

**An assessment of the Municipal Public Accounts Committee effectiveness: a  
case study of Nyandeni Local Municipality (EC 155)**

By

**MABUYA JAMANGILE**

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University of Fort Hare  
Faculty of Management and Commerce

at the

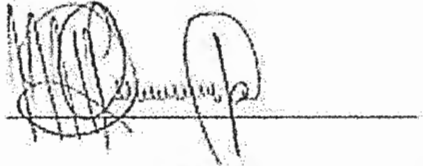
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Promoter: Dr O.I. Nzewi

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## DECLARATION

I, Mabuya Jamangile, hereby declare that the dissertation for the degree of Masters in Public Administration is my own work and that it has not previously been submitted for assessment or completion of any postgraduate qualification to another University or for another qualification.



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## ABSTRACT

The study focussed on the effectiveness of the municipal Public Accounts Committee with specific reference to the case study of Nyandeni Local Municipality in the Province of the Eastern Cape. It aimed at assessing the effectiveness of the Nyandeni Local Municipality Municipal Public Accounts Committee (NLMPAC) in its discharge of its mandate since its establishment in 2011. Literature reviewed starting from International perspective, African perspective and local perspective, and all across revealed lack of technical and individual capacity as restraining factors to collective approach to oversight. In addition, the review pointed to municipal council processes, council committees and legal provisions for operations more in particular the oversight committee.

Data was collected through Questionnaires and Interviews, mixed method approach was utilised in that both the Quantitative and Qualitative methods were used. Purposive sampling was utilised to select the participants for the study. Validity and reliability were tested through cross triangulation approach to test the findings of the study. All ethical issues as outlined were complied with. The study found out that the Nyandeni Municipal Public Accounts Committee (NLMPAC) understands its legislative mandate, tables oversight report to council, but the status of the projects remain the same, that a number of Mpac members are not fully trained (refer to paragraph 5.4) thus the NLMPAC is not capable to perform its duties and that the resources are inadequate. Stakeholder access to the municipal documents and reports is limited by language barrier and municipal demographics. The study has identified achievements and gaps in the functioning of the committee. A turnaround strategy to address the gaps identified has been functioning recommended including steps to address public access to documents and distribution.

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## CHAPTER ONE

### INTRODUCTION AND GENERAL ORIENTATION

#### 1.1 BACKGROUND

The Nyandeni Local Municipality is one of the five Local Municipalities which make up the OR Tambo District Municipality in the Eastern Cape. It is a category B municipality that is made up by the two towns of Libode and Ngqeleni, each surrounded by its nearby villages. Nyandeni is a coastal Municipality with a 20 kilometer stretch of unspoilt and rugged coastal line which stretches from Coffee Bay to Mneno Beach. It has a very strong and popular culture and history to the point that in 1917 when the SS Mendi Ship wrecked, this geographic area had dispatched a number of young men to fight along British Armies.

The Municipality boundaries are surrounded by King Sabata Dalindyebo municipality in the South, Port St John's and Ingquza Hill in the eastern side, Ntabankulu and Mhlontlo municipalities in the North and west respectively. It was demarcated into 31 Wards after the 2011 Ward demarcations and Local Government Local Elections.

The National Community survey conducted in 2007 as well as the Bureau of Market Research revealed that Nyandeni has a population of 314 273 living in 56 851 households (BMR, 2010:28 as cited in the Nyandeni Local Municipality annual report 2010-2011). However, the latest study by Global Insight Southern Africa backed up by Statistic South Africa puts the latest population at 290 390 by 2011 and despite the decline the municipality remains the second biggest in the OR Tambo district municipality (STASSA, 2013:7 as cited in the Nyandeni Local Municipality IDP 2014-2015).

South Africa is a Constitutional democracy implying that the people go to elections to elect their representatives to run the government on their behalf and in that way enters into a contract of conducting government business and report back to them. It is this Constitutional obligation that prescribes that Local government must be responsive and accountable to the business of its communities. Municipalities can be regarded as complex system that function and operate in a continuous changing environment.

Given the complex nature of Local Government and the extent of the powers and functions conferred on the political structures, political office bearers and municipal Manager of a Municipality, it often becomes difficult to perform their respective functions in isolation and without intrusion on each other's terrain. Hence various measures have been created to mitigate by either limiting or preventing the possibility of conflict by introducing workable structural arrangements and legislative frameworks.

Section 114 of the constitution of 1996 promotes and entrenches executive accountability to the legislature something that is not explicit with regards to Local government. Section 44 (4) of the Municipal structures Act, 117 of 1998, prescribes that an executive committee must report to the municipal council on all decisions taken by the committee effectively setting up lines of reporting. The National guidelines establishing Municipal Public Accounts committees (MPAC) gives further impetus and prescribes that the MPAC as an oversight structure must hold the executive accountable for its actions or inactions.

The Eastern Cape report of the Auditor General raised two basic worries about these oversight committees in that in the Financial Year 2011/12, 96 % of these committees had been established. Only 64% of these committees meet regularly and that only 9% have an impact on audit outcomes. The Municipal Public Accounts Committees, as oversight structures, are expected to hold executive accountable and marshal change for attainment of good governance and accountability. It is against this background that that this study has set to examine the extent to which these committees are effective.

## **1.2 MOTIVATION FOR THE RESEARCH**

The Researcher developed interest in the topic in particular because he is serving in the Nyandeni Local Municipality as a Councillor and has observed that since its establishment, the Municipal Public Accounts Committee has not been assessed thus it cannot be categorically stated whether it is effective or not. It is therefore imperative for the researcher to establish whether this committee operates in line with the prescriptions of law and mandate.

The active implementation of oversight by all oversight structures (committees) in the Nyandeni Local Municipality to the point that it can no longer be the sole responsibility of the Municipal Public Accounts Committee (MPAC), will help direct focus away from

over politicization of sensitive development issues. It will further promote the culture and notion of good governance in a manner that will still champion sustainable development through maximum utilization of all public resources. The African National Congress (ANC) in its Mangaung conference in 2012 resolved that oversight must be intensified at Local government something that points to the worry of the ANC on this aspect. This major move on Municipal Public Accounts Committees sparks the challenge for researcher to embark on a study that will assess the effectiveness of these committees. The clarion national challenge to municipalities to obtain clean audit outcome by year 2014 adds impetus to this challenge.

### **1.3 STATEMENT OF PURPOSE**

The purpose of this research is to assess the effectiveness of the Nyandeni Local Municipality Public Accounts Committee in its discharge of its mandate and duties of oversight since its establishment in October of the year 2011.

### **1.4 BACKGROUND AND CONTEXT**

The Developmental Local Government was set up in the year 2000 with elections subsequently held on the 5<sup>th</sup> December of 2000. It was established on the fundamentals of the Constitution with primary chapters being Chapter 7 and Chapter 10: In Chapter 7 of the Constitutions, Act 108 of 1996, Section 152 outlines the objects of Local Government but more emphatically sections 152 (1) (a) and (e) enjoins the Local Government sphere to be democratic and accountable and most importantly, that it should strive to encourage the involvement of communities and community organizations in the matters of local government. Section 195 of the Constitution of 1996 espouses basic values and principles that governs the Public Administration thus being efficient, economic and effective in the use of resources; that services must be provided impartially, fairly, equitable and without bias; that peoples' needs must be responded to and that public must be encouraged to participate in policy formulation, and Sub-sections (f) and (g) advocates that Public Administration must be accountable and transparent.

The Municipal Structures Act of 1998 (Act 117 Of 1998) further gives impetus to the spirit of the Constitution, of 1996 section 19 re-emphasizes the notion of meeting community needs, 19 (a) and involvement of community 19 (c). The envisaged community involvement is explicitly a two way phenomenon: The public representatives consult the

communities on their needs and then report back on the progress or lack of progress on delivering on their needs. An interface of this process is for the Councils to conduct oversight on behalf of the electorate by holding the Executive accountable for its actions or inaction.

The Councils are enjoined by the Municipal Structures Act 117 of 1998 in Section 79 (a) to establish committees which would ensure effective and efficient performance of any of its functions or the exercise of any of its powers. Section 129 (4) (b) of the Municipal Finance Management Act of 2003 (Act No. 56 of 2003) further provides for the establishment of Municipal Public Accounts Committees which have since been established through a joint Circular by the Department of Cooperative Governance and Traditional Affairs together with National Treasury.

The Municipal Public Accounts Committees (MPACs) are currently in the process of producing their third year of its existence by Report in the 2013/14 Financial Year. The core of the Mandate of these Municipal Public Accounts Committees is to oversight the Executive and it must be noted that in the Metropolitan Municipalities, these Municipal public Accounts Committees also conduct oversight over the functions of the Section 80 Committees as well. Nyandeni being a small Municipality has one Oversight Committee that focuses on compliance with the provisions of the Local Government: Municipal Finance Management Act, 2003.

The Department of Local Government and Traditional Affairs now known as Cooperative Governance and Traditional Affairs has since the establishment of Developmental Local Government, in partnership with strategic partners like SALGA conducted numerous Councillor Trainings. Further partners like University of Fort Hare have also been on board with the basic purpose of assisting Councillors perform their work as expected. The focus of these interventions covered various themes that will enhance functionality of the Municipality as an institution in order to increase and speed up Service Delivery. It has always been expected that as a result, the audit opinion in the municipalities would improve hence the set target is "Clean Audit by 2014". Despite the concerted effort to turn the situation around in 2009 which included the establishment of the Municipal Public Accounts Committees in the Municipality in 2011 as a measure to enable and enhance oversight by non-executive councillors, yet two years later, the Council exercise of oversight remains a major concern for the Auditor General.

Nyandeni Local Municipality is constitutionally and legislatively obliged to provide services to the people of Nyandeni in terms of Chapter 7 and 10 of the Constitution of 1996 and according to other Local Government pieces of legislation namely: Municipal Systems Act, No. 32 of 2000, Municipal Finance Management Act No. 56 of 2003.

The Municipal Council is equally obliged by law to conduct oversight on behalf of its people and communities: the envisaged end result being accountable and good or clean Governance. It must do so in line and directed by the Batho Pele principles which translates into Active Citizenship. Yet, contrary to this undertaking and commitment, this sphere of government is decorated by sporadic and widespread protests code named: "Service Delivery Protests".

Oversight Practice and policy in South Africa is central to the legislative function of:

1. Holding Executive accountable for the benefit of the people who have elected the Public Representatives.
2. Ensuring that the municipal resources are utilized effectively and efficiently.
3. Helping increase public awareness of the financial and performance issues of the municipality.

In accordance to the Accountability Model (Hedger and Blick, 2008:3) the Municipal Council through its elected representatives must play its Oversight Role optimally and report to the communities. For a long period there was no specific structure in the form of Municipal Public Committee to conduct oversight on behalf of the Council until their establishment in 2011, which would have been set up according to Section 79 (1) (a) of the Municipal Structures Act. The absence of such a structure (Public Accounts Committee) at local government level, made it difficult to determine how, municipal financial statements should be scrutinized in order to ensure thorough, effective and meaningful council oversight.

These structures were, besides pilot projects in the metros, only rolled out in 2011 and were established in terms of Section 129 (4) of the Municipal Finance Management Act of 2003, Circular Number 32 further provides guidance on the oversight process that councils must follow when considering the Annual report and production of the Oversight Report. The Oversight report is a quality assurance report of the Annual report hence it

is concerned with the quality and adequacy of the annual report. The intended outcome of this process is to ensure and achieve good governance as well as clean audits.

## **1.5 STATEMENT OF THE PROBLEM**

The lack of oversight in municipalities handicaps accountability and service delivery and as a result, governance and clean administration have collapsed. This is despite municipal councils granted legal status and authority to conduct oversight by establishing processes, structure and most significantly systems of oversight. As a result of the absence of oversight, resources allocated for multiple programmes cannot be accounted for. The 2009 State of Local Government Overview compiled by the Department of Cooperative Governance and Traditional Affairs (SOLGR: 2009) pointed out, "lack of controls and accountability systems" as a prevalent problem in the Local Government. It further observed that lack of effective oversight is a fundamental problem in municipalities.

Councils, in South Africa are accorded a legal status and authority of a deliberative constitutional body. Drawing from the structural arrangements of National and Provincial Governments, it then became imperative that the Municipal councils establish appropriate structures, processes and systems for effective, efficient and meaningful oversight across the organization.

Nonetheless, it has been noted that oversight is one area that is critically a weakness in the functioning of Municipal Councils as per the 2009 State of the Local Government Report (SOLGR, 2009). Consequently, the fiscal problems affecting the municipalities are a lack of effective budget oversight. Financial Practitioners generally agree that effective oversight has a potential to ensure that resources are utilized optimally to the extent that minimizes incidents of corruption, wasteful-fruitless-unauthorized expenditure and both under spending and overspending (Local Government Budget and Expenditure Review, 2008). In this regard the Municipal Council has the "highest authority in the municipality"

However, as a Councillor in the Nyandeni Municipal Council, the researcher has observed that much as the Municipal Public Accounts Committee has been established, there is a critical disjuncture in carrying out its duties and mandate hence the intended turnaround as manifested in the audit outcomes. The Audit outcomes in the Municipality

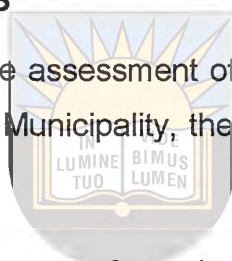
have been fluctuating in terms of Audit Findings since 2011 from a Disclaimer in 2010/11 to a Qualified outcome in 2011/12. Given what is expected mandate of the Municipal Public Accounts Committee, juxtaposed to what is prevailing in the Municipality, it is opportune that an assessment of the effectiveness of committee be tested by this study.

## **1.6 MAIN RESEARCH QUESTION**

Are the Municipal Public Accounts Committees operating and performing their functions as per the expected mandate?

## **1.7 SUBSIDIARY QUESTIONS**

In order for the researcher to make assessment of the effectiveness of the Municipal Public Accounts Committee in the Municipality, the following pertinent questions were posed:



- Does the Municipal Public Accounts Committee have the same understanding of its mandate as expressed in the finding legislations?
- Does the Municipal Public Accounts Committee have the capacity to perform its oversight role in terms of resources like finance, skills-training and administration support?
- Is it producing Oversight Reports on Annual Reports as per expected Mandate of the Committee?
- Are the communities made aware the financial and performance issues of the municipality by the Committee?
- Does the Committee have guidelines, processes and systems in place for engagement of Executive reports and public have access to Committee sessions.

## **1.8 OBJECTIVES OF THE STUDY**

The objectives of the study are as follows:

- To establish whether the Municipal Public Accounts Committee understands its mandate as expressed in the finding legislations?
- To assess the whether the Municipal Public Accounts Committee has the capacity to perform its oversight role and whether it has resources to fulfill its mandate

- To establish if there is any improvement or turnaround to improve governance and Oversight Reports on Annual Reports as per expected Mandate of the Committee?
- To find out the extent, if any, of whether communities are made aware the financial and performance issues of the municipality by the Committee and what system and processes are in place for public access to the Committee sessions.

## **1.9 SIGNIFICANCE OF THE STUDY**

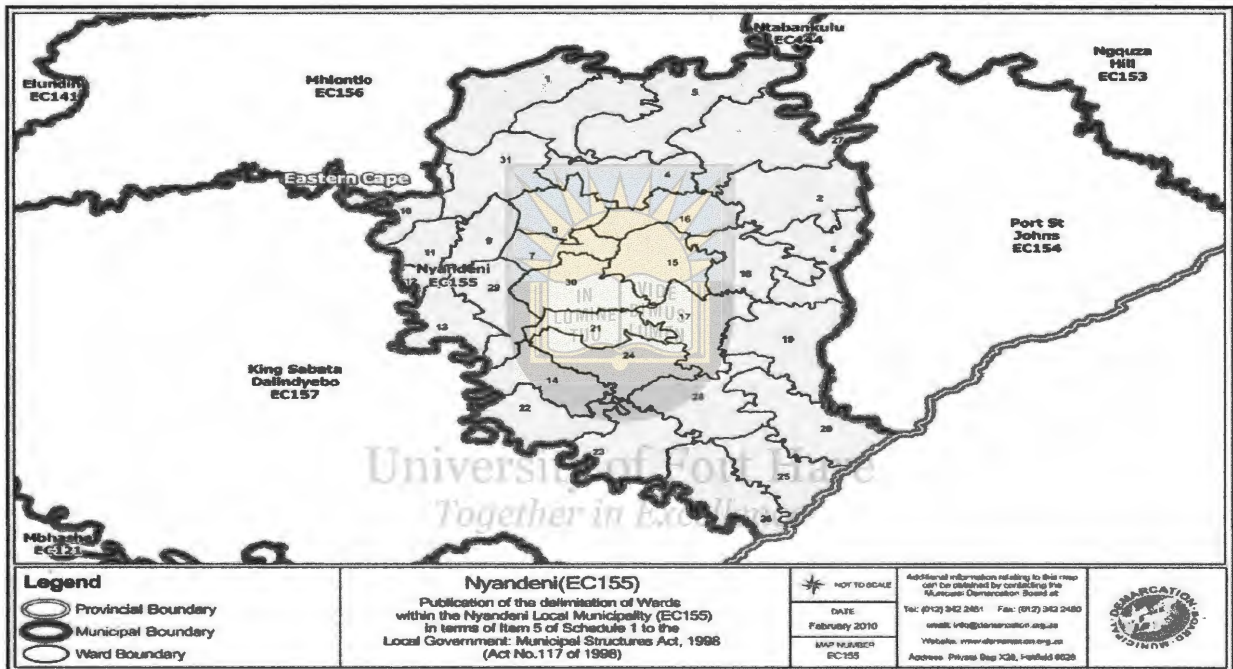
The significance of the study primarily rests on the fact that it is, from the preliminary literature reviewed, one amongst the first studies especially in the Eastern Cape to deal with the Municipal Public Accounts Committee (MPAC) soon after their establishment in terms of Circular from National Treasury and COGTA. For this reason, it has the potential to provide not only to contribute to the body of knowledge that will result from this study, but will be of value and use to other municipalities in the Eastern Cape and in the Country in general. The study will be used by the Council and municipality in its quest to clean government and accountability for its actions through recommendations generated by this study.

The preliminary literature reviewed thus far, reveals that effectiveness of these committees has not been assessed in the Eastern Cape since their establishment. Clearly, without such information as a form of feedback on how these committees are performing their duties, it is hard to determine their effectiveness. Hence the intention of the study to assess the effectiveness of the municipal Public Accounts Committees to determine if the committee is conducting its business according to the prescribed mandate and if not, then explore remedies in the performance of the committee. Hence this study seeks to assess the extent to which the Municipal Public Accounts Committee in the Nyandeni Local Municipality has performed its oversight functions in accordance to its mandate.

## **1.10 DESCRIPTION OF THE STUDY AREA**

This municipality is one of the five local municipalities that make up the O.R. Tambo District Municipality. It comprises two magisterial areas, viz. Libode and Ngqeleni (Figure 3.1). It has a largely rural/traditional character. It is bordered in the south-west by the King Sabata Dalindyebo Municipality.

