



Inaugural Annual General Meeting

Period Under Review: 15 October 2024 – 30 June 2025

Presenter: Errol van Staden

Agenda

- Welcome
- Apologies
- Introductory Comments
- Chairperson's Report
- Draft Constitution
 - Proposed Changes
 - Adoption
- Finance Report
- Election of Advisory Board Members
- Questions
- Concluding Remarks



Meeting Protocol

During the Meeting:

- Mute your microphone when not speaking
- Keep your camera turned off throughout the session
- Reserve all questions until after the Election of Advisory Board Members
- If you wish to speak:
 - Select “Raise Hand”
 - Wait for the Chairperson to invite you to speak
 - **State your name clearly before asking your question**
 - After speaking, click “Lower Hand”
- Keep your questions brief and relevant to the topic. Please avoid monopolising the conversation

Additional

- Meeting will last maximum 75 minutes
- The session will be recorded for record-keeping and transparency



Introductory Comments



Good Governance

'Accountability serves as the foundation of democracy, empowering citizens to trust their leaders and the institutions that serve them'.

'Without transparency, there is no accountability. And without accountability, trust is lost'.

'Robust structures and systems for oversight, accountability, and consequence management are essential, not only to prevent misuse of public funds, but also to ensure that services are delivered equitably, resources are utilized efficiently, and local development initiatives are sustainable'.

Deputy Minister Dr Namane Dickson Masemola
COGTA Summit on Accountability in Local Government

16 October 2024



Local Government – Status Quo Assessment

Systemic Governance Failures

- Persistent irregular, fruitless, and wasteful expenditure
- Weak internal controls and poor consequence management.
- Political-administrative interference undermining professional management.

Financial Instability

- Over 160 municipalities in financial distress; many unable to meet operating expenses.
- Rising debt to Eskom and Water Boards, poor revenue collection, and dependency on grants.
- Unsustainable wage bills and poor financial discipline.

Erosion of Service Delivery Capacity

- Infrastructure backlogs and collapse of basic services (water, sanitation, electricity, roads).
- Poor maintenance and lack of technical skills in critical functions.
- Declining public satisfaction and legitimacy of municipalities.

Weak Citizen Engagement

- Limited participatory governance beyond compliance-driven IDP-meetings.
- Lack of transparency and accountability in municipal planning and budgeting.
- Citizens increasingly disengaged or resorting to protest.



Critical Needs

Need for Local Government Reform

Multiple assessments by the Auditor-General, National Treasury, and CoGTA confirm that the system:

- Faces deep structural, financial, and governance challenges.
- Reform is both urgent and necessary to restore effectiveness, accountability, and citizen trust
- Review of White Paper on Local Government (1998) underway

Need for Oversight

Systematic monitoring, evaluation, and accountability mechanisms through which:

- Councils hold the Executive (Mayor and Administration) accountable
- Citizens monitor the use of public resources and delivery outcomes (e.g. OCAN and RPAs)
- External institutions (e.g. Auditor-General, Provincial and National Treasury, CoGTA, Public Protector) enforce compliance and support corrective action

Need for Civic Partnering

- Structured collaboration between the Municipality, civil society, business, and other stakeholders in planning, decision-making, implementation, and oversight



Closer to Home

Overstrand Municipality rated amongst SA's best performing local municipalities

Recipient of several awards (over time)

Operationally effective (service delivery)

Financially healthy (Auditor-General)

Flickering Red Lights: Growing dependency on grants and subsidies | Decline in capital spend | Over-reliance on electricity revenue | High employment-related cost | Sharp increase in debt write-offs

Several critical roles are vacant (including 4 director roles)

No evidence of innovative practices

Almost zero spend on people development

Lacks strategic vision

Limited evidence of civic partnering (beyond a dysfunctional Ward Committee system)



Platforms for Civic Partnering and Oversight

In Place

- JAPAC (Joint Audit and Performance Audit Committee)
- Ward Committee System and Community Forums (to be repurposed)
- OMAF (Overstrand Municipal Advisory Forum) – to be repurposed
- MPAC (Municipal Public Accounts Committee – Section 79)

Opportunities

- Advisory Committees (Municipal Systems Act)
- Section 79 Committees (Municipal Structures Act)
- PPPs (Public Private Partnerships)
- Budget Steering Committee (Participatory Budgeting)
- Joint Planning Committees (IDP-processes)
- Informal Brainstorming Sessions
- Citizen Summits
- Formal Strategy Sessions



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Chairperson Report

- Circulated beforehand
- Available on OCAN-website
- Details the establishment of OCAN
- Provides access to various OCAN-produced reports



Chairperson Report

- OCAN is in a start-up phase
- The groundwork for its formation started during January 2023
- Concerns about the impact of in-migration triggered an unsolicited review of the Overstrand Municipality's financial sustainability (October 2023)
- Decision to establish OCAN followed conversations with individuals and various stakeholder groups
- Founding constitution was adopted during a virtual meeting of founding supporters on 26 September 2024
- Interim Advisory Board was established on 11 October 2024
- Registration as a Non-Profit Company (NPC) was finalised on 15 October 2024
- A website was designed
- OCAN embarked on analyses of annual reports, budget reports and Auditor-General reports
- OCAN-reports were shared in the public domain
- Gradual awareness of OCAN's purpose and contribution
- OCAN is gaining traction (view statistics)



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Draft Constitution

- Adopted during a virtual meeting
- Recommended changes relate to membership



Proposed Changes to Draft Constitution

Proposed Change to Clause 5 (Membership)

Any supporter, who makes a financial contribution of whatever kind, automatically becomes a member of OCAN for the duration of the financial year during which the voluntary contribution was made

Proposed Change to Clause 6 (Membership Fees and Voting Rights)

Any supporter, who becomes an OCAN-member by virtue of a voluntary financial contribution, will have voting rights

Proposed Change to Clause 2 (Interpretation)

‘Member’ means an Overstrand-citizen who is entitled to be an OCAN-member in terms of clause 5 hereof

Proposed Change to Clause 7 (Termination of Membership)

Sub-clause 7(b) to be deleted.



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Finance Report

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Finance Report

Funding Model

- OCAN does not levy membership fees. Instead, OCAN's funding relies on voluntary contributions by supporters.

Seed Capital – Provided by Errol van Staden (current OCAN-chair)		
CIPC-registration	R	175
Website Design and Domain Hosting	R	3 250
Total Seed Capital	R	3 425
Income		
Seed Capital	R	3 425
Donations	R	9 900
Total Income	R	13 325
Expenditure		
Bank Charges	R	303
PayFast Charges	R	439
CIPC-registration	R	175
Website Design and Domain Hosting	R	3 250
Total Expenditure	R	4 167
Balances (30 June 2025)		
FNB	R	6 972
PayFast	R	2 186
Accrued Reserves	R	9 158
Current Liabilities (Carried Forward)		
Seed Capital Repayment	R	3 425



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Election of Advisory Board Members



Errol van Staden

OCAN Director & Chair
Business Psychologist
University of Stellenbosch Graduate
Former Chair of Hermanus Public Protection (HPP)



Simon Koch

OCAN Director
Chartered Accountant (CA SA)
UCT Graduate
Former CEO of a JSE-listed Company
Retired



Anton Hartman

OCAN Director
Surveyor turned Business Owner
UNISA and GIBBS Graduate
Former Sales Director at Hollard Life
Retired



Jon Kark

OCAN Board Advisor
Dentist turned Property Developer
Former Chief Development Officer (CPAG)
Wits and UCT Graduate
Semi-Retired



Questions



Looking Ahead

- Map OCAN - priorities
- Collaborate with the OM
- Expand analyses (a lot we don't know)
- Work closer with Ratepayer Associations
- Embark on an active supporter drive
- Tie-up with civic oversight organisations in other areas (e.g. the Garden Route Ratepayers Alliance)



Concluding Remarks

Effective oversight and ethical leadership are the foundation of good governance.

Civic partnering and meaningful public participation present numerous opportunities for enhanced municipal performance.

Thank You for Your Support

