

OFFICIAL ADDRESS BY DEPUTY CHAIRPERSON OF SALGA MPUMALANGA, CLR KHUMALO ON THE OCCASION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEES WORKSHOP FOR EHLANZENI DISTRICT MUNICIPALITIES, 23 AUGUST 2011

Honourable MEC for the Department of Co-operative Governance & Traditional Affairs, Mr Madala Masuku,

Executive Mayor of Ehlanzeni District Municipality, Cllr L Shongwe,

Executive Mayor Mbombela Local Municipality, Cllr C Dlamini,

Other Executive Mayors, Speakers, Chief Whips and MMC's present,

Municipal Managers,

National Chairperson of the Association of Public Accounts Committee, Hon. A.F Mahlalela,

Provincial Chairperson of the select committee on Public Accounts, Hon N. Mtsweni,

The Auditor- General

Ladies and Gentlemen

Thobela

Avuxeni

Sanibonani

Go0d morning

Goie more

Bonjour

Programme Director, A democratic government led by the ANC has ushered in a new hope for all citizens of South Africa. In terms of the Constitution of South Africa Act 108 of 1996, the objects of local government are clearly defined at section 152 (1).

As local government, it is then our responsibility of turning the hopes of citizens into sustained service delivery that enriches all our citizens' lives on a financial sustainable basis.

With the introduction of the Municipal Public Accounts Committees (MPAC's) at all municipalities, an expectation has been created whereby effect would be given to section 152 (1) (a) of our Constitution, " To provide democratic and accountable government for local communities.

Programme Director, A review of the performance of all local government has highlighted the issue of weak accountability mechanisms. To that end, the legislation governing the local government Sphere creates a favourable environment for the creation of a local government structure /s that can adequately deal with local government fiscal accountability in an approach similar to that of the provincial and National Standing Committee on Public Accounts Committee (SCOPA). Therefore the Municipal Accounts Committee (MPAC) becomes an equivalent Municipal Structure to deal with financial and related management aspects of municipalities.

Ladies and Gentlemen, we all know that's the intention behind MPAC is to provide a guidance or committee that which will assist to enhance executive accountability and Councillor oversight responsibilities at a local government level as recommended by section 129 of the Municipal Finance Management Act (MFMA) No 56 of 2003, the Constitution of the Republic of South Africa, the Municipal Systems Act and Sections 33 and 79 of the Municipal Structures Act 1998. MFMA circular No 32 also serves as reference.

Programme Director, we are gathered here today for a Municipal Public Accounts Committees workshop three (3) months after the National Local Government Elections that took place on the 18th of May. This therefore means that we have new Councillors on board and this workshop could not have come at a better time than now, because as new as we are in office, we need to really acquaint and orientate ourselves properly on how local government can be effectively and efficiently administered to ensure that we do not embarrass the ruling party as the majority of our people have once again entrusted the ANC to lead them as they religiously so voted for the ANC in majority Municipal Councils of our Country.

Ladies and Gentlemen, the objectives of today's Summit is to,

1. To make comparison and differentiate between municipal Public Accounts Committees (MPAC), Standing Committee on Public Accounts (SCOPA) and the Association of Public Accounts Committee (APAC).
2. To clarify between the roles and responsibilities of portfolio committees (Oversight committee, finance portfolio committee and Audit committee) and Municipal Public Accounts Committees and,
3. To set a clear programme of Action on what needs to be done by Municipal Public Accounts Committees (MPAC's) in all municipalities.

Our government has set up a goal to have all municipalities strive towards the Operation Clean Audit by 2014. We are three (03) years to 2014 and we have all been informed that for 2010-2011 financial year only 13 out of 283 municipalities in the Country have received clean Audits from the Auditor- General. This therefore means that there is still much to be done in less time. "Working together we can do more in less time".

Programme Director; allow me to conclude my talk by refreshing your mind about the functions of the Municipal Public Accounts Committees:

1. The Municipal SCOPA performs an oversight function on behalf of Council and is not a duplication of, and should not be confused with the Internal Audit Committee or the Finance Portfolio Committee
2. The Internal Audit Committee is an Independent Advisory body that advises Council and the Executive on Financial and risk matters and act as an advisory body to the municipal SCOPA.
3. The Finance Portfolio Committee deals with Financial Management issues such as budgetary, revenue and expenditure management and Supply Chain Management.
4. The Primary function of the municipal SCOPA is to assist Council to hold the Executive and the Municipal Administration to account and to ensure the

effective and efficient use of municipal resources. It will execute this function by reviewing public accounts and exercising oversight on behalf of the Council.

Programme Director, it is my dearest hope and believe that all relevant stakeholders present here today will exhaust their time fruitfully to ensure that by the end of the Summit, we are all familiar with what is expected of us. Let us all remember that government has a clean Audit target by 2014 for all municipalities. We therefore need to work even harder to ensure that this is achievable. Let us all have a fruitful Summit.

I thank you.