In the north, it is bordered by the Mhlontlo Local Municipality and in the east by the Ntabankulu, Ingquza Hill and Port St John Local Municipalities. The population according to Census 2011 is 290 390 people, which is 21.3% of the population of O.R. Tambo District. In 2001, the population was 274 416 people, which constituted 21.2% of the district population. The municipality covers an area of 4 231 square kilometers, which gives a population density of 68, 6 persons per square kilometer. The municipality's economy is largely dependent on agriculture (RAPUEC, 2010).



Source: Demarcation Board

Figure 1.1: Map of the Study Area (Nyandeni Local Municipality)

## 1.11 DEFINITION OF TERMS

### Clarification of Concepts and Terms

- Executive Council Members**

These are members elected by, and responsible to, the Municipal Council. They serve at the pleasure of the Council. They form the principal committee of Council. Receives reports from other committees, and then forwards those reports, with its recommendations, to Council.

- **Non-Executive Members**

These are members established by, and responsible to, Council. They may include members from outside the Council.

Their functions and procedures are determined by Council. Council may delegate duties & powers to Committee. Council must appoint the chairperson. Council may dissolve a committee at any time.

- **Oversight**

Lemos (2010:11) defines oversight as the nature of the relationship between the legislature and the executive in terms of the former having the right to monitor, supervise, control as well as the latter having an obligation to subject itself to scrutiny. However, it can be noted that there is a myriad of other definitions of Oversight.

Oleszek (2010:4) defines oversight as supervision or watchfulness which denotes authority to oversee, monitor, review, or evaluate performance and operations. The identifiable common characteristics with what oversight is are that it involves the executive and the non-executive councillors who are involved in a course of action and inaction for which one must ask questions and the other must provide answers. Both are obligated to do so in terms of the legislative arrangements which either grants or implies the authority in a configuration of both the legal and political arrangements.

- **Accountability**

It is a social relationship where an actor (an individual or an agency) feels an obligation to explain and justify his or her conduct to some significant other (accountability forum, accountee, specific person or agency). Cloete as quoted by Ijeoma, et al. (2013:168) describe accountability as 'answerability'. They further contend that accountability requires provision of information, evaluation of the action to be taken as a consequence, with consequent reward /penalty.

Meyer (1995:2) as cited in Minja (2013:56) defines accountability as the responsibility of government and its agents towards the public to achieve

previously set objectives and to account for them in public. This implies that in the execution of any mandated and authorized action, one must provide answers for what is done and what is not done. Graythorne (2003:60) contends that if real devolution of power is to take place so as to strengthen the power of municipal councillors to govern, and then there must be a corresponding set of checks and balance.

- **Good Governance**

Qudrat-I Elahi (2009) cited in Mulili and Wong (2011 :18) traces the notion of good governance way back from the 1989 World Bank report on Sub-Saharan Africa. Gildenhuis and Knipe (2000:90), define good governance as the attainment by government of its ultimate goals. They further argue that governance will be good when it attains its ultimate goal of creating conditions for a good and satisfactory quality of life for each citizen.

- **Efficiency**

In the public sector generally means the satisfying the most essential needs of the community to the greater extent possible while using the very limited resources available. It also requires perpetuating public accountability.

- **Effectiveness**

It is more about the impact of the service delivery and in the case of MPAC; it is about the impact of the committee on its ability to deliver on its mandate to the letter. Relationship between the input and the output sums up efficiency whilst, effectiveness expresses the relationship between the output and outcome. Gloeck (2003:65) contends that, " governments have considered public accountability an essential prerequisite for efficient production and delivery of public services".

## **1.12 RESEARCH OUTLINE**

### **Chapter 1: Introduction and General Orientation**

In this chapter, the study attempted to cover the background of the study, statement of the problem, the methodology to be employed, and objectives. The research topic is introduced within the international, national and provincial contexts in South Africa. Then the research problem was developed.

### **Chapter 2: Literature Review**

An exposition and in-depth look at literature related and relevant to the study were covered in this chapter. This exploratory work informed the theoretical framework as a basis for analyzing the data. A genesis and evolution of oversight in South Africa with special focus on the establishment and role of Municipal Public Accounts Committees (MPAC) in this chapter. Also included were constitutional and other legislative provisions. Key concepts were defined.

### **Chapter 3: Research Design and Methodology**

Focus in this chapter shifts to how the study was carried out in terms of the research design, methodology, sampling methods, sample size, data collection tools, data analysis tools and the research ethics employed in the study. The scientific rationale for using qualitative and quantitative methods was unpacked.

### **Chapter 4: Data Analysis**

This chapter addresses the analysis, interpretation and presentation of the findings emanating from the research gathered data.

### **Chapter 5: Discussion**

Based on the study conducted and the data collected and analysed, the researcher made meaningful expression relating them to published literature to provide answers to situations observed.

## **Chapter 6: Conclusion and Recommendations**

This chapter being the last chapter of the study will cover recommendations, conclusions, recommendations from findings and issues of further research



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## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 INTRODUCTION

The reviewed literature takes a funnel shape, in the sense that it starts at international level, proceeds to continent of Africa perspective up until the local context and perspective. The essence and core focus of Legislative Oversight is transparency, accountability and good governance. Central to the practice of oversight are the Public Accounts Committees (PACs) as legislative structures to drive this process. The Public Accounts Committees (PAC) traced back in the United Kingdom by a resolution of the House of Commons in 1861 and later extended broadly and adopted by the Commonwealth countries. Literature has over a period of time surfaced on oversight practice by Legislatures and various legislations. In particular, the PACs has been documented and prescribed in various countries across the globe. Lonely (2009) reflects on the commonwealth countries (particularly in countries like Indonesia), which have embraced the Public Accounts Committee (PAC) model as a good governance mechanism in their legislatures. The literature review provides the cross-cutting contributions of various writers on the subject matter of this study. It does so within the frame of theory in the form of the Institutional Theory and Systems Theory. The researcher will unpack these two theories and locate the discussions on the Municipal Public Accounts Committee within this theoretical framework.

This study sets out to assess the effectiveness of these committees since their formalization in 2011 with particular focus on Nyandeni Municipality. This chapter in particular will in addition to discourse on theory, use the 2009 State of the Local Government Report, Local Government Turnaround Strategy and National Guidelines establishing these committees as basis for theoretical analysis of the envisaged effectiveness. Therefore, the literature review also focused on the general definitions of Oversight, genesis and evolution of oversight over a period of time, Mandate and legislative prescriptions of oversight in the local sphere of governance in South Africa. The case study of Nyandeni Local Municipality served as a reference point in this regard.

## **2.2 THEORETICAL BASIS FOR OVERSIGHT**

It is sensible to preface the review of literature propositions on the Public Accounts Committee within the applicable and relevant theoretical framework. The genesis of the word “theory” is traced from both Latin and Greek words “theoria” and “theoria” respectively. Put together in both languages it means contemplation, speculation and insight. Hofstee (2009:92) states that in popular terms, the word implies fuzziness, guesswork and unreliability. Yet in an academic sense a “theory” is a logical explanation for why something is as it is or does as it does (Cohen as cited in Chow, 2000). Cohen further pointed out that a theory is not cast on stone such that it can be disproved at any moment, but that in exact scientific world, theories are testable and have predictive power. May (2011:28), contend that theory aims at the production of thoughts which accord with reality. Practice aims at the production of realities which accord with the thought. Therefore common to theory and practice is an aspiration to establish congruity between thought and reality. Joas and Horl (2009: 5) asserts that theory is as necessary as it is unavoidable and that without it, it would be hard to learn or act in a consistency manner. For Kerlinger (1984:168), theory is a set of interrelated constructs and proportions that specify relations among variables to explain and predict phenomena. The concept of oversight is fundamentally and equally based on a theory hence it is explained within a Public Administration paradigm. Institutional and systems theories are used for this study on oversight given the importance of institutional and organizational change (Palmer and Biggart, 2002:5). As such, in adopting the institutional theory and systems theory, the current situation of the MPAC (how effective it is) predominantly will be consider an important issue and definitely has been the situation for some time. These theories are further elaborated below.

### **2.2.1 Institutional Theory**

Institutional Theory contends that, “... an institution is any persistent system of activities and expectations, or any stable pattern of group behaviour” (Van Dyke, 1960: 136). The main condition for any institution to exist is its people and in the context of municipalities, it is the communities, politicians and appointed officials who must at all-time either act or react. This theory further argues that the relationship between the structure and policy should always be taken into account.

Anderson (1979: 145- 73) points out that Institutional theory could be useful in assessing the behaviour pattern of different public institutions and their effect on policy which in the context of the study is oversight.

Peters (2000:2) has observed that the term institutionalism means so many things to different scholars, and that some of the alternative approaches are not only different but even contradictory. He further warns that if one adopts some versions of the Institutional approach he or she may have very different empirical evidence, and make very different predictions about behaviour, than if one were doing research using one version. The various approaches include the normative approach which advocates that the best way to understand political behaviour whether individual or collective is a “logic of appropriateness” that individuals acquire through their membership of in institutions. The next approach is historical institutionalism which contends that the policy and structural choices made at the inception of the institution will have a persistent influence over its behaviour for the remainder of its existence. The other approach is empirical institutionalism which is embraced by a body of literature that seeks to establish whether institutions make any difference in policy choices, or in political stability.

This study embraces this theory of institutionalism from the sense that “structures persist while individuals come and go” (Peters, 2000: 5). This persistence is a core element of historical institutionalism directed at the creation of static institutions. March and Olsen as cited in Peters (2000:5) argue that institutions persist and attempt to replicate themselves by socializing new members into the values that define the institution. To this end, the continuous rotation of councillors as public representatives over a period of every five years vindicates the fact that individuals come and go yet Councils as government structures persist despite the contradictions in it as manifested by the various political formations. The other inherent argument of institutionalism is that structures create greater regularity of human behaviour than would otherwise exist and therefore enhance the explanatory and predictive capacity of the social sciences.

Given the context within which local government exists as a basis of this study, an assortment of these approaches in a cross cutting manner, will be embraced throughout this study.

Central to this preferred line are the two types of institutional change. First is the internal development of the institution as a process of institutionalization. The second type is the change in the values and structures that define the character of the institution. To this end, it can be argued that although municipal councils have remained institutionalized, over time they have tended to alter in nature and in the impact they have on the individuals with whom they interact. During the transitional period from 1994 to 2000, municipal councils had no Chairperson or Speaker as they are currently called. However with the 2000 alignment of focus, they were introduced. According to De Visser and Akintan (2008: 6), the policy rationale that introduces the office of a speaker in local government does not appear in any official policy document. They opined that the establishment of the office of speaker was just a notable governance related reform that was introduced in 2000. The Department of Constitutional Development (1998), as documented in De Visser and Akintan (2008: 6), also states that the White Paper on Local Government is also silent on the issue of a speaker in local government; it made no reference to such a functionary. Equally, the Municipal Public Accounts Committees have been introduced as a result of that institutional evolution (Steytler and De Visser, 2007:3-7 and De Visser and Akintan, 2008:6). This, in relation to the issue of institutional impact has also resulted in the infusion of new culture like transparency, accountability and other values. Selznick (1957) contends that institutionalization entails, "infusing a structure with value".

For the purposes of this study, Peters (2000:8), argument that in assessing the state of an institution, certain criteria must be set, becomes critical. Samuel Huntington as pointed out by Yeboah-Assiamah and Kyeremeh (2014: 3-4) had proposed four dimensions through which we can judge the level of institutionalization of any structure that we intend to observe and assess: these are autonomy, adaptability, complexity and coherence. These dimensions are explained below:

- *Autonomy* represents a concern with the capacity of institutions to make and implement their own decisions. They are not dependent upon another organization or institution thus can be described as institutionalized. This concept might be operationalized in terms of budgets and autonomous sources of revenue;
- *Adaptability* taps the extent to which an institution is capable of adapting to changes in the environment, or more importantly capable of moulding that

environment. As with open systems approaches to social life the institution should be able to continue to import needed resources despite changes in the relevant environment;

- *Complexity* demonstrates the capacity of the institution to construct internal structures to fulfill its goals and to cope with the environment. Again, this conception is analogous to thinking in systems theory and structural functionalism that discussed the importance of structural differentiation (Almond and Powell, 1967);
- *Coherence* represents the capacity of the institution to manage its own workload and to develop procedures to process tasks in a timely a reasonable manner.

These dimensions according to Polsby (1968) and Ragsdale and Theis (1998) provide an avenue for understanding the transformation that structures must make in order to survive, and (most importantly) to be able to influence their members and environment.

However, Goetz and Peters (1999) added two additional factors to the four namely, Congruence and Exclusivity. They argue that in Congruency, the focus is on the extent to which relationships within political institutions match the social relations they are supposed to regularize and maintain. In addition if the political institutions are not congruent then they cannot be expected to survive and be effective, something that encapsulates the values of the political elite and the values of the masses. In terms of exclusivity, they point out the functional competition among institutions and argue that where there is little or no competition; institutions can expect long term survival. Conversely where there are multiple institutions attempting to perform the same tasks in such cases, the competition will have to be resolved.

In South Africa, oversight is performed by such structures as the Auditor General, National Treasury, and Department of Cooperative Government and Traditional Affairs, Salga, Provincial and National departments. These institutions may seem to be competing in the manner and approach of conducting oversight yet practically they support and complement each other.

From an institutional exclusivity perspective therefore the sense of competition is resolved through Constitutional parameters that govern the functions of these institutions.

The other theory that will be explored in this study which is also viewed as relevant and intertwined to the study is the Systems theory

### **2.2.2 Systems Theory**

Inherently linked to the broad theoretical framework of this study is the Systems theory which focuses on the response by the political system to the demands and needs of the interest groups. Hayles (1990) cited in Ballard (2011) contends that Systems theory focuses on the whole rather than parts because the functioning of the whole is casually and inescapable tied to the functioning of each part. To this end, the study seeks to argue that the functioning of individual councillors as individual members of the Municipal Public Accounts Committee is inherently tied to the functioning of the committee as a structure and the Council as a whole. Systems theory also views organizations as having inputs, processes, outputs and outcomes that are inter-related such that if one part is not functioning, the whole system won't work (Charlton and Andras, 2003:10; Friedman and Allen, 2012:4).

However, there is no simple and absolute way of knowing functionality of a system Charlton and Andras, (2003:10). One approach may be to compare the functioning of various systems and most certainly this approach is not what this study will utilise. It will rather use the contextual functionality as described by (Charlton and Andras, 2003:10; Bar, 2004; Andonova, et al., 2006; Friedman and Allen, 2012:4) in order to establish effectiveness of the municipal public accounts committee within the context of its environment. In using the context component of the systems theory is critical for this study as this component clearly defines the current status of MPAC at this particular time taking into consideration the political atmosphere, number of employees at the time as well as number of managers. Incorporating the environmental component is also vital particularly as functionality is a relative phenomenon (Charlton and Andras, 2003:10-11, Friedman and Allen, 2012:4). Thus, in defining the effectiveness of the MPAC in Nyandeni Municipality; the present study took into consideration the environment, and the force and nature of selection pressures.

The choice of both theories finds justification in the statement by Katz and Kahn cited in Peters (2000:9), who argue that another way to address institutionalization is to revive the systems theory that has been used in organizational analysis as well as in social sciences and that in terms of this theory, organisations are defined in terms of their

capacity to create and maintain a boundary from the environment and from other organisations.

Evidently, if this study is to succeed in assessing and measuring effectiveness of the Municipal Public accounts Committee, the normative approach to institutionalism that requires measuring the values and the extent to which such values are prevalent throughout the institution will assist its determination.

Oversight in legislatures is born out of the deep concern for the elected public representatives to account to the electorate as individuals and as a collective for the total performance of Government in its optimal use of public resources for the achievement of service delivery as an output. Given the origins and development of municipal councils since 1994 and their critical goal of services as point out here, logically, the choice of the two theories can be justified.

The advent of the Municipal Public Accounts Committees is in the assertion of this study, a direct response to the societal demands and expectations for accountable, responsive and transparent government. The creation of this structure further points to the institutional change which according to Peters(2000:10) changes the content of what institutions do, or what they believe.

### **2.3 OVERSIGHT LITERATURE EVOLUTION**

Critical examination of research literature can offer detailed analytical synthesis showing what has or has not already been written on the topic. It also uncovers either conceptually or methodologically gaps in the particular study and how the current endeavour will help in closing the knowledge gap. This is the aim of this section.

There is evidence in existing literature on Public Accounts at present that reveal the trend that oversight has over time become a battlefield between two contending parties: the non-executive legislators and those occupying executive positions in government.

The Auditor General, Mr Terence Nombembe during his presentation of the audited results of the 2006/2007 financial year, made it absolutely clear that good governance (which is goal of Oversight) requires political stability to ensure proper financial accountability, as it will have an impact on financial results(Mail and Guardian,

2008). The PAC traditionally seeks assurance that funds are spent with regularity and in line with the purposes for which they were initially approved by the legislature.

The modern Public Accounts Committees, however, will also seek assurance that funds are spent economically, efficiently and effectively (Wehner, 2003:3). There are isolated instances where these Public Accounts Committees also broadly oversee the development of budget policies and budget planning, but it is unlikely that this will become the norm (Hedger and Blick, 2008:9). However, if the PAC process is effective, its recommendations can also inform future budgets, creating continuous improvements in public spending (Wehner, 2003:3). To this end the South African National Guidelines (MFMA 2003, section 52 (b); MFMA 56 of 2003, section 103; MSA1, No.32 of 2000.) establishing Municipal Public Accounts Committee prohibits these committees from taking charge of policy issues.

In municipalities, executive have assumed more powers than they should have, given the statutory documents relating to their operational relations to the councils in the running of the municipalities as public entities (MFMA 52 of 2003 section 52(a); Van der Walt, 2007). Consequently, they remain unwilling to account to a committee composed of non-executive councillors whilst the non-executive councillors tend to be less willing and confident to oversight their executive colleagues (Van der Walt, 2007; Botes & Woods, 2011:7). Published literatures (Van der Walt, 2007; Botes and Woods, 2011; Hedger and Blick, 2008:5) further reveals that oversight takes place after the fact as it is conducted on the Annual report for a financial year that has ended already and thus bears little or no relevance and significance to effecting corrections and remedies on matters picked up by the Municipal Public Accounts Committees (MPACs). Notwithstanding the difficulties, municipalities in South Africa have established MPACs as per Guidelines for Establishment of Municipal Public Accounts Committees (MPAC) issued on 17 August 2011 (COGTA and NT/MFMA, 2011:1-14).

However, as to whether these Municipal Public Accounts committee are effective or not, there is very little and scattered commentary let alone empirical studies on the effectiveness of these committees in terms of the primary role of oversight. Additionally, there is a dearth of information on whether their subsequent recommendations to council are actually implemented and enforced by Council and Administration. Such an assessment would also point out whether the Municipal Public Accounts Committees

promote and enhance both compliance for clean Audit and effective service Delivery. This assessment would also measure the performance of these Public Accounts Committees based on the available resources and skills possessed by individual councillors within these committees.

In the following sub-paragraphs, the researcher has provided extensive review and commentary of research literature on oversight in general and public accounts committee in particular.

### **2.3.1 Oversight Genesis and Definition**

Kuye and Mafunisa (2003:422) note that the quest of the public for responsibility and accountability in government has been stimulated in most democratic states. Some of these have been triggered by events involving illegal or unethical activities by both politicians and bureaucrats characterized by political espionage, conflict of interest, and disclosures of confidential information.

The conventional Westminster view on oversight, as inherited by many former British colonies, is often rather adversarial and in some instances oversight is professed to be the purview of opposition politicians and not the legislature as an institution. In the South African context, oversight is a constitutionally mandated function of legislative organs of state to scrutinize and oversee executive action and any organ of state.

Various sources define oversight in different ways: Yamamoto (2007:9), defines legislative oversight as “the review, monitoring and supervision” of executive government, but also of all public agencies. The Speaker’s Forum of South Africa (SFSA, 2-12:4) further defines oversight as:

The proactive interaction initiated by a legislature with the executive and administrative organs... that encourages compliance with the constitutional obligation on the Executive and administration to ensure delivery on agreed –to objectives for the achievement of government priorities.

Oleszek (2010: 4) sees oversight as “supervision or watchfulness” which denotes authority to oversee, monitor, review or evaluate performance and or operation. According to Lemos (2010:37), oversight describes the nature of relationship between the legislature and the executive in terms of the former having the right to monitor,

supervise and control as well as the latter having an obligation to subject itself to scrutiny. From all these definitions, Oversight is in summary, a relationship where the executive accounts to the legislatures for their action and inactions within the function of managing public resources. This process is characterized by the exchange of various documents in the form of reports and strategic plans. The documents used in the oversight process include in-year reports, annual reports and reports produced by independent institutions such as Auditor General (PCC/WBI, 2007: 5)

The concept of oversight contains many aspects which include political, administrative, financial, ethical, legal and strategic elements (Yamamoto, 2007:9; SFSA, 2012:4; Oleszek, 2010: 4; Lemos, 2010:37; PCC/WBI, 2007: 5). In totality, oversight entails the following as listed on (COGTA and NT/MFMA, 2011: 7):

- To detect and prevent abuse, arbitrary behaviour or illegal and unconstitutional conduct on the part of the government and public agencies. At the core of this function is the protection of the rights and liberties of citizens.
- To hold the government to account in respect of how the taxpayers' money is used. It detects waste within the machinery of government and public agencies. Thus it can improve the efficiency, economy and effectiveness of government operations.
- To ensure that policies announced by government and authorized by Parliament are actually delivered. This function includes monitoring the achievement of goals set by legislation and the government's own programmes.
- To improve the transparency of government operations and enhance public trust in the government, which is itself a condition of effective policy delivery.

The critical context of oversight in local government as documented by (COGTA and NT/MFMA, 2011:9, 12; Botes and Woods, 2011:2), is that it is a process in which elected non-executive hold executive for their actions and/or inactions. In doing so, council is set to promote good governance which on its own has a number of fundamental elements in relation to oversight. These include but not limited to the legislative role of:

- Accountability, transparency and being consultative in its conduct of government business. Fox and Brown (1998: 12) state that accountability at its most basic means holding individuals and institutions responsible for their actions and performance.

- Conducting Government business according to law and the direct contrast is the volume of litigations against the state which it has lost due to non-compliance
- Everything happening in the best interest of the people fairly and equally
- Enforcement of controls to the point that nobody deviates from the expected practices.
- Spending Government resources for the purpose they were planned for and be able to give and provide account for any expenditure incurred.
- People must be kept informed and consulted on plans and reports on any activities of the municipality or government.

The oversight process and programme is an effort on the part of the elected Representatives to ensure that structures of government deliver on the promises and commitments made to the electorate which then translate into expectations.

The oversight as a process has evolved over a period of time and it continues to undergo changes. Greenwood and Wilson (1989:145) explain that structural change always needs to be seen in its environmental context. As society evolved from the end of the nineteenth century, so pressure for local government reorganization increased.

### **2.3.2 Oversight: international perspectives**

Internationally, there is substantial literature about the history and value of Public Accounts Committees as oversight mechanisms, often also referred to as scrutiny mechanisms. Most of the earlier literature on PACs deals with the nature and form of the PAC and its working practices until 2002, when a series of publications emerged which cast more light on the PAC as a phenomenon of governance. Rick Stapenhurst -often joined by Riccardo Pelizzo – has consistently conducted research and written about the PAC since 2004 and is currently heading a project of the World Bank Institute aimed at a global assessment of PACs (Botes and Woods, 2011:13)

The genesis of the establishment of the first PAC in the House of Commons in the United Kingdom dates back to 1861 (House of Commons, 1857: 7; McEldowney, 2008:3; Pelizzo, et al., 2006:24), hence Oversight is not a new concept. It owes its origins from the Westminster parliamentary system. The Public Accounts Committee at the time was an initiative of Gladstone W.E, who was Chancellor of the Exchequer from 1859 to 1866 and later spread throughout the Commonwealth countries (Wehner, 2003:21). The basis

for the Public Accounts Committees existence is rooted in the doctrine of Separation of powers. The doctrine of separation of powers though it is often conflated with accountability and monitoring, is intended to ensure and entrench the independence of the branches of the state namely: the Legislative, Executive and the Judiciary. In this way concentration of power in one branch or office is eliminated. The legislative arm's powers and activities are developed such that it oversees the activities and performance of the executive. Literature points out that oversight emerged out of growing levels of distrust between the legislature and the executive as well as the complex nature of government administration (Khaile, 2011:7)

Pelizzo, et al. (2006:2) argues that since the 19<sup>th</sup> century, the public Accounts Committee has played a critical role as one of the key committees of legislatures throughout the Commonwealth and beyond. Longley and Davidson (1998:2) confirm that recently, the legislatures have rejuvenated themselves especially parliamentary committees by incorporating PACs within their structures. Having earlier traced oversight from the United Kingdom, and later to the rest of the Commonwealth countries, it is important to note that PACs have also emerged in practice and literature is available in other parts of the globe including the Pacific Region, Australia, Canada and India.

Indeed, one dominant study conducted by David McGee in 2001 showed that in his survey of 70 Commonwealth countries "Parliament's most important committee in the area of oversight and scrutiny is undoubtedly the Public Accounts Committee" (McGee 2002: ix). Other studies such as Pelizzo & Staphenurst contribution through research conducted for the World Bank Institute; the Hansard Society and Overseas Development institute in the United Kingdom; the Institute on Governance, Canadian Council of Public Accounts Committees and the Canadian Comprehensive Auditing Foundation and the Parliamentary Centre all in Canada, have contributed to studies on PACs (Botes and Woods, 2011:13). These studies show that the study of legislative oversight is focused on four basic questions: what is oversight? Why is it good for a political system? How can oversight be exercised? And what is the impact of oversight?

In the United Kingdom, the committee system was introduced over a staggered period of time and extended into local government with committees and sub-committees consisting of small groups of members whose designation differed from authority to authority. Greenwood and Wilson (1989: 166) further contend that the committee system

generally ensures detailed coverage of council business. Different items can be dealt with concurrently in different committees and the relative informality of proceedings encourages frank discussion by councillors and officers alike.

Pelizzo, et al. (2006:8) observes that scholars have noted that the presence of the oversight tool is necessary but insufficient condition for effective oversight. Effective oversight, as was observed, depends not only on the availability of oversight tools, but also on additional conditions.

Effective Oversight may depend on the specific oversight powers given to the parliament; on whether parliamentarians are given proper information to perform their oversight task adequately; on the role of individual MPs; on the role of committee chairs and on the saliency of issues and on how aggressively the opposition performs its role.

Wehner (2001) states that in Germany, the Bundestag receives an audit report and later considered by the Committee on Public Accounts. However, what is interesting in the German practice is the role of the Federal Court of Audit which then prepares draft recommendations which if adopted, the executive is obliged to implement. Wehner (2002:32).

The practice of Public Accounts Committees in the Pacific Region is captured in the study by Pelizzo (2010:118) where he concludes that studies have neglected the importance of capacity building strategies for PAC and have erroneously equated the oversight powers with effective oversight. The point being that these powers when considered in isolation do not automatically translate to the ability to control corruption.

In 2006 the government advisory services of KPMG in Australia and New Zealand, on behalf of the Public Sector Governance and Accountability Research Centre at La Trobe University, published a study on the structures, responsibilities and working practices adopted by PACs across Australia and New Zealand as the basis for effective public sector financial accountability and governance (KPMG, 2006). The study identified a range of practices and working methods that most of the PACs in Australasia had developed and that can be regarded as better practices for any PAC. Among these practice and working method was the issue of accountability whereby PAC ensures the appropriate use by government of public moneys (Jacobs, et al., 2006:2)

The Jamaican model has a longer history of Local Government Public Accounts Committees which were established in 1993, but differ with the South African Model in that they have the authority to examine the reports by external auditors something that is diametrically not permissible in the South African Municipal Public Accounts Committee practice except to ensure that findings of the Auditor General and the Audit Action Plan to address the findings are implemented: The Municipal Finance Management Act, Section 126 (5) prescribes:

Once the Auditor General has submitted an audit report to the accounting officer, no person other than the Auditor –General may alter the audit report or financial statements to which the audit report relates.

Local governments in many parts of the Commonwealth for a very long time did not make a clear distinction between the executive council members and the non-executive members as the elected representatives in the municipality responsible for overseeing the actions of the executive. This represents a major difference with the federal (national) and provincial (sub-national) levels where Cabinet represents the Executive Branch of government and is clearly accountable for the government actions (Shah, 2007:8). There is as much reason at local government level as is at other levels of government to have mechanisms to ensure that execution is consistent with the approved budget. Given the frustration with local public services in South Africa and in many other parts of the world, there is certainly a need to ensure that local government conducts and is perceived to have robust accountability arrangements and values (IoG, 2006:2). Town councils have an obligation to satisfactorily discharge their responsibilities to ensure the effective financial stewardship of the public money and assets entrusted to it (Audit Commission, 2002: 3).

### **2.3.3 Oversight: an African Perspective**

African states according to existing literature have contributed to the establishment of the oversight committees. The Ghanaian Institute Parliamentary Centre has given special attention to the Public Accounts Committee in Ghana in an effort to strengthen the performance of Parliament. It has noted a serious resource gap facing Parliamentary committees in general and the Public accounts committee in particular.

The Ghanaian model like the South African model derives its existence from the Constitution of the country: Article 103 of the 1992 Constitution of the Republic of Ghana states that "Parliament shall appoint Standing Committee and other Committees as may be necessary for effective discharge of its functions". Sequel to this provision, the Public Accounts Committee was established by Order 151(2) of the Standing Orders of the Ghanaian Parliament. The limitation though as stated by (Stapenhurst and Alandu, n.d:3) is that this is at higher level and less focus on local sphere and as such contributes little is assisting the local government level.

The model of Public Accounts Committee in Ghana follows the traditional practice of the Westminster model of parliamentary democracy of being chaired by a member who is not a member of the ruling party (Hedger and Blick, 2008:7). The Public Accounts Committee could amongst many things enforce attendance of witnesses and examine them under oath or affirmation much as it also had the powers to compel the production of documents (Article 93, 1992 Constitution of Ghana). Article 187(2) of the Constitution of 1992 states:

*The Public Accounts of Ghana and of all public office, including the courts, the central and local administrations, of the universities and public institutions of like nature, or any public corporation or other body or organisation established by an act of Parliament shall be audited and reported by the Auditor-General*

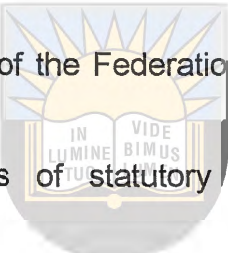
The general observation from the aforesaid citation is that the committee's work is limited to examining the Auditor-General's reports. Debates questioning this approach emerged with many commentators raising issues on the apparent lack of pre-emptive investigations depicting the committee's watchdog function.

The Nigerian Government on the one side established the Public Accounts Committee through an Act of Parliament known as the Public Accounts Committee Act No 8 of 1987. Section 4(1) of the Nigeria's 1999 Constitution reinforced the PAC as one of the committees required in examining budget proposal and passing appropriation act as well as considering the auditors reports of the preceding financial year accomplish in the National Assembly of the Federal Republic of Nigeria (Okpala, 2013:112; Aguda,n.d).

Through this Act, the composition of the committee, tenure of office, functions of the committee, its powers and proceedings in the committee were spelt out and prescribed

accordingly. However, the challenge of this Act lies in the provision that this committee and its members (in terms of Section 2 (2), were to be chosen by the President not the Legislature as the practice is across the globe. Equally, the member of the committee would cease to be a member if the President is of the view that it is not in the public interest for the member to hold office. Categorically, the members of the Public Accounts Committee in Nigeria operated at the behest of the President who is also head of the executive.

This raises questions of the independence of the legislature within the doctrine of separation of powers in Nigeria. The functions of the committee besides performing other functions as may be assigned by the President (in terms of section 4(d) :

- 
- examines audited accounts of the Federation and all offices and courts of the Federation;
  - examines audited accounts of statutory corporations, boards and other governmental entities;
  - examines accounts and reports of ministries and departments of the government of the Federation (audited accounts); and
  - Also determines the causes which led or may have led to any excess over approved appropriations.

The subsequent amendment of the Federal Republic of Nigerian Constitution in 1999 brought about some synchronization: The National Assemble is a bicameral with the Senate and the House of Representatives. Significantly, each chamber has its committee on Public Accounts which has the responsibility to examine the Public Accounts following issues raised in the Auditor General's report. The overall performance of the Public Accounts Committees in Nigeria experiences massive problems and challenges which traced on PAC's having no to investigate inefficiencies, acute failure by some departments to address audit queries and absence of skilled personnel with the required knowledge. (Okpala, 2013: 113).The emphasis though in Nigeria are at the Federal level with less visibility at municipal level hence the Nigerian case provides no lessons for local government study and practice.

In 1990s the Kenyan government initiated massive radical changes and reforms in the public sector and at local government. The local government reforms were centered on

a programme code-named The Kenyan Local Government reform Programme (KLGRP). In the period between 2004 and 2007, a new strategy known as County Assistance Strategy (CAS) was developed and it focused on public sector management and accountability.

However, despite these efforts, the Kenyan Constitution at the time was silent on the practice of oversight in local government. Consequently, although the practice of oversight at local government level was basically non-existent, Jo Abuodha, an advocate in the High Court of Kenya in the Law Report contends that, the hallmark of good local governance is a people centered approach that enhances participatory development and promotes equity, transparency and accountability in the management of resources and service delivery (Abuodha, 2011).

He further pointed out that, an effective oversight mechanism will require that available channels of interaction between local councillors and citizens allow signals and preferences by the citizens to be translated into responsive policies by local and plans and actions in by the appointed officials in the delivery of services (Abuodha, 2011).

## **2.4 OVERSIGHT OUTLOOK IN SOUTH AFRICA: LEGISLATIVE AND INSTITUTIONAL PARAMETERS**

### **2.4.1 Assessment of the state of local government**

In South Africa an assessment of the state of local government was conducted through an empirical research characterized by in-depth engagement with the municipalities (COGTA, 2009a: 4). Subsequently a report was tabled to Parliament. As a response to various issues rose in the report chief amongst which include the low level of confidence in the local government, in response to the report, the Local Government Turn Around Strategy was developed and endorsed. It proposed eight outcomes with each outcome having an institutional driver. To this end, outcome five focuses on accountability mechanism and transparent measures, hence the institutionalization of oversight. The Local Government Turnaround Strategy objective sought to build clean, effective, efficient, responsive and accountable local government. The concept of Public Accounts Committees in the Municipalities was introduced in terms of Sections 33 and 79s of the Local Government Structures Act, (117 of 1998) in South Africa.

In the 2013/14 Financial Year Audit Report road show on audit outcomes, (AG,2011:6), pointed out that the root cause of bad audit outcomes is the ineffective monitoring of commitments and lack of oversight by Municipal Councils (Auditor General: 2011). The report further establishes the following points just in the Eastern Cape:

- That out of the 45 Municipalities in the Eastern Cape Province of South Africa, 96% has established these Municipal Public Accounts committees thus only 4% has not done so.
- That only 64% of these Municipal Public Accounts Committees meet regularly and that 36% fails to hold regular meetings.
- That only 9% of these committees has impact on audit outcomes and that;
- The credibility of information evaluated by these committees is only at 33% with 67% non-credible information.

These determinations and conclusions, naturally point to weaknesses in the oversight functions and as such justifies the need for the study to assess the effectiveness of the MPACs. Inherently, these salient observations pointed and justified the reasons for conducting an empirical study that will hopefully contribute to the dastard state of affairs in the municipalities as espoused in the State of the Local Government Report of 2009 (COGTA, 2009b).2.4.1 Legislative Parameters

#### **2.4.1.1 Constitution of the Republic of South Africa, Act 108 of 1996**

The Constitution of the Republic of South Africa Act No. 108 of 1996 defines the roles and responsibilities of national and provincial spheres of government and local government, thus it provides a the grand framework for the oversight in both spheres. To this effect, it is expected of local government to take charge of conducting the councillor oversight responsibilities. Chapter 7 of the Constitution of 1996 defines the objects of the Local Government in section 152 as:

- (1) (a) To provide democratic and accountable government for local communities;  
(b) To ensure the provision of services to communities in a sustainable manner;  
(c) To promote social and economic development;  
(d) To promote a safe and healthy environment; and  
(e) To encourage the involvement of communities and community organizations in the matters of local government.

- (2) A municipality must strive, within its financial and administrative capacity, to achieve the objects as set out in subsection (1).

#### **2.4.1.2 White Paper on Local Government of 1998**

The White Paper on Local government synchronizes consistency and compatibility in the functioning of organs of state in the spirit of cooperative governance and as a sequel prescribes:

- The oversight of municipalities by the National Assembly as dictated by Section 55(2) (b) (ii) of the Constitution.
- The support and monitoring of Municipalities by Provincial Governments as contained in Section 155 (6) (a) of the Constitution.
- Both Sections 139 and 154 of the Constitution obligates both the National and Provincial spheres to support even to the point of taking over certain functions in the event of the municipality failing to perform.

Various other legislations governing Local Government in South Africa have been enacted. These are augmented by a series of National Treasury Regulations and multi circulars which entrust the municipalities with various obligations in terms of structures, systems and responsibilities. Some of these are presented below:

#### **2.4.1.3 Local Government: Municipal Structures Act, Act No. 117 of 1998**

The object of this act is to ensure that various structures of municipal council are in place in form of various committees and political offices. It recognizes that the council has a basic role of ensuring better performance by the municipal departments. Section 33 sets out a criteria for the establishment of these committees whilst section 79 (1) (a) obligates a municipal council to establish one or more committees in order to promote, enhance effective and efficient performance of any of its functions [including oversight function] or the exercise of any of its powers.

