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GSP II Reflection Learning Sharing

Oversight and Accountability

Municipal Public Accounts Committee (MPAC) Training for Improved Accountability

The Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) regulates the internal systems, structures, and office-bearers of municipalities. This Act permits municipalities to establish Section 79 and 80 committees, including the Municipal Public Account Committee (MPAC). Municipal oversight is an important aspect of good governance at the local level and is typically achieved through oversight committees such as the Municipal Public Accounts Committee (MPAC). This committee has the responsibility of ensuring that the performance of the council is based on approved council decisions and resolutions and makes recommendations if there are suspicions or allegations related to the misuse of council funds or resources. This committee aims to keep councils reliable and accountable about decisions, resolutions and allocation of funds and resources. MPACs should ensure robust committee engagements without misuse of power, however it has been found that committee members still lack understanding of their roles and the skills needed to engage in this way, even with MPACs implemented.

of training and awareness, research support, tool development and monitoring the performance of MPACs itself. The training and awareness consist of a massified training programme (intended to reach may councillors and officials with crucial information on the oversight function), an advanced formal training programme offered at university level, short orientation and awareness videos (aimed at new members of MPACs and other committees of council). Young, post-graduate students were placed in a selected number of municipalities as researchers to the MPACs to assist with ongoing analysis of the municipalities' reports and financial statements, augmenting the quality of the MPAC's own reports to council. Five digital tools were developed to assist MPACs to understand and analyse complex fiscal and financial as well as performance reports. As MPACs exercise oversight within municipalities, national and provincial departments also exercise oversight over the local government system, and a prototype of an online monitoring tool of council and its committees (including MPACs) has been developed.

Overview

In order to strengthen the functioning and impact of MPACs, the GSP II together with its implementing partners developed a multi-pronged approach to capacity development that consisted





What was done

At the outset of the GSP II a training needs assessment for councillors and officials in the GSPII's eight partner municipalities was conducted to inform the training approach. This research identified the specific skills that are needed and the ideal approaches to deliver the training. The assessment also revealed large gaps in the capacities of oversight committee members and a need to strengthen the oversight regulation implementation in the municipalities.

Based on the needs assessment, a three-day training programme (Massified Training Programme) was developed and implemented in three District Municipalities (two in the Eastern Cape and one in Mpumalanga) and their constituent local municipalities benefiting 19 municipalities in total. Different models of teaching were used to try to reach every trainee, these included a classroom method, role-play, and case study analysis. Facilitators designed their programs with the answers to the questionnaires in mind as these showed the levels of understanding of member oversight roles and functions. The essential elements covered in this programme were the local government legislative framework (including the municipal finance, systems and structures laws), financial management, procurement and reporting. This included providing clarity on the notion of separation of powers and the system of delegation, promoting the Back2Basics principals and particularly the pillar on Promotion of Governance and the promotion of transparency and accountability.

Aspects of the massified training programme content as well as newly developed material have been used to develop 7 orientation and basic training videos for new councillors, particularly those that will enter the local government system after the 2021 local government elections. These videos cover the Councillors' Code of Conduct, the roles of each of the different committees of Council, four videos on different aspects of MPACs (the legislative framework and obligations, financial management, performance and oversight, citizen engagement, dealing with irregular, unauthorised, wasteful and fruitless expenditure, investigations, consequence management and reporting) and Ward committees: Roles and public participation.

With GSP II support, the Governance and Development Unit of Rhodes University developed the Essentials of Municipal Pub-

lic Accounts Committees Strengthening programme (EMPACS) which was offered to three cohorts of participants from 2019 to 2021, with each intake over a nine-month period. The first intake was a residential, face-to-face format, and as a result of Covid-19 the second used the 'blended learning' approach and the third cohort participated in a fully on-line course. In total 112 persons participated in this university-accredited course and 85% completed it successfully. The course covered the whole range of MPAC functions and responsibilities with an emphasis on oversight of financial performance. Amongst other improvements, participants reported improved abilities conduct in-year as well as end-year oversight. Rhodes University and the National Treasury are in discussions to upscale this programme nationally.

