



GAUTENG PROVINCE

PROVINCIAL TREASURY
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Gauteng MEC for Finance and MMC's for Finance reaffirm their commitment to improve municipal audit outcomes

MEC For Finance Jacob Mamabolo and MMCs for finance adopted an interim financial reporting process to improve audit outcomes in local government. This decision was taken during a quarterly MEC-MMC of Finance Forum, which took place today (Thursday, 07 September 2023) to assess the state of municipal finances, governance and delivery of services to the public.

This means that municipalities will compile and submit financial reports twice a year, allowing the Provincial Treasury and Auditor-General South Africa (AGSA) to intervene and propose corrective actions while there is still time.

"We are committed to ensuring that local government operates more efficiently and effectively, and our decision today will address the most pressing issue of audit outcomes in local government. This is an important intervention which the Auditor-General has pledged to support," MEC Mamabolo stated.

The Auditor-General advised the MMC's to exercise oversight on budget plans to ensure that the plans are in line with Treasury Budget Circulars and avoid unfunded budget, underspending, and unauthorized expenditure. MMC's should actively monitor action plans to improve audit outcomes and address material irregularities delivery," said Mr Dumisani Cebekhulu from AGSA Gauteng.

The MEC-MMC Finance Forum is an intergovernmental structure established to engage on fiscal and governance matters between Gauteng Provincial Government and all municipalities in the province. The outcomes of this meeting feeds into the Premier Co-ordination Forum. The Forum convenes on a quarterly basis. The key issues discussed in today's meeting covered the following areas:

- Status of financial health and impact on service delivery.
- National Treasury financial evaluation of Gauteng municipalities and update on the Eskom Debt Relief support.
- Progress on intergovernmental debt.
- Progress on clean governance strategy for municipalities.

This MEC-MMC forum will be followed up with information sessions and district-to-district workshops to discuss fiscal functional matters.

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