Van der Walt (2007:58) concurs, "The municipal council may establish one or more committees necessary for the effective and efficient performance of its functions... and may delegate powers and duties. In addition, Section 80 empowers the council to appoint committees in terms of section 79 to assist the Executive Committee and may report direct to the executive or the Mayor according to its directions.

#### **2.4.1.4 Local Government: Municipal Systems Act, Act No. 32 of 2000**

This act amongst its intentions is to define the legal nature of the municipality as it includes local community as well as to provide for the manner in which municipal and functions are exercised. It therefore provides for the framework for support, conducting of monitoring, and setting of standards by other spheres of government. Thus the object is to progressively build local government into an effective and efficient frontline agency capable of achieving social transformation for the upliftment of its communities in harmony with their local environment.

#### **2.4.1.5 Local government: Municipal Finance Management, Act No. 56 of 2003**

In South Africa, the Municipal Finance Management Act, (No 56 of 2003) prescribes a certain level of council oversight over the executive authority. This includes perusing and interrogating the Annual Report which includes numerous components outlined in section 121 (3) (a-k) of the Municipal Finance Management Act. Oversight and accountability helps to ensure that the executive implements plans and programmes as prescribed by the law, policies and as set out in the Integrated Development Plans (IDP) of the municipalities

This Act seeks to modernize budget and financial management practices in municipalities in order to maximize the capacity of the municipalities to the point they are able to respond to service delivery needs of its residents, customers and users: this encapsulates optimal utilization of resources for the intended purposes. Thus, it gives impetus to the principle of transparency as set out in Sections 215 and 216 of the Constitution. Inherent principles include the applications of King III, Treasury regulations and this Act supplements the conventional procedural financial management rules whose focus is on performance based system characterized by output and outcomes as well as measurable objectives. It is this act that compels and directs the council to conduct oversight and sets out timeframes for such process (Sections 127 and 129).

#### **2.4.1.6 National Treasury Circulars Numbers**

These circulars provide guidance to municipalities for Municipal Planning, Budgeting, and preparation of Annual Report, irregular expenditure, Annual Financial Statements, structures and aspects of Oversight report with the intention to improve the quality of reporting. They further advocate transparency and accountability on the fiscal and

financial affairs of the municipalities while ensuring compliance with schedules and legal prescription on what needs to be done. Circular No. 63 also talks to the submission of unaudited report in which includes that section 46 performance report in terms of section 46 performance report in terms of section 46 of the Municipal Systems Act, (No. 32 of 2000).

#### **2.4.1.7 National Treasury and Department of Cooperative Governance Guidelines of August 2011**

These guidelines issued in terms of section 129 (4) provide municipalities and Councils with information on establishment and functioning of the Municipal Public Accounts Committees. It advises the Councils on aspects like the number of who must constitute the committee, the institutional support, the chairing of the committee and work plans including monitoring by these committees. Playing a role in this regard was The Association of Public Accounts Committee (APAC) facilitated the establishment of MPAC's starting from its conferences particularly the 12<sup>th</sup> Annual Conference in declarations 8 and 9 which declared support for the establishment and capacitating of MPACs in each municipality, improving financial management and accountability at local level.

#### **2.4.1.8 Batho Pele Principles**

Along with the Constitutional and legal imperatives, are the values of Batho Pele Principles as a measure to transform Administrative set up to be citizen centered .

These principles are basically more directed at value and human dignity than operational processes hence it is a way of conducting oneself in the presence of clientele, in this regard; the community public institutions like Municipalities who serve for citizens as they are the very reason why Local Government exist. The main intention is that citizens must be treated as customers who must be consulted on the services they need, be provided with access, be treated with courtesy, and most importantly be allowed to ask questions to the point that they are in return responded to honestly and frankly.

## **2.4.2 Public Accounts in South Africa: Institutional dimensions**

### **2.4.2.1 Overview of Institutionalized Parameters in South Africa**

Researchers who have documented their findings on Public Accounts Committee and oversight subject in recent time include Khaile (2011), Botes and Woods (2011), Pelizzo and Kinyondo (2014), and Makhado, et al. (2012). Their studies, however, do not measure the performance of the Public Accounts Committees at Municipal level neither do they attempt to measure the impact of these committees and this is a gap this study will seek to address.

Most of their contributions and studies are placed in the period before these MPACs were established with limited reference to the subsequent promulgations. The study conducted by Makhado, et al. (2012) deals with PACs at the Provincial level thus providing minimum contribution and value to the object of this study which is focused on municipal government.

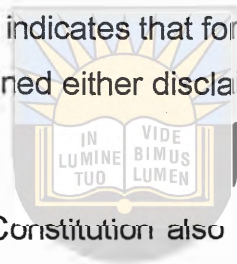
Botes and Woods (2011) are of the view that it has become necessary to move towards a new paradigm in governance in the Municipality that there is a compelling and urgent need for robust non-executive oversight within local government. Financial oversight through public accounts committees has been at the apex of non-executive oversight since the 19th century.

Those in charge of the drafting of the South African Constitution of 1996 were in agreement in including constitutional provisions that prescribes to legislatures to establish mechanisms to ensure that all executive organs of state are accountable to the legislatures – mechanisms that are to conduct oversight over the exercise of executive authority.

The report of the Independent Panel Assessment of Parliament produced twelve years after the promulgation of the Constitution confirms that accountability and oversight remain —crucial aspects of the representative role of legislatures (Govender, 2008:37). In terms of section 41(1)(c) of the Constitution of the Republic of South Africa, 1996:21, all spheres of government, and all organs of state within each sphere in the RSA are required not only to be efficient and effective in serving the South African public, but to do so in a transparent, open and accountable manner.

Consequently, in sections 55 and 114 of the Constitution, legislatures in the national and provincial spheres of government are given the responsibility of having to provide mechanisms to ensure that all executive organs of state are accountable to the Constitution. It also obliges the legislatures to maintain oversight of the exercise of executive authority.

Makhado, et al. (2012:345) is of the view that a lack or poor quality of municipal oversight and accountability within the system of local government is demonstrated by the rate of disclaimers, adverse opinions and/or qualified audit outcomes. The audit outcomes for the year 2011/12 in the Eastern Cape alone attest to this state of affairs. The 2009 State of Local Government Overview Report compiled by the Department of Cooperative Governance and Traditional Affairs indicates that for the year ended 2008; more than a third of the 283 municipalities obtained either disclaimer or adverse opinions (COGTA, 2009b: 55).



Sections 56 and 115 of the RSA Constitution also provide the national and provincial legislatures and any of its committees with power to summon any person to appear before it to give evidence; to produce documents; or to report to the legislature or any of its committees. This legislative and constitutional power and prescription to summon is not applicable to Municipal Public Accounts in South Africa thus making these committees less effective in interrogating executive reports and unable to enforce implementation of its recommendations hence they are generally regarded as toothless entities.

To this end, Van der Walt (2007: 52) claims that there is statutory differentiation between the roles and responsibilities of executive councillors and officials, seeing that the executive mayor or executive committee is responsible for policy outcomes, while the municipal manager and senior managers are responsible for implementation and outputs. He further claims that non-executive councillors are expected to hold both the executive mayor or executive committee and the senior managers accountable on the basis of quarterly and annual reports.

Section 160 (7) of the South African Constitution Act 108 of 1996, provides that a municipal council must conduct its business in an open manner, and may close its

sittings, or those of its committees, only when it is reasonable to do so having regard to the nature of the business being transacted.

As a principle, the meetings of the MPAC should be open to the public and as such the rules and the procedures of the committee as set out in the committee Terms of Reference should also spell out clearly the instances in which its meetings will be closed to the public. Section 129 (4) of the Municipal Finance Management Act ( Act 56 of 2003) provides for the issuing on National Guidelines by National treasury which were subsequently issued jointly by the Department of Cooperative Governance and Traditional Affairs together with National Treasury in 2011. These Guidelines note:

The reform programme, including the development of new Annual reports, have progressed over the past few years and certain challenges experienced in the Municipalities are now being addressed in this Guideline. These challenges relate to the need for continuous improvement in service delivery and the promotion of accountable and transparent governance arrangements (2011:3)

Inherently, any interrogation of the external audit report in this case by the Auditor-General would be against the spirit of this section. However, similarities in the Jamaican and South African models are surely going to assist the study in its quest to establish effectiveness of the Municipal Public Accounts Committees.

Wehner (2002:11-12) points to five working practices which relate to the day to day functioning of the Public Accounts Committee and these are:

- Rule or conventions that apply to decision taking
- Frequency of meetings
- Openness of meetings to the general public or media.
- How to ensure attendance by members
- Internal structure to or organisation to ensure division of labour within the committee as a way of managing substantial workload and demanding programme

Makhado, et al. (2011) observed that the process of establishing the municipal public Accounts Committees except in Gauteng province, has since 2008 been very slow due to capacity constraints and in particular that some municipal councillors are

inadequately equipped with formal training in the parliamentary environment. Mawonga (2012:43) in a study on the Applicability of the King III conducted in the Buffalo City Metro Municipality, made this observation:

The results showed that the respondents were quite opinionated when it came to their views about the effectiveness of the oversight function by council over the operations.

However, Mawonga & Ijeoma's conclusion is not based on the oversight by council or council committee neither does it address the oversight of the executive by the non-executive councillors which is the gist of this study. This study focuses on the oversight role by municipal council as delegated and performed by the Municipal Public Accounts Committee as a specific area of focus.

Botes and Woods (2011: 81-82) in a study on adopting the Public Accounts model for financial oversight for South African Municipalities, talks to some key issues and questions pertinent to this study like the membership of the MPAC, access to information of the MPAC, Committee meetings, Work Programme, Technical support Committee outputs like Oversight report and Investigation Reports. However, its limitation is that it was conducted before the Municipal public Accounts Committees were officially introduced in South Africa by the guidelines issued in 2011 jointly by the Department of Cooperative Governance and Traditional Affairs as well the National Treasury.

However it does talk to the oversight by non-executive councillors of the executive councillors but the gap identified by this study is that the study aim was more towards proposing a framework for the establishment of MPAC's across the country rather than assessing the effectiveness of the MPAC since its establishment.

#### **2.4.2.2 Mandate of Municipal Public Accounts Committees**

The mandate of MPAC as premised on the prescripts of Section 129 of the Municipal Finance Management Act (Act No. 56 of 2003) is to assist in the consideration of the Annual Report and produce Oversight Reports to Council. It must do so within two months from the date the Annual Report was tabled in Council and doing so:

- Hold and cause the Executive and Administration to account on the manner in which Municipal Resources were used in the implementation of Service Delivery objectives of the Council for each Financial Year.
- Advise the Administration , the Executive and the Council of any impropriety in the management and use of municipal resources that comes to attention of MPAC
- Make recommendations to the Administration, Executive and to Council on remedial actions to be taken
- Monitoring of integrity of Municipal Systems and service delivery processes.
- Most importantly, report to Council, the Department of Traditional Affairs and Local Government by submitting reports according to the specified time scales MFMA Section 132.
- To develop and table to Council an Oversight Report of the Annual Report in terms of Section 129 and 130 of the Municipal Finance Management Act.
- To promote and advance government's commitment towards "Operation Clean Audit by 2014".
- To strengthen oversight and accountability, improve compliance with legislation, promote transparency and good governance and eliminate elements of Fraud, corruption and maladministration as well as deliver quality service to the people.

#### **2.4.2.3 Functions and Duties of Municipal Public Accounts Committee**

According to (COGTA and NT/MFMA, 2011: 5-6), the Municipal Public Accounts Committee shall have a permanent referral of documents as and when they are available relating to:

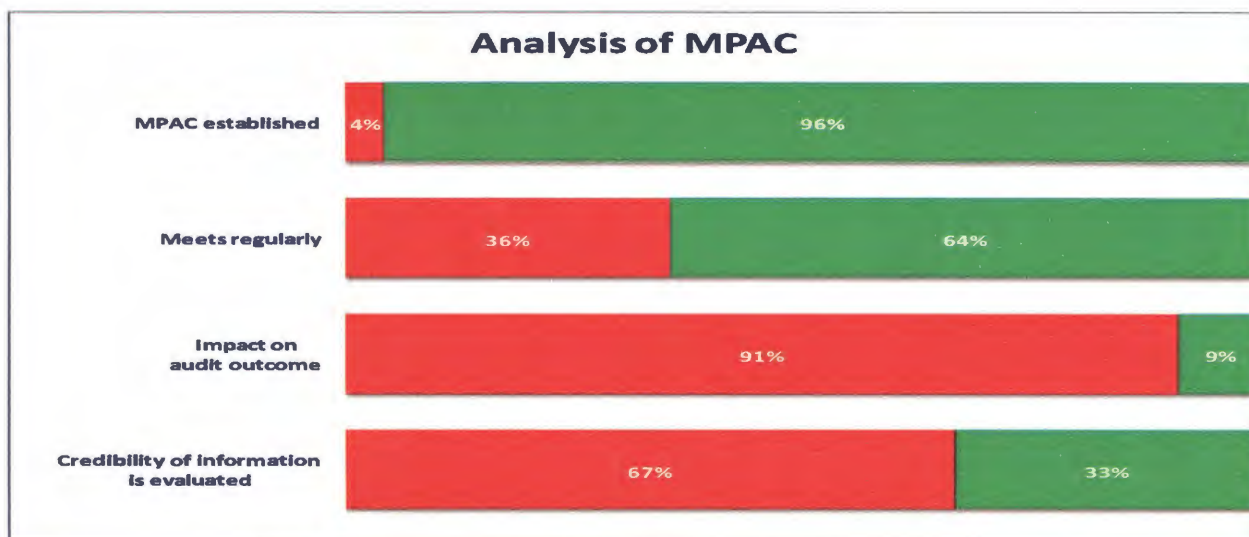
- In-year reports of the municipality and municipal entity.
- Financial Statements of the municipality and municipal entity.
- Any audit opinion, other reports and recommendations from the Audit Committee
- Information relating to compliance in terms of sections 128 and 133 of the MFMA.
- Any other audit report from the municipality or its entity.
- Performance information of the municipality and its entity

However, the primary functions of the Municipal Public Accounts Committee as highlighted by (COGTA & NT/MFMA, 2011:7), included the following:

- To consider and evaluate the content of the annual report and to make recommendations to the council.
- Track the implementation of past recommendations
- To examine the Financial Statements and audit reports of the municipality.
- To promote Good Governance, Transparency and Accountability on the use of municipal resources.
- To recommend any investigation in its area of responsibility
- To perform any other functions assigned to it through a resolution of the council within its area of responsibility.
- In exercising the aforementioned functions, the MPAC shall invite the executive to appear before it in order to provide information, clarity and accountability on matters that are pertinent to the effective functioning of the municipality.
- In terms of the National Treasury Circular 32, 2006: 3, the Council must evaluate the performance of MPAC on an annual basis.
- It must also develop its work programme annually and link such programmes to the overall planning cycle of the council and conclude with its evaluation.
- It must also develop Terms of references

The observation above captures summarily and comprehensively, additional benchmark with which to measure the effectiveness of the Municipal public Accounts committee albeit the different levels of the Parliament and Councils hence it will be adopted.

Measuring MPAC effectiveness in the Nyandeni Municipality will weigh on a scale of 1 – 5 how or if the above listed variables are implemented. Where 1 is strongly agree and 5 is strongly disagree. The Auditor General raised in his 2011/12 Audit report concerns about credibility of information provided to Municipal Public Accounts Committees something that renders the whole oversight exercise incredible and unreliable. (Figure 2.1).



Source: 2011/12 Auditor general Report

**Figure 2.1: Analysis of MPAC of by AG 2011/2012**

Councillors oversee local appointed officials and account to citizens (NT, 2004:30-31). A study on a number of municipalities on oversight by councillors reports that “A major oversight in the planning process was the omission of the role of councillors in the planning process” (Gauteng Department of Local Government, 2008:5).

University of Fort Hare

Hill (2012) in his study on Local Government Public Account Committees reflects on aspects of local government which resembles in a big way, the South African situation in that some of the challenges include, obvious lack of resources, capacity to raise revenue, the dependency on central government transfers and the quality of service delivery all impacting on the pace at which local government reform is implemented.

## **2.5 IMPORTANT CONSIDERATIONS ON LEGISLATIVE OVERSIGHT FOR THIS STUDY**

For consideration in this study especially for analysis purpose are two critical area of legislative oversight. First is the when oversight takes place and the second is what constitutes effective oversight.

### **2.5.1 Stages in legislative oversight**

The emphasis of the Municipal Finance Management Act 58 of 2003 on oversight over the Annual report tabled to council in terms of Section 127 (2) has raised debates and reactions on the impact of oversight after the fact.

Santiso (2004:28) argues that oversight takes place in three stages namely: 'ex ante oversight, concurrent oversight and ex post oversight'.

### **2.5.1.1 Ex Ante Oversight**

This is the stage when the legislature provides consent to the executive proposals in two ways namely approving and delegating. Khaile & De Visser (2011:14) It takes place before the decisions are taken. Its main advantage is that it walks the walk and talks the talk as it assists and guides the executive decisions before the process of considering council oversight. It eliminates deviations from the legislative prescripts. Its other advantage is that the legislature can approve, reject and amend a proposed decision of the executive in line with implementation plans and strategy. Consequently, the executive is guaranteed certainty that its decisions have the required legislative approval and meets the desired expectations. Khaile & De Visser (2011:14)

### **2.5.1.2 Concurrent Oversight**

As the term suggests, concurrent oversight focuses on the conduct of the executive during the execution stage of either policies or programmes, Santiso (2004:28) The executive is kept under close watch with regards to implementation of its mandate thus to this end the legislature does not only approve but monitors the implementation.

Its advantage is that it assists the legislature to detect problems and a shortfall early thus is able to provide rectifications against any executive conduct for deviation from approved mandate.

### **2.5.1.3 Ex Post Oversight**

This stage takes place at the end of the value chain and is sometimes referred to as, "after the fact" as it takes place at the end of the implementation phase. Santiso (2004:2)

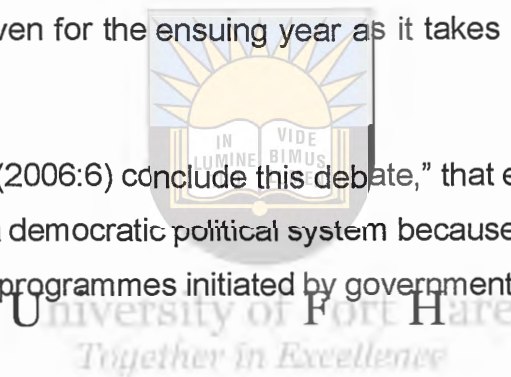
It mostly measures the synergy between the organizational goals and actual performance as approved in various programmes. This is the type of oversight section 129 of the Municipal finance Management Act talks to. This stage helps to identify and measure effectiveness and efficiency as it measures performance.

Structurally many legislatures across the world have established Public Accounts Committees to champion this process throughout all these stages with some legislatures

choosing only ex ante and ex post stages (Botes and Woods, 2011; Hedger and Blick, 2008:5; Schick 1990:46; Schick 2002:33-35).

There is intense debate on the current arrangement of the oversight mandate of the Municipal Public Accounts Committees as having a limited functional mandate in conducting oversight over Municipal Annual Reports. The annual report serves as an instrument to promote the accountability of the municipal executive to the municipal council. This is evident from the fact that the process does not end with the mayor presenting the report to the council and the Council simply accepting or rejecting the report. The annual report is usually followed by the council issuing an oversight report. More often, the Annual report comes too late with no material improvement on issues picked up in the report even for the ensuing year as it takes place six months into the current year.

Pelizzo and Stapenhurst (2006:6) conclude this debate, "that effective oversight is good for proper functioning of a democratic political system because it contribute to improving the quality of the policies/programmes initiated by government regardless of the point of view".



### **2.5.2 Effective Oversight**

There is general consensus that the functionality of the Municipal internal governance is largely determined by the functionality of the committee system. These committees are established in terms of sections 33, 43, 79 and 80 of the Municipal structures Act No 117 of 1998. The Municipal Public Accounts Committees are on their part established in terms of Section 79 and consequently, they report directly to Council and its function is to perform oversight function on behalf of the council. The introduction and establishment of council committees including MPACs seeks to ensure that the transformation agenda and the provision of democratic and accountable government to the communities are realized.

Accordingly, the effectiveness of MPAC is critical for the realization of the aforementioned ideals hence its members must be equipped continuously with the necessary skills, knowledge and information needed to execute the oversight function.

The Parliamentary Centre Report (2009:24) makes an observation following series of World Bank efforts in collaboration with the Commonwealth Parliament Association seminars to train Public Accounts Committees across:

*What is evident from these capacity building activities including the benchmarking visits to other countries is that the impact on the performance of the PAC (Public Accounts Committee) has not been measured*

The report further concludes that the Public Accounts Committee will be more effective if it is able to conduct its functions in the full glare of the public. Equally as noted above, the Municipal Public Accounts Committees have not been measured or assessed since their inception in August 2011. The study seeks to assess effectiveness of the Municipal Public Accounts Committee since formal establishment in 2011. To do this, it is prudent that a brief overview of both effectiveness and efficiency be presented.

The objective of the committee as listed in section 79 sub section (1) (a) of the Local Government: Municipal Structures Act commissions the Council to establish its committee for the effective and efficient performance of any of its functions or the exercise of any of its powers.

The National Guidelines in article 8.4 further obligates the council to evaluate the Municipal Public Accounts Committee and inherent to that evaluation would be to measure whether the committee is effective in carrying out its mandate or not.

The National Development Plan (2011: 375) has noted that a distinct strategy is needed to ensure high-calibre people are recruited into local government. It is in the interest of all spheres of government to ensure sufficient capacity exist to implement core government priorities and responsibilities, particularly ensuring everyone has access to high-quality basic services. To this end, the review of local government has highlighted an acute weakness in the accountability mechanism hence the 2009 State of the Local Government Report.

The local Government legislative environment provides for the creation of structures to deal with local government fiscal accountability in an approach similar but not equal to that of the Provincial and National Standing Committee on Public Accounts (SCOPA). Notably, effective oversight and accountability is largely dependent on distinctive roles

of the Municipal public Accounts Committee which is determined in line with clear legislative mandate.

Its effectiveness manifests itself in the way the committee will identify factors and reasons for certain outcomes and subsequently taking appropriate action especially where there is evidence of grave financial mismanagement and report to council as such.

Emanating from the aforesaid, the evaluation and assessment of whether the Municipal Public Accounts Committee is effective or not is premised on a number of issues:

- Decision taking: whether it takes its decisions on unanimity principle or consensus.
- Frequency of meetings: in the context of the Municipal Public Accounts Committee, this will be determined by the prescribed quarterly meetings, schedule on follow-up on issues and legislated timeframes like submission of oversight report in terms of 129 (1) of the Municipal finance Management Act.
- Openness of meetings: this should illustrate whether the committee meetings are opened to the media and the general public.
- Attendance: this seeks to establish whether members attend the committee meetings.
- Internal organisation: is the workload in the committee commensurate to the committee capacity and is there any division of labour in the form of sub-committees.
- How the committee conducts its business with regards to choosing report, preparing for hearings, how it conducts such hearings, its reporting in terms of minutes, reports to council and follow up on implementation.
- MPAC oversight and accountability tools: these are Annual reports, Financial Statements, Audit reports, Investigation on compliance, Integrated Development Plans (IDP) and Policies applicable across various departments.
- MPAC support staff or Administrative support by council as set out in article 3.3 of the National Guidelines.

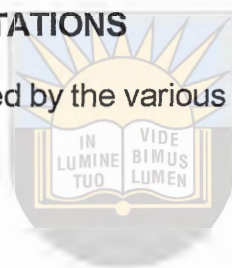
Friedberg (2006:44) in Pelizzo, et al. (2006) conducted a study in Israel and concluded (based on one of the tools) that, when there is lack of independent professional advisors, the committee functioning is determined as poor.

Mansura (2011:4) argues that in order to fulfill their constitutional mandate, members of either the legislature or municipality require support services such as procedural advice, research capacity, library information services, legal opinions and record keeping.

In analyzing the situation, the Legislative Landscape Study on the other side suggested that: to assemble this information and to be able to scrutinize government reports from an informed point of view, members need to draw on sources from both within and outside their legislatures. First, they need properly qualified and skilled researchers. Researchers can play a critical role in enabling legislatures to measure outcomes. This is an area this study intends to contribute

## **2.6 KEY ISSUES : CROSS CITATIONS**

A number of issues have been raised by the various authors across the three continents contribution in terms of literature:



### **Effectiveness**

Pelizzo et al (2006:8) points out that the presence of oversight tool is for effective oversight but note in addition that effective oversight depends largely on the oversight tools and other additional conditions. Jo Abuodha (2011) advocates for a people centred approach as for him effective oversight require that available channels of interaction between councillors and citizens. Makhado et al (2012:345) contends that lack of effectiveness of oversight in municipality is demonstrated by the rate of frequency of disclaimer and adverse audit opinions.

### **Role of councillors**

Van Der Walt (2007:52) points to the difficult of oversight by non-executive councillors over statutory functionaries such as the Mayor and the Administration and for him this takes oversight to a dead end. Greenwood and Wilson (1989:166) sees strength of oversight as best expressed in the committee system which for them encourages frank discussions. Botes and Woods (2011) prescribe robust oversight by the non-executive. For Makhado et al (2011), the pace of oversight has been very slow due to capacity constraints and the fact that councillors are inadequately equipped for the oversight environment. Botes and Woods (2011; 81-82) raise further issues such as membership of the committee and critically serious is the access to information by the committee. To

this end the Auditor General, (2011/12) raised alarm on the issue in that the information given to oversight committees lacks credibility. (Refer to Figure 2.1)

Hill (2012), in a study conducted in Gauteng concluded that some of the challenges confronting oversight committee in Local Government include lack of resources and capacity to raise revenue.

## **2.7 CONCLUSION**

The Constitution of the Republic and other various enabling legislation like the Municipal Structures Act, Municipal Systems Act and the Municipal Finance Management Act enhance and enriched by the National Guidelines are clear that the Legislature and Council must hold the executive accountable. This places an enormous responsibility on all elected public representatives to execute this task and mandate to the optimal point even in the adversary and perceptions that the committee is intruding into matters beyond its scope. It is therefore important for the improvement of local democracies that municipal committee systems function not only to support the municipal executive and prepare council decisions but also as committees that exercise oversight over the municipal executive and administration.

Equally, this study will assess and benchmark the effectiveness of the Municipal Public Accounts Committee against the characteristics of effective oversight, institutional support, applicability to legislation, interaction with stakeholders, functions of the committee and its mandate. The primary function of the Municipal Public Accounts Committee (MPAC) is to assist the council to hold the Executive and the Municipal Administration to account and to ensure the effectiveness and efficient use of municipal resources.

To this end, it is imperative that good relationships are developed between the committee and other committees of the council possible to the extent that does not compromise the structural independence of the committee with the right to refer or receive matters from other committees.

Significantly, if the MPAC is to work effectively, it must possess integrity and a degree of authority which must express itself in the committee's ability to scrutinize all relevant information, as access to information is one of the cardinal heart beats of effective

oversight. It is in view of the issues the literature has raised about oversight practice stretching from the Commonwealth countries, African countries and South African set up that this study sets to assess the effectiveness in the functioning of the Municipal Public Accounts Committees since their establishment in 2011. As part of the observations, it has also been identified that there are gaps in the existing literature which include the following:

- The insufficient literature on the assessment of the Public Accounts Committees at the level of local government across the continents,
- Non-existence of an imperative empirical study on the current model of the Municipal Public Accounts Committee (MPAC) as an oversight of the Executive by the Non-executive councillors.
- That in the absence of such an empirical study, there can be no conclusive evidence regarding the effectiveness of these committees and that its impact on the state of good governance at local government is untested.
- That the latest contributions in studies by Khaile (2011) and Botes and Woods (2011) were both on the doorsteps of the establishment of the Public Accounts Committees at municipal level thus cannot be used as a yardstick to gauge the effectiveness of committees.

As revealed by the consulted literature; the Public Accounts Committees are critical for good governance as they are both watch dogs and custodians of public resources. Consequently, these committees must themselves be subjected to scrutiny if they are to be successful and this is a domain of the scientific research studies as a contribution to the knowledge house and most importantly, a contribution towards their effectiveness. In the following chapter, the methods through which the study was carried out to obtain results are presented.

## CHAPTER THREE

### RESEARCH DESIGN AND METHODOLOGY

#### 3.1 INTRODUCTION

In the previous chapter the study established that municipalities in South Africa have established Municipal Public Accounts Committees in terms the relevant Legislations: Structures Act (117 of 1998) Sections 33 and 79. Section 129 (4) of the Municipal Finance Management Act (Act No. 56 of 2003) and Guidelines issued jointly by the National Treasury and the Department of Cooperative Governance and Traditional Affairs issued in August 2011. These statutory provisions were established in order to address and respond to the silence of the Constitution of the Republic of South Africa Act 108 of 1996, which only sets out prescriptions on oversight by both the National parliament and Provincial Legislatures yet remain loudly silent on similar arrangements at Local Government level. In addition, it does so within an environment of conflated legislative and executive powers in the local sphere.

The establishment of the Municipal Public Accounts Committee in Nyandeni took place on the 31<sup>st</sup> of October 2011 as a response to the Gazette which issued the National Guidelines through Council Resolution Number 728. At the stage of its established, other oversight committee had been established as pilot projects in the City of Cape Town and Nelson Mandela Metro Municipalities as a result of a decision to pilot with the Metro Municipalities. In the previous chapter, reference was made to the 2009 State of the Local Government Report which generated the Local Government Turn Around Strategy (LGTAS) as basis for the decisive setting up oversight structures in the municipalities.

The purpose of this chapter is to illustrate how the study was carried in regards to Research methodology, data collection design and techniques used. These are described in terms of the research design, methodology, sampling methods, sample size, data collection tools, data analysis tools and the research ethics employed in the study. The scientific rationale for using qualitative and quantitative methods have been unpacked. The research questions framed at the beginning of the study were aimed at assessing the extent to which the Municipal Public Accounts Committee is effective in its discharge of the oversight mandate since it was established in Nyandeni in 2011 thus this chapter sets out the basis for the research methods and approach utilized.

### 3.2 RESEARCH DESIGN

This is a case study research design. This design has been chosen in order to gain in-depth knowledge of an individual and representative example of the municipal public accounts committee. Thomas (2011:3) defines a case study as, “a kind of research that concentrates on one thing, looking at it in detail, not seeking to generalize from it.” It is described as the most flexible design for research and useful where —relatively little previous research exists on the topic, a case in point as far as studies on the assessment of effectiveness of the Municipal Public Accounts Committees in South Africa are concerned especially after their legislative establishment and roll-out in 2011. Gerring (2007:1) observes that a case study is “more helpful than fleeting knowledge about a large number of examples”. Given that the preliminary literature reviewed shows scanty studies on assessment of effectiveness of Municipal Public Accounts Committees as structures and institutions of oversight in government, the case study is most befitting. Hakim (2000:59 -60), contends that the case study is also useful for research on organisations and institutions in the public sector, and as an approach with the potential of being used to present examples of good practice (2000: 60). The focus will be on the Section 79 Council Committee on oversight in the Nyandeni Local Municipality as area of research.

Brynard & Erasmus (1995:7) write that case study in this regard, “...is a written record of a situation that has actually been faced in a particular area of learning. (And further contends that) This record includes a description of the situation or problem being dealt with, the facts surrounding the situation.”

Hofstee (2009:123) points out that the case study method is useful when detailed knowledge is required of any particular case for whatever reason. Payne & Payne (2004:33) stress out the strength of a Case Study as developing and beginning fresh insights because by beginning on a small scale, new ways of understanding a specific unit can provide a framework for later research. According to May (2011: 234), there are two critical points that characterizes Case Study, firstly, there is some agreement that multiple methods are essential to case study research and secondly that a strong emphasis is placed on iteration between data and analysis in several accounts.

### 3.3 RESEARCH METHOD

This study utilized a combination of both the qualitative and quantitative enquiries. Creswell & Clark (2007:6.168) as cited in Blaikie (2010:218) states that the use of mixed method involves the collection, analysis and mixing of both quantitative and qualitative data in a single study or a series of studies. Terre Blanche, et al. (2007:47), contends that “quantitative and qualitative research have differing strengths and weaknesses, and constitute alternative, not opposing research strategies.” Qualitative and quantitative, research methods and techniques will be used because they complement each other for verifiability and reliability of data.

The use of these methods was influenced by the fact that these methods are applicable in different and appropriate situations of the study. Bless & Higson-Smith (2002:86), contends that a comprehensive research follows both methodologies and these approaches absolutely depend on the setting to which the research is conducted. The advantage of using qualitative method in this study is that a substantial data was verbal, presented in interviews thus providing the researcher an opportunity to probe the data as presented. Gerring (2007:10) writes that the qualitative method is often associated with case studies and thus explains why this case study approach was used in this study.

Advantage of use of both methods is that they may produce different outputs as such each approach was used to test the results of the other approach in that way complement each other for validity.

Quantitative methodology on the other hand generated numerical data of information that were converted into numbers. Thus the massive statistical information was processes and interpreted. The quantitative research helped the researcher look past the words, actions and records and focus on their mathematic significance in that the results of the observations shall be quantified.

Where data required to be quantified the quantitative method was applied especially during the treatment and analysis of questionnaire and interview responses. Babbie & Mouton (2001: 278) advocate the studying of human action in its natural setting and through the eyes of the actors themselves. In a mixed method the validity, reliability and the value of the study is increased. Out of the three main qualitative research designs namely: Ethnographic Studies, Life Histories and Case Studies, this study will use case

study which is defined as an intensive investigation of a single unit Handel et al as cited in (Babbie & Mouton, 2001:281).

In addressing the research question on the effectiveness of the Municipal Public Accounts Committee in the execution of its mandate and oversight over the executive in the Nyandeni Local Municipality, the study will apply the two methods to be able to compare and incorporate findings. The research will be conducted by carrying out a case study of one of the first MPAC to be established in the RSA by the National Guidelines of 2011, by studying its regulatory framework and its key areas of operation; by assessing the documents of the MPAC in question, and by interviewing members of the MPAC and other relevant role players on the basis of a number of questions mainly relating to the implementation challenges experienced, as well as operational successes.



### **3.3.1 Qualitative Research**

Flick, et al., 2004:3 claim that qualitative research describes life worlds “from the inside out” from the point of view of the people who participate. And that by so doing it seeks to contribute to a better understanding of social realities and to draw attention to processes, meaning patterns and structural features.

Terre Blanche, argue that data in respect of qualitative research is collected in through written or spoken language, or in the form of observations that are recorded in language. This study has on the main has opted to utilize the qualitative approach largely due to the posture and nature of the study which has been collected through both the spoken and written language as shall be illustrated in the outline of instruments. A qualitative approach to research also allows for more meaningful interpretation of concepts, constructs and opportunities, which brings the research findings closer to the truth with regard to “aspects of social reality” (Bless & Higson-Smith 2004:156; Mouton & Marais 1994:160).

### **3.3.2 Quantitative Research Method**

Quantitative research is defined by Welman, et al. (2008:188) as kind of a research that does,” not involve the investigation of processes but emphasizes the measurement and analysis of causal relationship between variables within a value free context”. Blaikie

(2010:204) contends that quantitative methods are generally concerned with counting and measuring aspects of social life. In this study, as pointed out earlier quantitative method will be used to complement the qualitative approach and inquiry which is predominant in the study. It will be used to provide deeper and objective understanding of the issues raised in the study. Welman, et al., 2008:8-9) contend that quantitative approaches provide more objectivity, measurement, analysis and evaluation of the respondents' opinions in relation to phenomenological studies

This study has not only utilized qualitative and quantitative approaches but is inherently, a case study, as Gerring (2007:10) concurs; the qualitative method is often associated with case studies, and therefore is suitable to the approach adopted for this study

A substantial number of the studies covered by the literature are quantitative in nature, thus providing perspective on the extent of the various public accounts committee practices, and not much perspective on the reasons for those practices.

The study is not only interested at the output but at the outcome of oversight. Hence research approach was chosen in order to gain insight into the underlying reasons behind the practice of oversight.

Further justification of the use of the two research methods by the researcher is that the quantitative research generates numerical data or information that can be converted into numbers. Only measurable data are being gathered and analysed in this type of research. Qualitative research, on the other hand, generates non-numerical data. Rather than using measurements, it focuses on verbal data. The gathered data or information are then analysed in an interpretative manner that can be subjective, impressionistic or even diagnostic. The Research will employ a combination of both qualitative and quantitative methods.

### **3.4 SELECTION OF NYANDENI LOCAL MUNICIPALITY AS A CASE STUDY**

The choice and selection of the Municipal Public Accounts Committee of Nyandeni Local Municipality was guided by a number of factors:

- It is one of the Municipalities that established the Municipal Public Accounts Committee within the set time by the guidelines through and as set out in Resolution Number 728.
- It is in its third year of existence and is better positioned operationally to provide the necessary answers to the questions raised by the study.
- The committee was established as Municipal Public Accounts Committee that is also tasked with the oversight function as referred to in the MFMA.
- The committee has been operational on an ongoing basis, meeting regularly since its establishment in 2011;
- An initial scan of the literature on South African municipalities, in addition to practical resource limitations such as a limited budget to undertake the primary data collection phase of the research
- It is presumed that it has built up useful records and its members have gained considerable experience; and
- The committee is easily accessible geographically, but also in terms of allowing members of the public into its meetings.
- The fact that the municipality is located within a rural set up something that is likely to pose challenges with regards to the resources for the municipality and also the Committee in its day to day discharge of its duties thus creating a fertile ground for the study.
- It is presumed that the intention for establishing the committee was that it should respond to the fundamental issues raised in the 2009 State of Local government Report and assist in the realization of the Turn Around Strategy (LGTAS).
- The researcher is familiar with the terrain and demographics of the Municipality as he is currently serving as a Councillor in the Municipality.
- It is a rural, small and grade 3 Municipality that largely depends on the National and Provincial grants and therefore utilization of resources is extra ordinarily prudent.

### **3.5 POPULATION AND SAMPLING**

Two prominent sources define population as the full set of cases from which a sample is taken (Saunders, et al., 2003:151). Brynard & Hanekom (1997:43) see population as referring to objects, subjects, phenomena, cases, events and activities which the

researcher would like to study to identify data. Malhotra (2004: 315) states that the target population must be precise because the imprecise definition can lead to ineffective and misleading data collection. Wellman, et al. (2008:52) state that the, "populations is the study object and consists of individuals, groups, organizations, human products and events, or the conditions to which they are exposed".

According to Payne & Payne (2004:200), "Sampling is the process of selecting a subset, of people or social phenomena to be studied, from the larger "universe" to which they belong, which case of probability or representative samples is based on the statistics of probability theory but can be reduced to a simple look look-up table to decide how big a sample is needed". Babbie & Mouton (2001:100) state that the population for a study is that group (usually of people) about whom we want to draw conclusions.

### 3.6 TARGET POPULATION

Huysamen (1994:45) cites Kempthorne who makes a distinction between the target population and the experimentally accessible population: the first referring to the population the researcher ideally would like to generalize the results and the latter being the one which corresponds to the sampling frame.

This study will focus on the following respondents due to the knowledge they hold and possess regarding the research study question:

- Councillors across the spectrum ranging from Members of the Municipal Public Accounts Committee (MPAC) and due to the size of the Committee, all the six (6) members of the Committee, leaders of the Political Parties will be the focus of the study and Ward Councillors (15), executive councillors five (5), chief whip one (1). Members of the Management in the Municipality, and the target population will be five (5) Managers chosen along all levels.
- A wide range of Stakeholders that will be chosen include Ward Committees Members (50), Business partners (5), Community Development Workers(CDW) (20), traditional leaders (5), rate payers (5), youth councillor (5), labour or Union (5), South African Council of Churches (1). The chairperson of the Audit Committee one (1).

The targeted population as pointed out above is made of Nyandeni Local Municipality Staff, Councillors, Stakeholders and Ward Committees will be targeted for interviews to determine the effectiveness or non-effectiveness of the Nyandeni Municipal Public Accounts Committee (MPAC).

### **3.7 SAMPLING PROCEDURE**

The study will utilize non-probability sampling specifically the purposive sampling because the Municipal Public Accounts Committees have a short history of existence and there are not very many people and stakeholders that are aware of its existence. The researcher will select the sample on the basis of own knowledge of the population in line with the research objectives.

Babbie (2013:128) states that in this type of sampling, "The units to be observed are selected on the basis of the researcher's judgment about which ones will be the most useful or representative". Warwick & Linenger (1975:74) concur and contend that the most common types of non-probability sampling is purposive sample in which, sample elements are chosen by the researchers or other field workers, using their own discretion about which informants are 'typical' or 'representative'. Babbie & Mouton (2001: 166) justify the use of purposive sampling, "Sometimes it's appropriate for you to select your sample on the basis of your own knowledge of the population, its elements, and the nature of your research aims: in short, based on your judgment and the purpose of the study". Similarly, and in line with the argument of Babbie, the researcher has extensive knowledge of the population under study. Purposive sampling will assist the researcher not to choose the same group of people thus will be able to get feedback on all the categories of intended respondents. Secondly, purposive sampling will be preferable because it ensured that different categories and levels of respondents of the targeted population are utilized thus intensity of information received would be reflective of a wide range of respondents. In addition, it will freely determine how much of the entire sample should represent each group. Thus in this study all the respondents identified represent the substantial number of population the study is targeting. The selection of the sample population is presented in Table 3.1.

**Table 3.1: Population Sample and data collection Procedure**

Included	Actual Population	Sampled	Data Collection Method	Number of respondents per method	Actual Return
Managers	16				5
		5	Questionnaire	5	5
			Interview	2	
Councillors:	61	27		26	26
Non-Executive		15	Questionnaire	14	14
Executive Councillors		5	Questionnaire	5	5
Chief Whip		1	Questionnaire	1	1
MPAC Members		6	Questionnaire	6	6
Stakeholders:		97		90	85
Ward Committees		50	Questionnaire	48	45
Business		5	Questionnaire	4	4
			Interview	1	
CDW		20	Questionnaire	18	17
Traditional Leaders		5	Questionnaire	4	4
Ratepayers Association		5	Questionnaire	4	4
Youth Council		5	Questionnaire	5	5
Labour (Union)		5	Questionnaire	5	5
South African Council of Churches (SACC)		1	Questionnaire	1	1
Audit Committee		1	Interview	1	
Total Population		129			
Questionnaires				120	116
Interviews				4	4

Source: Author's Work, 2014.

### 3.8 DATA COLLECTION METHODS

Although, the Municipal Public Accounts Committee was chosen for the study, the population for the collection of data in the study is spread across the spectrum and

includes: members of the MPAC, Senior Officials, Community Development Workers, Ward Committees, Ward Councillors, Traditional Leaders and various Stakeholders. Permission will be sought from the Municipality (Municipal Manager).

Terre Blanche, et al. (2006:287), suggests that collecting data from diverse sources can help researchers to “hone in” on a better understanding of a phenomenon. To a large extent the use of more than one method tends to strengthen the validity and reliability of the results. The study will make use of both the primary and secondary data collection methods for the realization of the objectives of this study. Primary data collection tools will include questionnaire, focus group discussion and face to face and in-depth interviews. Thus, this study has resolved to use questionnaires and interview in its quest for data that will inform this study. Peters (2000:12) endorses and justifies this choice when he states that the research required to measure institutions within the normative framework could be conducted with questionnaires, through more in-depth interviews or by using organizational artifacts.

Secondary data will include reports to council, articles, government and departmental reports, Auditor General's reports, National Treasury reports, annual reports, and oversight reports which will provide some account on the extent of the effectiveness of the committee. The disadvantage though of the secondary data is that it has a lot of bias and subjective hence the researcher will not be able to probe data. The responses might either validate or create a disjuncture with the information collected through other instruments.

A questionnaire is the most appropriate and convenient technique to collect information from respondents on opinions, beliefs, practices, attitudes and convictions. This assertion supports and vindicates the researcher's choice of questionnaire, face-to-face interview, document sources and observation as an apt step in the right direction.

### **3.8.1 Questionnaires**

The questionnaire will bring the greatest possibility of reliability of the data collected as great caution will be taken in the design of the questionnaire such that the following information will be obtained: general understanding of the mandate, details regarding institutional support, systems and processes of conducting oversight report process, filing activities and stake holder interface. A questionnaire will be designed and

distributed by the researcher so as to record the relevant information from the respondents. Hofstee (2009:132) asserts that, "Questionnaire are a form of structured interviewing, where all respondents are asked the same questions and are often offered the same options in answering them (yes/no, ranked on a scale, etc). Anonymity will be assured so that respondents are free and confident in expressing their views without fear of retribution. The questionnaires will focus on the following key issues/areas:

- General Information.
- Understanding of the role of the Municipal public Accounts Committee (MPAC)
- Interaction and extent with which the Institutional Stakeholders are participate on matters of oversight through meetings and reports.
- Implementation and follow up on the recommendations of the Municipal Public Accounts Committee by the Municipality-Council and Administration.
- The extent to which MPAC functioning has improved the general conduct for accountability by the institution.
- Functioning of the MPAC through policy existence, record controls, frequency of meetings, committee skills and administrative support in terms of the National Guidelines.
- Measures that could be established and introduced in order to improve functioning of the committee and enhance effectiveness of MPAC.

### **3.8.2 Interview**

Interviews will be conducted according to a set of rules to persons and groups holding strategic and operational positions namely managers and councillors particularly members of the Municipal Public Accounts Committee (MPAC). The open ended questions will be used and posed as Leedy & Ormrod (2001:159) suggests that interviews in a qualitative study are open ended, revolving around one or a few central questions. The use of the face to face interviews will be to ensure uniformity and fairness by posing the same set of questions to all respondents and at the same time afford the researcher to provide explanation on any possible ambiguous questions. The advantage being that this allows the interviewer to pose more questions, seek clarity whilst not limiting the interviewee in expressing himself.

By utilizing interviews, the researcher will be exposed to actual sentiments and general attitudes and perceptions of the interviewed members of communities and municipality as outlined. These will be face to face interviews which is mostly assertive in ensuring uniformity and fairness by posing the same set of questions to all respondents while at the same time the researcher is afforded time to provide explanation on any possible ambiguous question. Focus group interview will be conducted according to a set of rules and certain identified participants will be invited to a focus group discussion where the researcher will play the role of a facilitator such that the responses may either validate or create a disjuncture with the information collected through other instruments.

Babbie & Mouton point out the main advantage of Focus group as the opportunity to observe a large amount of interaction on a topic in a limited period of time based on the researcher's ability to assemble and direct focus groups. May (2011:137) concludes that group interviews constitute a valuable tool of investigation, allowing researchers to explore group norms and dynamics around issues and topics which they wish to investigate. In order to increase reliability of data collected through interviews, questionnaires will be completed by the sampled population (Table 3.1). This will be done to close reliability gaps in the interviews as Chambliss & Schutt (2003:73) points out, "interview may produce valid understanding of relationships, but interviews are often not reliable".

### **3.8.3 Document sources**

The study will focus on secondary data in the form of various reports particularly the IDP document, Audit Reports, Terms of Reference, Audit Action Plan, Annual Report and Oversight Reports for the period 2011/12 and 2012/13 will be reviewed. According to Terre Blanche, et al. (2006:316), documentary sources," are a means by which the ideas and discourses are circulated in society". Hofstee (2009: 124) contends that document analysis closely examines the content of preserved records which are always written documents. The researcher is aware of the limitations and problems of this method which may range from quality and quantity of the sources, research bias and reliability of results. The researcher is of the view that these documents contain valuable information that may assist in providing answers and create picture of how the committee performs.

### 3.8.4 Observation

In order to obtain first-hand information on the effectiveness of the NLMPAC as set out in the objectives, the researcher will make personal observations and record issues of interest. These observations will be made through attending the committee sessions, its meetings with stakeholders and interrogation of reports in the presence of members of the executive during the data collection period of the study. Data from observation will add more validity and reliability to the study as it will be recorded by the researcher with committee members freely going about its normal business. The findings will be expected to support or conform findings obtained from the questionnaire and interview.

### 3.9 ETHICAL CONSIDERATIONS

May (2011:61) contend that ethics is concerned with the attempt to formulate codes and principles of moral behaviour. In line with this contention and since human beings are going to be used in this study, acceptable ethical norms and values will be respected and adhered to as follows:

- **Informed consent and voluntary participation.** The researcher will obtain written or verbal informed consent from the participants before implementing the questionnaire or conducting an interview. The researcher will emphasise the fact that the participants may withdraw at any given time, as the participation in the study is voluntary and not compulsory.

**Protection from harm.** The researcher will ensure that participants are not exposed to any undue physical or psychological harm (Leedy & Ormrod, 2005). During the study the researcher will strive to be honest, respectful and sympathetic towards all participants that require debriefing after an interview, the researcher will provide this, or make the necessary referral to a professional who can provide such a service.

- **Privacy, confidentiality and anonymity.** Participants will have clear understanding regarding the confidentiality of the results and findings of the study.

All participants' information and responses shared during the study will be kept private and the results will be presented in an anonymous manner in order to

protect the identities of the participants. All audio-cassettes will be destroyed as soon as the study has been completed.

- The participants will be informed that the data collected is purely for academic exercise and that it will not be used against them or any other purpose other than the academic one.
- **Permission from authorities**

White (2005) suggests that ethics are generally considered to deal with beliefs about what is right or wrong, proper or improper, good or bad. The researcher will request a recognition letter from University of Fort Hare School of Public Administration, Faculty of Management and Commerce. Subsequently, application for the Ethical clearance from the University of Fort hare was submitted and granted before the start of the field research. This will be taken to Nyandeni Local Municipality where the study will take place. Interviews will be conducted with the permission of the interviewees as well.

### **3.10 SCOPE AND LIMITATIONS OF THE STUDY**

The study is limited to a case study of a Section 79 Committee: Municipal Public Accounts Committee (MPAC) of Nyandeni Local Municipality in the Eastern Cape thus it was carried out in Nyandeni. The reason for choosing the Municipal Public Accounts Committee is that it is the main role player on behalf of the Council on all matters of oversight as its mandate is primarily to conduct oversight. The lack of availability of substantial reference material and other previous studies will pose challenges for the study.

The Municipal Public Accounts Committee having been established in 2011, available studies have focused largely on the establishment and less on the assessment. The vast distance between wards targeted as respondents will also posed a threat to the schedule of completing the data collection. Another threat will be the clash of institutional programmes with the schedule of the study.

Equally, non-returning of forms coupled with non-availability of respondents envisaged but the researcher will continuously review the schedule. Travelling Budget might also impede and delay the collection of data. The comfort of the study is however on the

strength and abundance of legislation, reports at both national and provincial which eased the study problems.

A total of 129 respondents will be selected for the administration of the questionnaires and the target population is as illustrated in Table 3.1.

In terms of the content delimitation, the study will focus on the assessment of the Municipal Public Accounts Committee (MPAC). The study while focusing on the effectiveness of the committee also looked at the effectiveness of the respondents in working with the committee.

### **3.11 DATA ANALYSIS**

#### **Validity and Reliability of data**

Before and during the data processing, quality control check will be performed and data collected will be analyzed at ensuring the validity and reliability of the research. To validate the study and ensure reliability, the researcher will use a triangulation approach wherein the qualitative (interviews) and quantitative (questionnaire) approaches will be tested. The use of these two approaches will intensify the validity and reliability of the study. Findings of the quantitative approach will be validated and checked if they are reliable by using the qualitative method. All the data gleaned in either method will undergo such scrutiny to ensure validity and reliability.

The interview schedules will be done by the researcher for clarity to the respondents. The tools will be standardized, calibrated, and handed under relevant guidelines. To reduce biases of interview, the researcher reviewed critically the literature and informed the participants to ensure continued participation as well as the prevention of participants and researcher exhaustion. This stage of research was subjected to additional scrutiny as it forms the backbone of data consolidation and high quality.

Since the researcher aims to discover deeply held personal assessments of the effectiveness of MPAC, some of which may be sensitive in nature, the anonymous nature of the questionnaire will allow respondents to express their judgments freely.

During data analysis, the capturing anonymously data with double entry check, evaluation by cleaning the datasheet, exhaustively test (completeness of information), consistency test (coherence and avoiding shifted data into wrong row/column or line).

### **Data Analysis Techniques**

There is general agreement that once the researcher in any study has finished gathering data, then he must do something with it in order to turn it into evidence. The logical step is to analyse it and be able to tell what has been done with qualitative data and if it is quantitative, equally, the researcher must describe the techniques. This process is referred to as data analysis which, according to Leedy et al is, “ inductive reasoning, sort and categorise” data and breaking it into, “ a small set of abstract underlying themes”. Smit (2002:66) suggests data analysis takes place throughout the data collection process. According to Denscombe (2007:247), the process of analysis involves the search for things that lie behind the surface content of the data – core elements that explain what the thing is and how it works. In this study, the researcher will use the mixed method approach to analyse the qualitative and quantitative data.

### **Coding Method Technique**

Coding technique will be used to interpret the information obtained through the Interviews and Document Analysis which are qualitative methods. Denscombe (2007: 257) argues that, “ on many occasions the researcher starts off with material in the form of words or pictures and needs to transform the material from this format into the only format suitable for quantitative analysis: numbers.”

Denscombe (2007:257) further defines, “ Coding, in essence, entails the attribution of a number to a piece of data, or group of data, with the express aim of allowing such data to be analysed in quantitative terms.”

For Babbie (2013:300), “Coding in content analysis involves the logic of conceptualization”. Coding will assist the researcher in the process of processing the raw data for analysis. The data collected from the various respondents will be codified according to the various themes identified in the research problem. The content will then be analysed thematically.

## Content Analysis Technique

The next technique is content analysis which will be used to analyse the data collected for this study which, according to Leedy & Ormrod (2001:155) is, "a detailed and systematic examination of the contents of a particular body of material for the purpose of identifying patterns, themes and biases.". Hofstee (2009:124) observes that some forms of content analysis use a combination of qualitative and quantitative judgments. Babbie & Mouton (2010:491) raises two cardinal points on data analysis: firstly, that qualitative data analysis as referring to all forms of analysis of data that was gathered using qualitative techniques. They also cite Palmquist (1993) who defines content analysis as a research method which:

*"... examines words or phrases within a wide range of texts, including books, book chapters, essays, interviews and speeches as well as informed conversation and headlines. By examining the presence or repetition of certain words and phrases in these texts, a researcher is able to make inferences about the philosophical assumptions of a writer, a written piece, the audience for which a piece is written, and even the culture and time in which the text is embedded."*

Krippendorff (2004:3) further contends that, "content analysis entails a systematic reading of a body of texts, images and symbolic matter not necessarily from an author's or user's perspective. This approach is relevant for the analysis of the reports like the Annual reports and Oversight Reports. Payne & Payne (2004:51) concurs, "Content analysis seeks to demonstrate the meaning of written or visual sources". The Analysis of documents and records which is generally referred to as written texts that serves as a record or piece of evidence of an event or fact. Wolf as cited in Uwe, et al. (2004:284) argues that, "A major part of official documents and most private documents are intended only for a defined circle of legitimate or involved recipients. Official documents also function as institutionalized traces, which means that they may legitimately be used to draw conclusions about the activities, intentions and ideas of their creators or the organizations they represented".

## Statistical Analysis Technique

Analysing data obtained through questionnaires prescribes statistical approach as it will focus on the numerical aspects of analyzing the data. The statistical Analysis tools are

beneficial in that it produces triangulation which is a check and balance of sorts while it enhances the findings. Huysamen (1994:194) points out that statistical technique merely serve as aids in assisting the researcher to come to a justifiable decision as to whether or not the data obtained support the hypothesis originally formulated. The particular statistical analysis tool to be utilized will be the Measure of Central Tendency which will set out to describe the frequencies and their distribution. To determine the mid-point or average, the three types of average namely the mean, the median and the mode used all as measure of central tendency. This data analysis tool will determine whether the results are statistical significant or not. The study will use bar graphs to present and interpret the findings and to draw a clear picture of the situation.

Since all variables are qualitative, as such data will be reported as frequency (n) and proportions (%) and using tables, figures, and sentences. Inferential statistics will be used to make inferences concerning research proposition. The univariate ANOVA test will be used to compare means between two groups. A P-value < 0.05 will be considered significant using the statistical package for social Sciences (SPSS) for Windows version 21.0 or the license IBM\* SPSS (SPSS Inc., Chicago, IL, USA).

### **3.12 CONCLUSION**

This chapter, in the final analysis will provide a description of the research methodology that is to be followed in the pursuit and quest followed in assessing the effectiveness of the Municipal Public Accounts Committee (MPAC) in Nyandeni in its execution of the mandate of holding the Municipal Executive Committee and Administration accountable for its actions and inactions. Also assess whether the Oversight Committee does conduct oversight over the Annual Report and subsequently produce Oversight report as envisaged in section 129 of the Municipal Finance Management Act No. 56 of 2003.

This study is largely qualitative in design because of the nature of the very study and data that will subsequently be collected. Primary methods of data collection utilized are interviews, questionnaires and document analysis. The study has also identified and chose Content Analysis and analysis of documents as means and tools of analyzing and interpreting the results. This chapter further lays foundation for the next chapter which will focus on the presentation, analysis and interpretation of the data as collected and gathered from the various methods namely: interviews, questionnaire and documents.

## CHAPTER FOUR

### DATA ANALYSIS AND FINDINGS

#### 4.1 INTRODUCTION

This chapter gives the analysis and interpretations of the data for this study. The chapter has been accomplished with the application of different statistical approaches and results presented on tables and charts. The assessment of the Municipal Public Accounts Committee Effectiveness in Nyandeni Local Municipality (EC 155) is the subject of interest for this research. Data for a number of variables were collected for this investigation. The interpretation of findings was aimed at finding out how effective the EC 155 MPAC is, by comparing the current practices (in terms of functions) to the expected and prescribed functions as espoused by the components of the systems theory. Also these defined components of the systems theory in line with the mandate of the MPAC and the objectives of the study were measured and the extents to which these components were prevalent throughout the institution were determined.

In doing so, both quantitative and qualitative analysis methods were used partly due to the objectives of the study. Owing to the data collection procedure (primary and secondary data information) and the study design, the results are presented in two sections: quantitative results; and qualitative results from open ended questions, interview, and secondary data.

#### 4.2 DATA COLLECTION PROCEDURE

The researcher kick started the process with telephone calls to the identified and listed respondents to request appointments. Subsequent visits to the offices of the Municipal Manager, Mayor, Chief Whip and the Council Speaker to outline the object and process of the study and obtain a buy-in was undertaken. This process was preceded by the requesting and granting of permission to conduct the study from the University of Fort Hare and Nyandeni Local Municipality. The researcher distributed the questionnaires to the various respondents as outlined in the previous chapter. Interviews were further conducted by the researcher on his own.

The researcher used face to face interviews and posing the same set of questions. Tachie, (2011:64) contends that interviews are one of the most important tools for

qualitative research. The findings were analysed deductively with the data analysis and interpretation processes organized according to themes that are based on the objective of the study.

### 4.3 QUANTITATIVE RESULTS

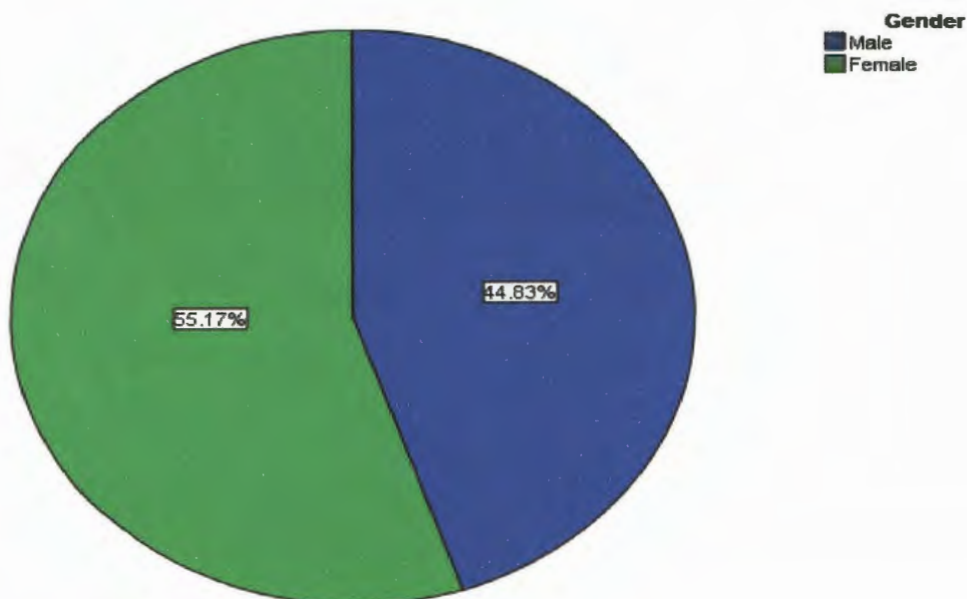
#### 4.3.1 Descriptive Analysis of the study population

The characteristics of the study population and defined by frequencies (n) and proportions (%) for gender, age and municipal role and functions of participants are presented in this section.

In terms of responses, 116 out of 120 respondents participated in the study (responses read= 95.1%). The study population was relatively young (modal age 31- 40 years ranging from 21 to 61 years) and mostly composed of females (55.2% n=64 vs. males 44.8 % n= 52) and members of the ward committee.

##### 4.3.1.1 Gender

The predominant gender was female; sex ratio of 1.2 women: 1 man (Figure 4.1). This result is consistent with other published population based studies that revealed women as the modal sex within population and institutions.

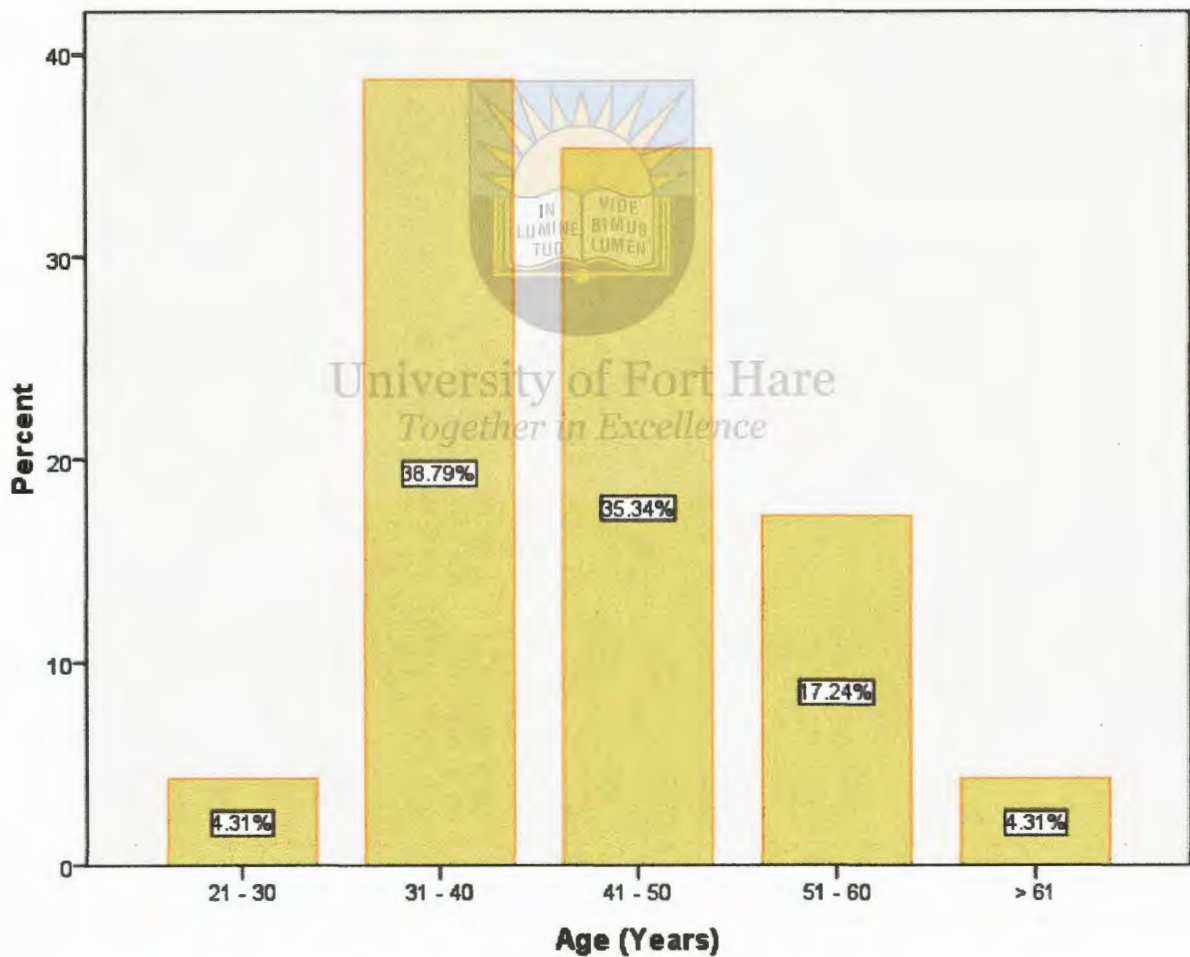


Source: Author's Work, 2014.

Figure 4.1: Proportions of females and males in the study population

### 4.3.1.2 Age Category

Figure 2 below demonstrates the age of respondents in the study. A majority of the respondents accounting for 38.8% were between the ages of 31 and 40 years, 35.3% were between the ages of 41 and 50 years, 17.2% of the respondents were between the ages of 51 and 60 years, while 4.3% of the respondents were between 21 and 30 years and > 60 years. This portrays that the highest age category is the economically productive age group of 31 to 40 years. This concurs with other statistics that this age group is the active working age category.

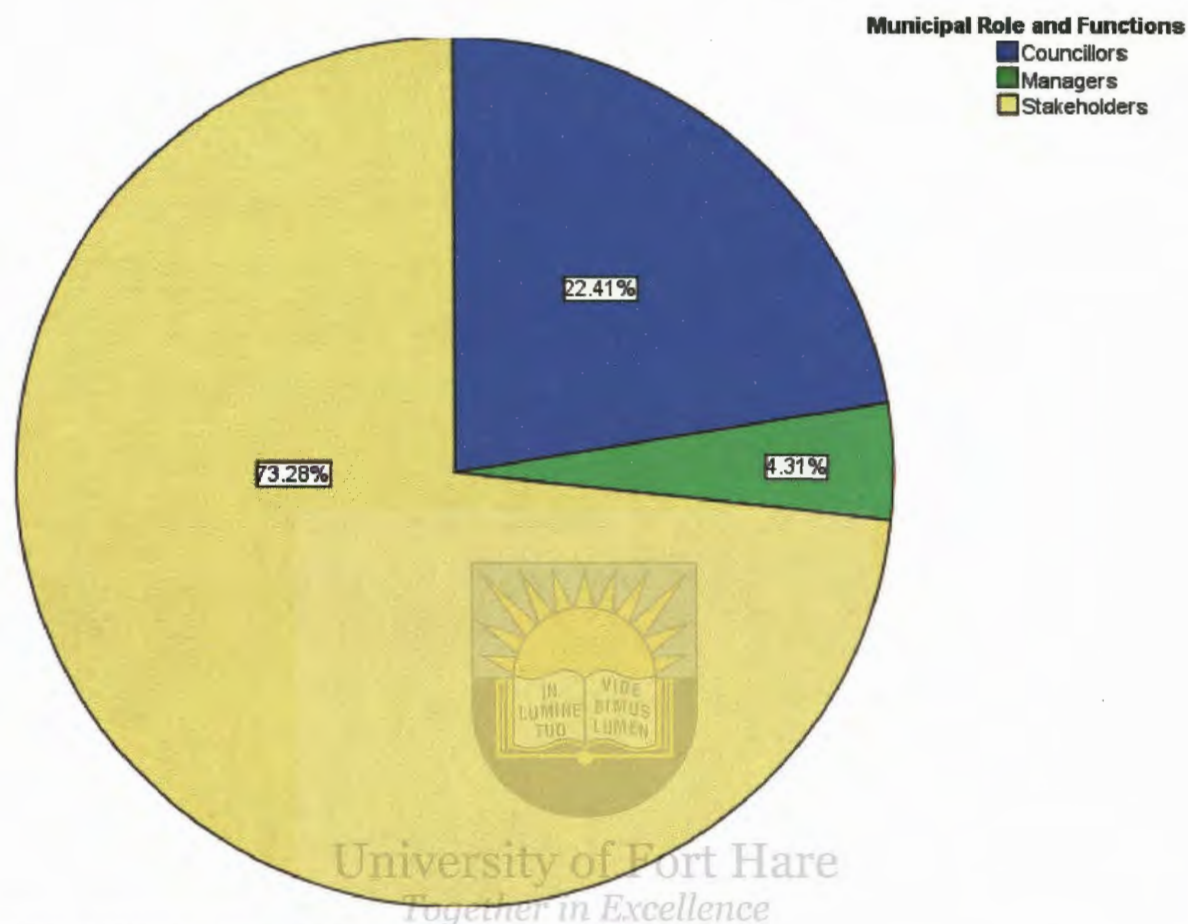


Source: Author's Work, 2014.

Figure 4.2: Age Categories of the Study population

### 4.3.1.3 Municipal Role and Functions of Participants

In this study, 7/10 (n= 85, 73.3%) respondents were community/stakeholders, 2/10 (n=26, 22.4%) respondents were **councillors**, while managers accounted for index less than 1/10 of which n=5, 4.3% (Figure 4.3).



Source: Author's Work, 2014.

**Figure 4.3: Characterization of participants by Municipal Role and Functions**

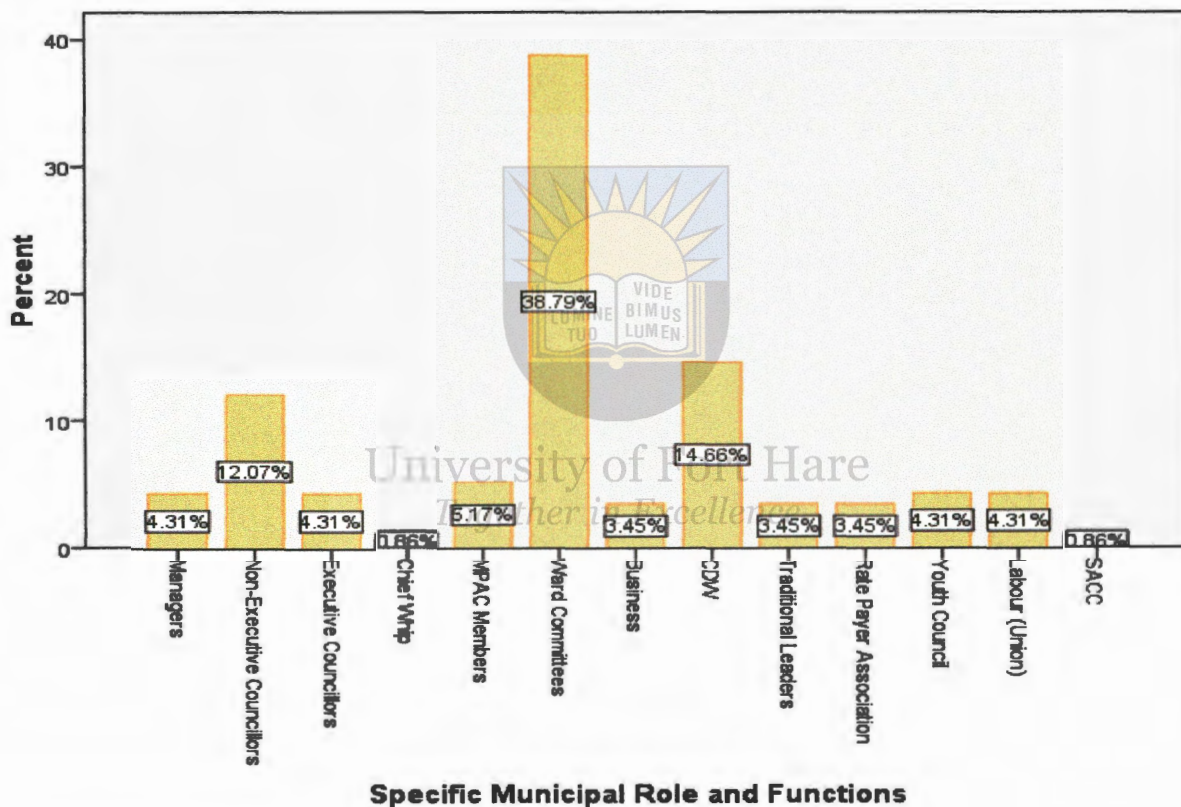
#### 4.3.1.4 Specific Municipal Role and Functions of Participants

The different municipal roles and functions of the respondents were further grouped into specific functions, of which thirteen specific groups were presented (Table 4.1 and Figure 4.4).

**Table 4.1: Specific Municipal Role and Function of Study Participants**

Specific Municipal Role and Function	n (N=116)	Percentage
Managers	5	4.3
Non-Executive Councillors	14	12.1
Executive Councillors	5	4.3
Chief Whip	1	.9
MPAC Members	6	5.2
Ward Committees	45	38.8
Business	4	3.4

Specific Municipal Role and Function	n (N=116)	Percentage
CDW	17	14.7
Traditional Leaders	4	3.4
Rate Payer Association	4	3.4
Youth Council	5	4.3
Labour (Union)	5	4.3
SACC	1	.9



Source: Author's Work, 2014.

**Figure 4.4: Characterization of participants by specific Municipal Role and Functions of Participants**

#### 4.3.2 Measure of the Effectiveness of MPAC from study participant

Based on the objectives of the study, the following descriptive statistics were presented from the responses of the study population.

The mean scores and standard deviation of the weight that respondents attributed to tools that were used to measure the effectiveness of the MPAC of Nyandeni Local Municipality are interpreted. The weight scale ranges from 1-5 where (1= Agree, 2= strongly agree, 3=neutral, 4= disagree, 5= strongly disagree).

### 4.3.2.1 Assessment of MPAC Functionality

Table 4.2 presents selected tools that were used to measure the level of MPAC understanding of its mandate. The mean score obtained centered between agree and strongly agree on the weight scale and the standard deviation was quite small. The study population that is councillors, managers, and stakeholders all showed a strong positive view in regard to the functioning of the MPAC. Thus, according to the current study population the MPAC understands its mandate as expressed in the founding legislations.

**Table 4.2: MPAC Functions based on its mandate as expressed in legislations**

(Scale: 1= Agree, 2= strongly agree, 3=neutral, 4= disagree, 5= strongly disagree).

Tools of Interest	Mean Score	Std Dev.
Understands its mandate of oversight		
Councillors	1.7	0.5
Managers	1.8	0.8
Stakeholders	1.4	0.5
Overall	1.5	0.5
Vested and fully understands its legislative Requirements		
Councillors	1.7	0.5
Managers	1.8	0.4
Stakeholders	1.4	0.5
Overall	1.5	0.5
Carries out its mandate since establishment in 2011		
Councillors	1.8	0.4
Managers	1.6	0.5
Stakeholders	1.4	0.6
Overall	1.5	0.6

Source: Author's Work, 2014.

#### **4.3.2.2 Assessment of resource availability to perform oversight role**

The independent variable (values manipulated or controlled) and dependent variable (values observed or recorded) were determined in order to draw inferences, if the MPAC is effective in performing its functions based on certain aspects of the system theory. The dichotomous independent variable (effectiveness of the MPAC: YES/NO) and the dependent variables (capacity to perform oversight role and availability of resources) were analyzed by measuring the variation of the means of the responses of the participants using analysis of variance (ANOVA). Results showed that the two variables (tools) which are capacity to perform its oversight role and whether there are available resources to fulfill its mandate were similar in magnitude but different statistically.