Flowing from the EMPACs programme, Rhodes University prepared and placed a number of researchers in municipalities. Specific tools were developed for these interns and the MPACs they supported. These included a Financial Performance Analysis tool and a Circular 32 checklist on an easy-to-use web-based template. The researchers were placed in Inxuba Ye Themba Local Municipality, Raymond Mhlaba Local Municipality, Amathole District Municipality and Chris Hani District Municipality. The last part of the programme was the design and use of digital tools to monitor municipal financial performance on an easy-to-use web-based template.

In order to assist MPACs to analyse and report on the financial affairs and performance of municipalities, five digital tools were developed and introduced to MPACs. The most challenging part of conducting effective government oversight is understanding various documents on different topics that fall under local government competencies. The most complex documents are those connected to fiscal and financial management, including budget tables and corresponding revenue and expenditure reports. The first tool developed is Ten Key Questions for MPACs, whereafter the GSP II supported the development of additional online-based oversight tools. These new tools are a "Financial Performance Analysis Tool", a 26-question tool which incorporates and expands on the ten key questions for MPACs; an "Annual Report Checklist" to allow councillors and researchers to review municipal annual reports; a "Performance Management Tracking Tool" to monitor non-financial performance and a "Recommendation Tracking Database" to monitor the implementation of previously adopted recommendations.

GSP II assisted DCOG in the development of a user-friendly and accessible online tool and database to be used by municipalities to input data to enable users of the tool to track the functionality of all committees of council (including MPACs) and the compliance to the Code of Conduct. Provinces will oversee the inputting of data by the municipalities and the DCoG will monitor the status of completion / inputting of data at a national level. The tool will generate monthly, quarterly, half-yearly and annual reports on each of these matters. These reports will identify those municipalities that have not complied with minimum requirements (such as meeting once a quarter) and the tool will generate reminders to municipalities with the specific gaps / non-compliance that must be addressed; this will enable stakeholders to make appropriate interventions to support MPACs.

What was achieved

The overall local government system has been strengthened by the development and implementation of training and orientation programmes and innovative tools for MPACs as well as a tool for oversight over the performance of the MPACs itself. The evaluations of the massified and EMPACs programme show an increased confidence and ability of participants to exercise oversight. Improved oversight, better in-year and end-year financial oversight and better reporting contribute toward the governance of municipalities. In the long term it is expected that the improved overall governance will assist municipalities to reduce irregular, unauthorized, wasteful and fruitless expenditure whilst improvements in service delivery will be tangible. The programmes and tools should assist the Department of Cooperative Governance, the National Treasury and the South African Local Government Association to prepare the cohort of new

councillors that is expected to start working in late 2021 to exercise oversight in the letter and spirit of local government legislation and the South African Constitution.

Reflection and Learning

- A multi-pronged approach to capacity development in a complex, politicised environment such as MPACs has greater success and leads to impact.
- Training programmes must be informed by the problems intended participants are experiencing and tailored to their educational abilities and access to resources (such as connectivity).
- Capacity development programmes must take account for the whole system, in the case of the MPACs the need to escalate training to all senior managers and role-layers in council for them to fully appreciate the work of oversight committees and support them.
- The training offered participants the opportunity to make practical links with other oversight structures within municipalities, like the Audit Committees, Internal Audit Units, Risk and Fraud Prevention as well as municipal performance monitoring and reporting.
- A strong multi-stakeholder steering structure emerged as a vehicle to coordinate and spearhead future training at provincial level, with participation of provincial SALGA, Treasury, COGTA. This is an important development in that all these players have a direct role in capacity development initiatives of both the councillors and the officials. This steering structure is also well-placed to attend to the upscaling of capacity development.

The Governance Support Programme (GSP II) is a Technical Cooperation programme co-steered at national level in a partnership between the Department of Cooperative Governance (DCoG), the National Treasury (NT), the Department of Public Service and Administration (DPSA), the Department of Planning, Monitoring and Evaluation (DPME), and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the latter responsible for the implementation of the German development contributions on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). The programme was co-financed by the United States Agency for International Development (USAID) and the Department for International Development of the United Kingdom (DFID).

The GSP II provided technical, policy and process advice to support the South African public sector. The programme strengthened capacity for local government planning, financial management and oversight and was executed in the Provinces of Mpumalanga and Eastern Cape.

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Rhodes University
And our partner municipalities