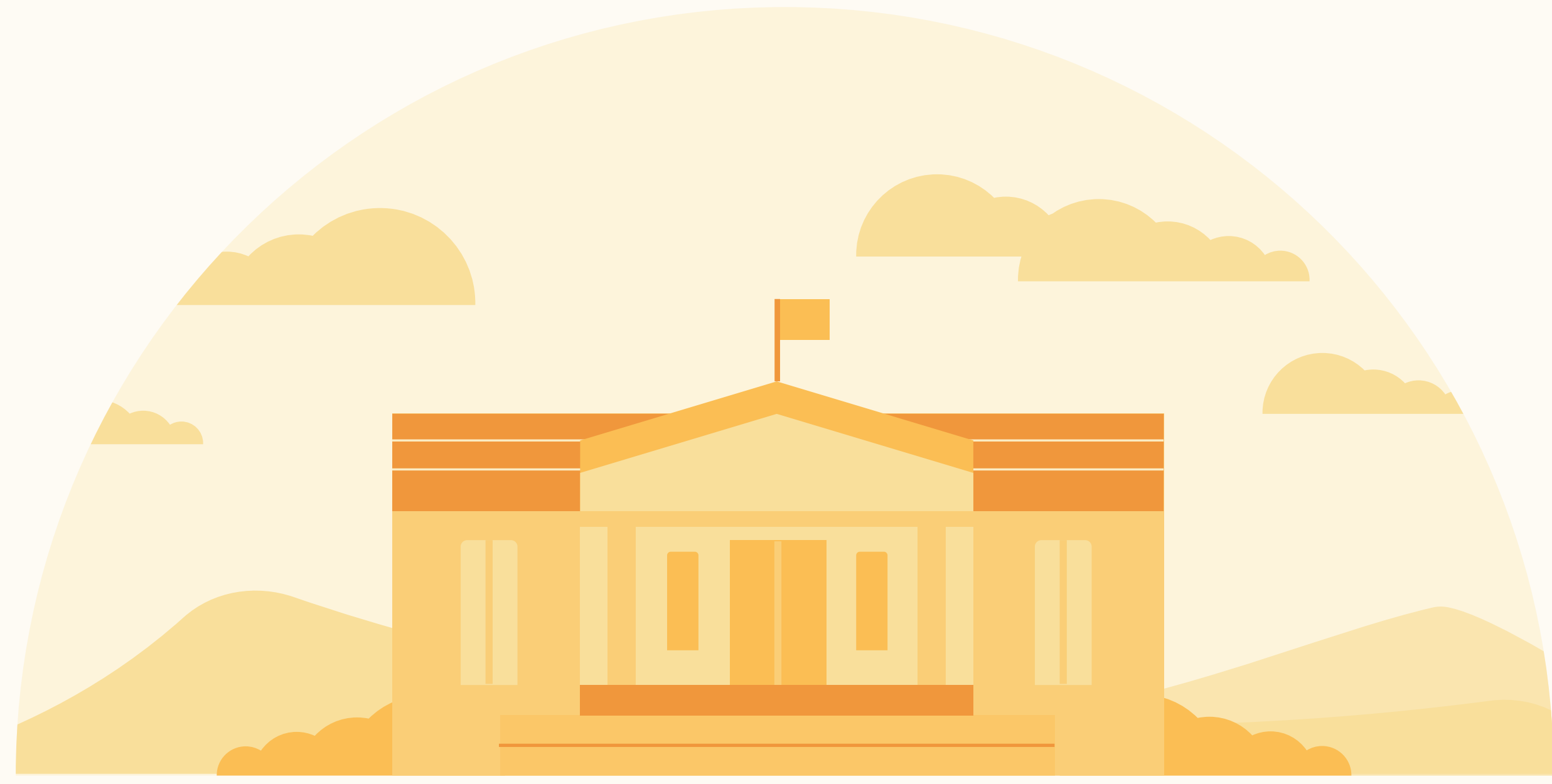


MUNICIPAL PUBLIC ACCOUNTS COMMITTEES

EXERCISING OVERSIGHT ON MUNICIPAL COUNCILS

WHAT ARE MPACs?



The important principles of public oversight and accountability ensure that those entrusted with executive powers and public resources are required to give account of how they exercise their powers and responsibilities.

MPAC is a committee of council established in terms of Section 79A of the Municipal Structures Act. The legal basis for the MPAC oversight functions are also set out in Section 129(4) of the Municipal Finance Management Act (MFMA).

MPACs report to council and not the executive, therefore, they are suited to providing oversight over the executive and the administration. The purpose of these committees is not prescribed but is determined by council – thus MPACs may be assigned the oversight functions deemed necessary by council.

WHY ARE MPACs IMPORTANT?

MPACs assist the municipal council in holding the executive and municipal administration to account, and to ensure the effective and efficient utilisation of municipal resources.