The weight of MPAC capability and effectiveness in performing its oversight duties was positive (mean 1.8 = agree and strongly agree), but with no statistical significance ( $p=0.42$ ) (Table 4.3). This implied that, the level of MPAC capability and effectiveness was not unanimously agreed across the study population; thus MPAC members are not fully trained to effectively carryout oversight duties. Within the sample population; councillors (n= 18/26 agreed and n= 8/26 disagreed), managers (n= 3/5 agreed and n= 2/5 disagreed), stakeholders (n=69/85 agreed and n=16/85 disagreed).

However, the weight of available resources and administrative and council support required showed a positive (mean= 1.8) and significant ( $p<0.0001$ ) effect across the study population. This implies that, MPAC is well resourced and has the administrative and council support it needs. Within the sample population; councillors (n= 22/26 agreed and n= 4/26 disagreed), managers (n= 4/5 agreed and n= 1/5 disagreed), stakeholders (n=67/85 agreed and n=18/85 disagreed).The Managers agreed with the councillors on whether the Mpac has administrative support and more and above other respondents, the stakeholders tended to disagree on the issue of resource allocation.

**Table 4.3: Assessment resources availability to fulfil mandate**

(Scale: 1= Agree, 2= strongly agree, 3=neutral, 4= disagree, 5= strongly disagree).

Tools of Interest	Mean ±SD	p-value
Committee members are well trained and capable and effective in performing its oversight duties	1.8±1.1	0.42
Committee is well resourced and has the administrative and council support it requires	1.8±1.1	<0.0001

Source: Author's Work, 2014.

#### 4.3.2.3 Assessment of oversight reports on annual reports

Considering improvement to governance and oversight reports on annual report, the following results were obtained for the tools of interest as presented in Table 4.4.

**Table 4.4: Weight of Improvement and governance of oversight on Annual Reports**

(Scale: 1= Agree, 2= strongly agree, 3=neutral, 4= disagree, 5= strongly disagree).

Tools of Interest	Mean Score	Std Dev.
Views and submissions of the communities are taken seriously by MPAC and find expression in the Oversight Reports	1.4	0.8
Members of the community are always invited and present in the council meetings whenever both the Annual and Oversight reports are tabled in Council	1.4	0.8
MPAC has Terms of Reference as required by the National guidelines in which it outlines the processes and systems for executive Committee reports processing as well as outline the public access to its meetings	1.4	0.6
MPAC adheres to the spirit of its Terms of Reference	1.5	0.7
MPAC is clear about its mandate such that at no stage in all its meetings, it considers executive reports without the portfolio heads at all times and every instant reports are under consideration	1.5	0.7

Source: Author's Work, 2014.

A very strong consensus was observed among the respondents regarding turnaround strategies to improve governance and oversight report on annual reports as expected of the committee. As Table 4.4 indicates, the mean score recorded by respondents

clustered around “agree” and “strongly agree”, the standard deviation was small and no response exceeded the “neutral” score.

The magnitude of the responses as presented in the tables are as follows; the view and submission of the communities are taken seriously by the MPAC and are expressed in the oversight reports ( $1.4 \pm 0.8$ ); presence of community in council meetings when annual and oversight reports are tabled to council (mean=  $1.4 \pm 0.8$ ); Terms of Reference as required by the National guidelines in which it outlines the processes and systems for executive Committee reports processing as well as outline of the public access to its meetings ( $1.4 \pm 0.6$ ), adherence to the spirit of its Terms of Reference to the letter ( $1.5 \pm 0.7$ ), the MPAC is clear about its mandate and at no stage in its meetings, it considers executive reports without the portfolio heads ( $1.5 \pm 0.7$ ).

However, no conclusion can be drawn here as these results are simply descriptive with no inferences made. Nonetheless, it is observed that, the MPAC has been effective towards improving governance and oversight report on annual reports as expected of the committee.



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#### **4.3.2.4 Assessment of the extent of communities awareness of financial and performance issues of the municipality by the NLMPAC**

As presented in table 4.5, it is observed that the extent of community involvement in MPAC issues is weak, scoring a negative mean (clustered around neutral and strongly disagree) with a standard deviation which is quite large.

**Table 4.5: Weight of the extent of community Involvement in MPAC Issues**

(Scale: 1= Agree, 2= strongly agree, 3=neutral, 4= disagree, 5= strongly disagree).

Tools of Interest	Mean Score	Std Dev.
Communities and Stakeholders are made aware of the Municipal Finance and performance issues by the MPAC	2.5	1.3
Members of the Public are always invited to the meetings of the MPAC and are allowed to make submissions on areas of concern	1.6	1.1
Communities are not relegated to be spectators in the governance and oversight of municipal use of public resources	1.9	1.2
Deliberately excludes communities in its meetings of over sighting public resources	3.2	1.3
Oversight reports are made public and available to the communities at all times in their language	2.1	1.3

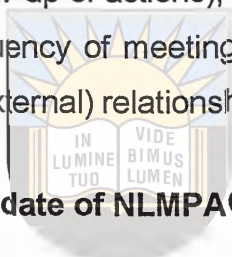
Source: Author's Work, 2014.

The tools used to assess the level of community involvement showed an overall negative response. According to the study responses (Table 4.5), the following results (mean score  $\pm$  Standard deviation) were obtained. Communities and stakeholders are always made aware of the Municipal Finance and performance issues by the MPAC(2.5 $\pm$ 1.3); the members of the public are always invited to the meetings of the MPAC(1.6 $\pm$ 1.1); communities are relegated to be spectators in the governance and oversight of municipal use of public resources(1.9 $\pm$ 1.2); MPAC deliberately excludes communities in its meetings of over sighting Public resources (3.2 $\pm$ 1.3); Oversight reports are not made public and available to the communities at all times and in the language prevalent to the people of Nyandeni(2.1 $\pm$ 1.3). Thus there is a relative absence of community involvement in MPAC issues. This shows a level of ineffectiveness.

#### 4.4 QUALITATIVE ANALYSIS

Having looked at the quantitative analysis of the responses of the respondents the following step of the study focuses the attention to the qualitative aspects of their responses to measure the effectiveness of the MPAC.

The method of qualitative analysis used was content analysis whereby individual opinions, views and responses from the questionnaires were categorized for purposes of classification and summarization. This section will also incorporate findings from a review of relevant documents relating to MPAC of Nyandeni and the researcher's reports produced while observing the said committee during meetings. The observation targeted certain areas of interest. Finally, the data from these sources were interpreted by centering discussions on the observed patterns. This included relating the results and findings to existing theoretical frameworks or models (Systems Theories) as presented in the available literature. Both inputs and outputs factors based on the objectives of the study are presented. These factors included mandate of the MPAC [Oversight reports (its presentation to council and follow-up of actions), committee investigations (ensuring efficiency and effectiveness)], frequency of meetings, administrative and professional support, stakeholder (internal and external) relationship and lastly turnaround strategies.



#### **4.4.1 Understanding of the Mandate of NLMPAC**

The MPAC is mandated to produce oversight reports over annual reports and carryout investigation (through a council resolution) on use of municipal funds and make recommendation on its findings to the municipal council.

##### **4.4.1.1 Oversight Reports**

The production of the oversight report entails a review of the annual report; and the obtaining of input from the section 80 committees of council, as well as input from the members of the public. All inputs received are consolidated to produce the oversight report, which is then presented to the council within the set timelines.

The study participants (84.5% n=98/116) believed that, the Nyandeni Local Municipal Public Account Committee functions on the basis of its mandate to oversight and has been so far very effective in doing so. In support of their view, they pointed out the following:

- The external Audit opinion report affirms MPAC effectiveness.
- Table detailed, credible and reliable oversight reports to council annually.
- Conducts oversight over municipal annual reports.

- Consult with communities, executive committee, stakeholders to identify problems, table their recommendations to council, follow-up on implementations of these recommendations of the Community and presents annual reports to them.
- Communities now participate and interact with the oversight report and hold council to account on projects.
- Change in our institution since its establishment is evident.

From documents reviewed and observations, once the Annual Report is tabled to council, in terms of Section 129 (MFMA), the MPAC compiled and tabled oversight report to council in terms of Section 121 and determines as set out in section 129 of the MFMA.

#### **4.4.1.2 Investigations**

According to the majority of respondents in this study, the (Nyandeni Local Municipal Public Account Committee (that is NLMPAC), carries out its role to investigate and scrutinize the spending of public funds by the municipality very effectively through:

- Interrogation of Municipal Monthly budget statements, mid-year budget and performance assessment of municipal entities.
- Consulting members of the public and communities on projects implemented, produces evidence after visiting projects and reports to council on its findings.
- MPAC consults through stakeholders meeting and invites stakeholders to committee and to council.
- Requires accountability from/by portfolio committees.
- Visits sites and projects to verify satisfaction levels with services offered especially establish whether resources are well utilized or misused and reports to stakeholders as such.
- Submits recommendations alongside annual reports to council.

The above view correlates with the results obtained when using tools to measure the effectiveness of MPAC in section 4.3 above. The Nyandeni Local Municipal Public Account Committee (NLMPAC) fully understands its mandate of oversight and its legislative requirement, and has been implementing the above since its establishment in 2011. However, from the researcher's review of documents, the NLMPAC has not been delegated by council to conduct any investigation on the misuse of public funds since its

inception in 2011. However, this is a legal constraint emanating from the standing roles. The MPAC cannot autonomously initiate investigations unless directed by council as regulated in the standing rules and orders.

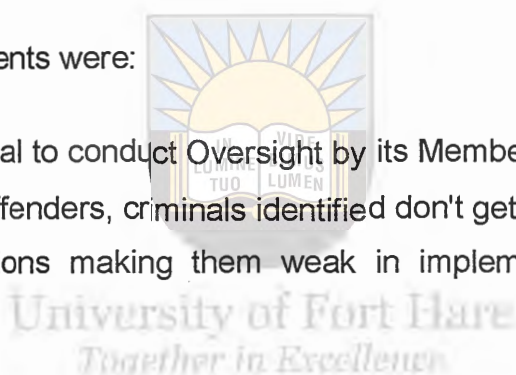
#### **4.4.2 Adequacy of Resources**

The capacity of the NLMPAC to perform its oversight role is based on the availability of both administrative and professional support. In this section, the participants view in line with the capabilities of the NLMPAC members to carry out their duties and the availability of resources to do so were assessed.

##### **4.4.2.1 Professionalism**

The views of the respondents were:

- Lack of skill and zeal to conduct Oversight by its Members.
- Cannot summon offenders, criminals identified don't get arrested; its findings are just recommendations making them weak in implementing decisions on its findings.



##### **4.4.2.2 Administrative Support**

- Inadequate resources to run its office.
- Lack of budget to run its functions.
- Staff shortage compared to work load.

From the review of document and observation, trainings have been limited to skill programmes as opposed to accredited in-depth training. Individual competency levels hinder collective work, continuous shifting and movement of skills out of the committee into other committees limits the capacity of the Pecan non-allocation of budget specifically for the MPAC derails committee operations. The MPAC received support such as baseline equipment like office, office equipment (fax and telephone lines), full time secretary and an intern from the council.

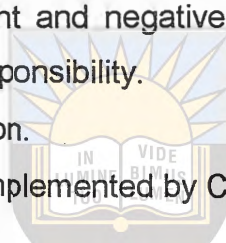
#### **4.4.3 Stakeholder Relations**

Both internal and external stakeholder's relations to the NLMPAC are presented in this section.

#### **4.4.3.1 Internal Stakeholders**

The relationship between the NLMPAC and its internal stakeholders was assessed. According to the views of the respondents, the extent of the relationship is not supportive. Their views were:

- In functioning, most programmes are sabotaged by the leadership in the council.
- Role of the MPAC in oversight is not well accepted by communities and municipal stakeholders.
- There are lines of communication which are respected between committee and executives.
- Lack of Political Commitment and negative attitudes expressed by executive members towards MPAC responsibility.
- There is political discrimination.
- Recommendations are not implemented by Council.



These are critical observations and had been highlighted in the literature as constraints even before the establishment of the MPAC. The role of the MPAC within the municipal structure has to be redefined and executives and other members to gain their corporations.

#### **4.4.3.2 External stakeholder: Role of Community expressed in the actions and practice of the MPAC**

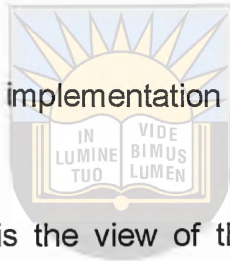
These are made up of a majority of public members and community members. The respondents (100% n=116/116) believed that communities had a role to play with varying degree (fully, not fully, full power, limited powers or partially) in the governance and oversight of municipal resources.

Their reasons being that the government is a public institution that belongs to people and communities who provide funding through tax, the communities form part of the government, and more so, national elections are an expression of public ownership of the state.

It is thus, obligatory for government to report and make communities aware of how public funds are utilized and that the communities must hold government accountable for the use of public funds.

A very high proportion (88.8% n=103/116) of respondents consented that the role of the community is fully expressed in the actions and practice of the MPAC. In action and practice:

- Communities elect councillors to represent and report to them on how resources are utilized.
- MPAC holds the Mayor and executives accountable and reports back to the communities.
- MPAC implements public participation programmes.
- Community participates during its (MPAC) visits to projects.
- Communities participate in IDP and council meetings and monitor how resources were utilized.
- MPAC has monitored the implementation of IDP and confirms with ward committees.

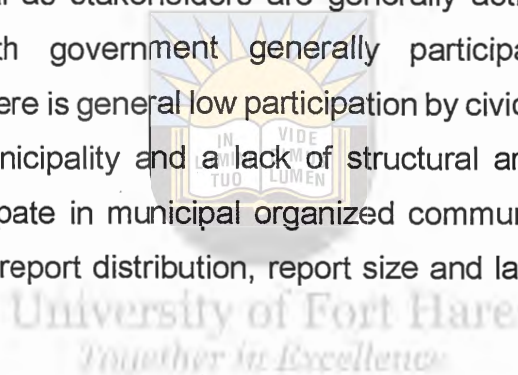


However, contrary to the above, is the view of the minority who believed that the NLMPAC does not fully express the role of the community in its actions and practices because:

- Communities are not called to express their views in MPAC meetings they only have their views recorded via stakeholders.
- Community participation is still lacking.
- Community needs to get closer and be exposed to functions and programs of the MPAC.
- Communities are not clear of their role to participate in oversight.
- Councillors have failed to report back to the communities on how resources are utilized.
- Lack of a formal channel of reporting complaints.

The above views correlate with results obtained when using tools of interest to measure community involvement in MPAC issues. Drawing from these two parallel results obtained regarding the relationship between NLMPAC and its external stakeholders, more has to be done in this aspect through closing the gaps identified.

Generally, from observation and document analysis, interface within committee members is regulated in the terms of reference and council standing rules. Committee structure allows flow from session chair, committee Whip, to the office of the Speaker. Also, interface with internal stakeholder is functional but not adequate as reporting lines are still blur with internal audit but programme is in place to address the short fall, audit committee and MPAC holding joint sessions/Chairpersons of the two committees enjoying standing invitees to their meetings, political/administrative interface clouds buy-in and commitment to oversight, reports processing to council carried out as set in the terms of reference and standing rules but implementation of committee recommendations by council is neglected. Lastly, interface with external stakeholder is functional but not optimal as stakeholders are generally active but disjointed; those established in line with government generally participate (CDW and Ward Committees). However, there is general low participation by civic society other than those structures set by the municipality and a lack of structural arrangement for the elite/opinion makers to participate in municipal organized community meetings. Again the mode of communication, report distribution, report size and language used is a gap in the system.



#### **4.4.4 Turn around Strategies**

##### **4.4.4.1 Strategies for community involvement in activities and programmes of the MPAC**

Apparently, serving as a councillor, the researcher observed the gap in community involvement in MPAC issues. As such this question was included to get the respondent's opinion as to what can be done to improve on community involvement in the activities and programmes of the MPAC. The following were obtained:

- Carryout awareness campaign on the work of the MPAC.
- Presents and make available simplified copies of IDP, Budget, annual and oversight reports in isiXhosa and English to Ward Offices, traditional councils and communities directly and not through ward councillors.
- Utilize Ward offices as satellite centers for information distribution and keep register of those who access such information.
- Create Community Oversight Forums as impact groups.

- Conduct Ward Based Oversight Road shows.
- Provide training and education on financial matters to communities.
- Locate venues for public hearing closer to the people.
- Allocate a Ward Committee to be responsible for public participation, oversight and annual reports.
- MPAC should hold briefing sessions where it informs communities of what it's been doing, findings and expectations from the communities.
- Visit communities and wards quarterly and encourage them to be aware and monitor misuse of municipal resources.
- Provide workshops and programmes to train communities and ward committees in particular on their roles, how to monitor and seek accountability from the representatives.
- Poor and remote areas where the masses are should be visited.
- Financial support for training and education of community members.
- Increase public involvement and participation in MPAC meetings and provide guidelines of their roles during these meetings.
- Involve the communities and Ward Councillors during initiation of any program, report to the communities until finalization of such programmes.
- Strengthen public invitation to MPAC meetings
- Executive Committee to take Annual Reports to communities as exit point of IDP planning cycle.
- Conduct Oversight Outreach Education Programmes.
- Mobilize communities to understand and utilize their services.

#### **4.4.4.2 Non-Partisan Operation**

- Turn around strategies on how to run the MPAC in a non-partisan manner expressed by respondents included:
- Create MPAC on a non-party partisan manner.
- Draw members of all parties in the evaluation of the MPAC.
- Executives should rise above party political issues and that the administrators be non-political.
- Encourage participation of all parties and create space and role for debate in political platforms.

#### **4.4.4.3 Adherence to terms of reference and report to council regularly**

Turn around strategies to ensure the NLMPAC adheres to the Terms of Reference and report to council regularly expressed by the respondent included:

- Acquire autonomy to discharge its oversight functions.
- Council must work in coherence with MPAC and act on the recommendations.
- MPAC powers should go beyond merely making recommendations.
- Project visits should be made whilst service providers are on site.
- Increase the time flow for submissions of reports.

#### **4.4.4.4 Adequacy of resources**

Strategies to ensure adequacy of resources as expressed by respondents were:

- Allocate budget to the MPAC to ease the running of its functions.
- Provided with adequate financial and human resources.

#### **4.4.4.5 Public Hearings/Meetings**

Strategies for public hearings and meetings highlighted by respondents included:

- MPAC meetings should be open to stakeholders, communities and schedule should be advertised and held regularly.
- Invitations for meetings must be sent directly to stakeholders not only through media publications, distribution of documents to stakeholders should be done 7 days prior to the date of the meeting, make use of stakeholder information as contained in the stakeholder register.
- Use existing Ward Structures to continuously create awareness.

#### **4.4.4.6 Power to Initiate own Investigations**

The respondents expressed that the power to initiate own investigation is lacking. The NLMPAC should be given the power to initiate its own investigation. Their functions to go as far as to:

- