

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2129 [NW2600E]
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2129. Dr M J Figg (DA) to ask the Minister of Finance:

In light of the municipal audit results for the 2013-14 financial year in which only 9% of municipalities and municipal entities achieved clean audits, what specific action is he taking to ensure that problems highlighted in the audit results for the 2013-14 financial year do not reoccur in the 2014-15 financial year?

NW2600E

REPLY:

The Honorable Member will recall the clarion call by the Honorable President of the Republic of South Africa at the Local Government Summit hosted in Midrand on 18 September 2014, that we should focus our combined efforts on getting the basics right in municipalities. This includes our collective efforts to assist local government address the poor audit outcomes.

The municipal audit results for the 2013/14 municipal financial year have not been released as the audit process is still underway and concludes at the end of November 2014. The audit results that were released recently by the AGSA for the MFMA audit cycle relates to the 2012/13 financial year.

Various initiatives have been instituted to assist municipalities with the ongoing audit outcome. These build on previous work undertaken at municipalities, in collaboration with the national Department of Cooperative Governance and Traditional Affairs, Provincial Treasuries and Local Government Departments. The Back-to-Basics strategy of government focusses attention on improving service delivery but is supported by improvements to governance and financial management.

National and Provincial Treasuries are working jointly with DCOGs and SALGA to strengthen monitoring, reporting and support measures with common objectives of improving governance, financial management and service delivery. A number of forums and structures have been initiated to take forward these initiatives, including feedback sessions at regular municipal CFOs Forums and coordination of actions through the MFMA Quarterly meetings hosted nationally.

The initiatives implemented will only prove successful if they are accompanied by the required commitment and willingness of municipal council leadership, municipal managers, chief finance officials, human resource managers and other municipal officials to take timely decisions to implement the new measures being introduced.