might have been provided by a councillor. The implicit question is not whether the researcher could obtain the document, but rather whether members of the public could obtain the document. In addition, if the document is available, for example, on the National Treasury website but not on the metro’s website it would be considered to be not publicly available for the purposes of completing the questionnaire. The reason for this is that from an accountability and participation perspective, the unit of government that the public seeks to engage should issue the information needed to do so.

If a document is not available to the public, then all the questions regarding that document should be marked the most negative response – generally a “c”. For example, this means that if the draft MTEF is not available on a metro’s website, but the researcher managed to obtain a copy from a different source (including the National Treasury website), all the questions related to the draft MTREF should be marked “c”.

Appendix 4: Citations and References

When completing the questionnaire, researchers are asked to briefly cite a source and provide a short comment (which may be as short as one sentence or one paragraph, as appropriate) for answers to each question. The citation should reference the title and page numbers or subsection of the budget document from which you have drawn your answer, or it should describe the conditions that led you to select a particular answer. Below are some examples of possible citations:

- A short citation for a reference to information drawn from a budget document could be one or two sentences long and read as follows (researchers should include the Internet address/URL for the document cited, if it is posted on the web as well as the date when the document was accessed):

  Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August on page 33-36 presents actual expenditure by vote. This information can be accessed at http://www.durban.gov.za/Resource_Centre/reports/Budget/Documents/MonthlyBudgetStatementAugust2017.pdf Accessed 1 March 2018

- In cases in which the budget documents present only partial information, researchers may choose to provide a citation that gives some insight into why they chose a “b” or “c” answer. A comment as follows could be provided:


- If the document in question or information is not available to the public, researchers may decide to provide a citation as follows:

  This document is not available to the public. OR
  This document is produced for internal purposes, but it is not made available to the public. OR
  A review of the draft MTREF for the year 2016/17, and the supporting documents that accompany it, indicates that this information does not appear in the documents.

- In some instances, researchers may wish to provide an example to strengthen the credibility of their answers. An example can also give insight to readers about why a particular answer was selected. Providing concrete details (dates, names, actions) about examples provided can strengthen their usefulness. For example:

  It is a legal requirement that the administration makes the mid-year budget and performance assessment public by placing it on the municipal website within five working days of 25 January. However, during the 2016/17 budget year, the administration only placed these documents on the municipal website in March.

Citations for Information from Interviews with Government Officials

12 Please note that the citations presented here, including references to specific documents of a metro, are for illustrative purposes only.
Interviews with officials in the Administration and the Council will be necessary to complete some portions of the questionnaire. For example, an interview with an official from the Administration will be necessary to determine whether a document is not produced or produced for internal purposes only.

Some questions explore the internal capacity of the Council and the information that the Administration provides to members of the Council. These questions will likely require an interview with a councillor or officials working for the Council. In such cases, researchers should ensure that they interview councillors from a variety of political parties to ensure a variety of perspectives and some triangulation. Failure by the Administration to provide information to opposition parties should be noted in the “Comment” section for these questions.

Most of the questions in Section 5 on public engagement are likely to require the researcher to both examine publicly available documents and interview officials in order to capture the actual practice of the various institutions in terms of engaging with the public throughout the budget process.

Researchers should try to identify all the officials that they interview for the purposes of completing the questionnaire in order to strengthen the credibility of their citations. If possible, researchers should also try to identify officials interviewed with as much specificity as possible. For example, they should include as much of the following as possible: the name of the official, his or her title, the department or directorate, and the date of the interview, in addition to the pertinent information that came out of the interview.

Researchers should try and avoid the use of anonymous sources. If, however, an official agrees to be interviewed on condition of remaining anonymous, the researcher should accommodate this, and the sources should be referenced as “anonymous”. This option should only be used as a last resort if no other official is willing to be quoted and should not be offered upfront.
Appendix 5: Structure of a metro budget

**Operating Budget**
Expenses for ongoing administrative & service delivery costs

**Capital Budget**
Expenses on assets that will last longer than one year

**Operating Expenditure**
classified by
- Employee service costs
- Remuneration of Councillors
- Debt impairment
- Depreciation and asset impairment
- Finance charges
- Bulk purchases
- Etc.

**Capital Expenditure**
classified by
- All Capital Expenditure is also classified into projects. Capital projects refer to the acquisition, upgrading and major maintenance of assets lasting more than one year