

# ***NKETOANA LOCAL MUNICIPALITY***

PRESENTATION: LOCAL GOVERNMENT WEEK  
(31 July – 03 August 2012, Cape Town)

# TOPIC



“Accountability and Oversight in local government.”

# 1. DEFINITIONS

- 1.1 Accountability: *Broadly defined, it means the proper exercising of power so that efficiency can be improved and waste be reduced. It seeks to check and balance the potential abuse of power.*
- 1.2 Oversight: *A mechanism which seeks to promote good governance, transparency and accountability with regard to municipal systems and the use of municipal resources.*

## 2. LEGISLATIVE IMPERATIVES

### ACCOUNTABILITY

- **Constitution:** the provision of a democratic and accountable government for local communities (section 152 (1)(a).
- **Municipal Structures Act:** the development of a consultative mechanism by the municipality (section 19 (3).
- **Municipal Systems Act:** provision of accountable government by municipal council (section 4 (2)(b).

# LEGISLATIVE IMPERATIVES

## (cont.)

### □ OVERSIGHT

- **Municipal Finance Management Act:**
  - the exercise of oversight by the Mayor (section 52).
  - The exercise of oversight through oversight report by council (section 129).
- **Municipal Structures Act:** allows council to establish a committee which will perform the oversight function on its behalf (section 79).

# 3. TYPES OF ACCOUNTABILITY (and tools of accountability)

## 3.1 Municipal council to local citizens:

- Elections.
- Open meetings.
- Report back mechanisms.
- Complaint, appeal and petition procedure.

## 3.2 Officials to the municipal council:

- SDBIP.
- Monthly budget statements.
- Mid-year budget and performance assessment report.
- Annual Report.

# 4. OVERSIGHT

## 4.1 Structures for oversight:

- Council (functional).
- Executive Committee (functional).
- Section 79 Committees (functional).
- Audit Committee (district).
- Municipal Public Accounts Committee (MPAC) (recently established).
- Oversight Committee.

# OVERSIGHT (cont.)

## 5.1 Areas of oversight:

- Financial management.
- Performance management.
- Audit assessment.
- Risk assessment.

## 5.2 Challenges with regard to oversight:

- Thin line between oversight and interference in administration.
- Lack of understanding of roles by Oversight Committee members.
- Failure to take corrective actions on recommendations in oversight report.



# 5. MUNICIPAL AREAS OF SUCCESS

## 5.1 Stability:

- Same Municipal Manager and CFO for more than three years.
- Public participation and community consultation effectively implemented.

## 5.2 Implementation of corrective measures suggested by the Auditor-General:

- Proper asset register has been put in place and continuously updated.
- Proper financial and other systems in place to ensure reliable and accurate reporting and information.
- Necessary HR and finance policies are in place.
- Continuous and relevant training of officials in terms of the Workplace Skills Plan.

# END OF PRESENTATION



*Thank You!*