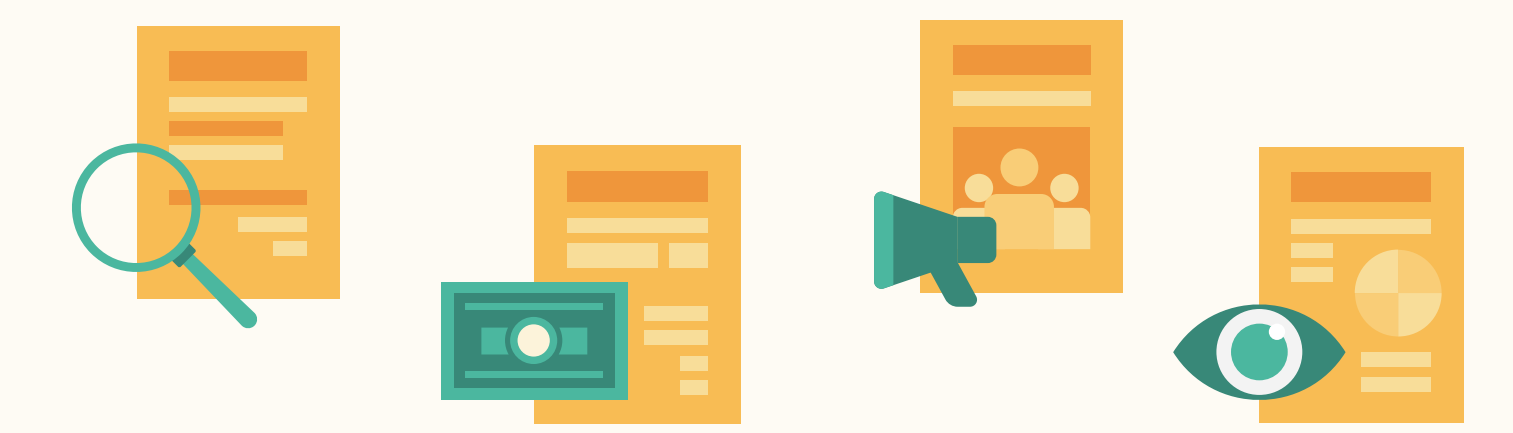


A councillor may not vote in favour of or agree to a resolution which is before the council or a committee of the council, which conflicts with any legislation applicable to local government.

(Item 3 of the Code)

DUTIES/FUNCTIONS INCLUDE:

- Submission of the annual report (AR) – MPAC to monitor that AR has been submitted. In case of failure to submit, request reasons (MFMA Section 127).
- Oversight report – MPAC to prepare a report and consider all representations made to council, municipal officials, and members of the public. Members of the public should be allowed to address the Committee (MFMA Section 129).
- Issues raised by the Auditor General (AG) – MPAC to monitor that the issues raised during the municipal audit have been fully addressed (MFMA Section 131).
- MPAC to assist in monitoring effectiveness of Audit Committee – fully functional Audit Committee is appointed (MFMA Section 166).
- MPAC to monitor and exercise oversight on disciplinary action instituted in terms of the MFMA and the Financial Misconduct Regulations.
- Promoting good governance, transparency and accountability in the use of municipal resources.
- Examine the performance-related information based on the functions assigned to the municipality as they are aligned to the financial information.
- Review and recommend to Council actions or otherwise relating to the expediting and conclusions of Unauthorised, Irregular, Fruitless, and Wasteful Expenditure (UIFW).



MPAC CALENDAR:

JUL

- 1 July = start of municipal financial year

AUG / SEP

- Confirm Annual Financial Statements (AFS) and annual report (AR) for the prior year was submitted to Auditor General (AG)

OCT / NOV

- Review/confirm implementation of annual action plan/audit plan
- 1st quarter progress report + budget implementation report for the current year
- Prepare oversight programme on AR for the prior year

NOV / DEC

- Consider monthly budget report (Jul-Oct) for the current year
- Check 1st quarter progress report for the current year
- Review of Integrated Development Plan (IDP) (scorecards, KPIs, objectives, budget, etc)
- Monthly budget statement

NOV / DEC / JAN

- Prepare and confirm progress of oversight programme on AR for the prior year
- Verify tabling of AR to council by Mayor/Executive Mayor
- Interviews with Municipal Manager (MM) and S56 Managers
- Council publicise AR and invite community input
- Obtain feedback from audit committee on implementation of annual action plan/audit action plan
- Review 2nd quarter performance reports of MM and S56 Managers for the current year
- Review 1st draft of the oversight report on the AR for the prior year
- Monthly budget statement

JAN / FEB

- Review oversight progress on the AR for the prior year
- Conduct public hearings and consider public input on the AR
- Compile draft oversight report on the AR
- Review 1st draft of oversight report on the AR
- Present oversight report to council

FEB / MAR

- Compilation of oversight report on AR for the prior year

MAR

- Tabling and adoption of oversight report for the prior year
- Confirm AFS and AR of the current year will be submitted to AG at the end of Aug
- Review 3rd quarter performance reports of MM and S56 Managers
- Verify submission of minutes of the AR meeting to National Treasury (NT), Provincial Treasury (PT), AG, Legislature and DCOG by MM
- Verify adoption of oversight report with comments on the AR for the prior year
- Verify publication of the oversight report by the MM

APR

- Monthly budget statement
- Verify council adoption of IDP and budget for the new year
- Verify submission of the approved IDP and budget to the MEC for Local Government (LG), NT, PT, AG and Legislature
- Verify public notification that the IDP and budget for the new year are adopted and available for public consideration

MAY

- Monthly meetings, as required – investigations and follow-up of addressing UIFW and consequence management; progress review
- S41 reports
- Verify that IDP/budget/AR and other required documents are published on the municipal website

JUN

- Verify that the SDBIP and draft performance agreements have been submitted to the Mayor within 14 days of budget and IDP adoption
- 30 June = end of municipal financial year

MONTHLY / QUARTERLY

Monthly/quarterly meetings, as required – investigations, progress review

Monthly meetings, as required – investigations and follow-up of addressing UIFW and consequence management; progress review



cooperative governance
Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA