

**NATIONAL COUNCIL OF PROVINCES
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 240 [CO486E]
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★240. Mr T B Matibe (Limpopo: ANC) to ask the Minister of Finance:

(a) What is the role of the National Treasury in dealing with financial misconduct in the local sphere of government and (b) what measures are in place to improve (i) financial transparency and (ii) governance processes at the local government level?

CO486E

REPLY:

- a) Firstly, honourable members should know that the legal framework, including the Constitution of the Republic of South Africa, provides that accountability for municipal functions, service delivery and its finances rests with the municipal council. This responsibility is discharged by the Mayor, local councillors and the municipal manager, who is appointed as head of the administration.

It is only after a municipality has failed to investigate an allegation of financial misconduct or financial offence, that the National Treasury (or the relevant provincial treasury) may direct that the allegation be investigated. The first line responsibility is with the municipal council.

The National Treasury has a general monitoring and supporting role when it comes to the implementation of the MFMA as well as the Financial Misconduct Regulations. The National Treasury has firstly supported municipalities and provincial treasuries by providing ongoing training to officials, councillors and members of the disciplinary boards to support the implementation of the Regulations. Support was also provided through the MFMA helpdesk established to assist municipal officials and councillors.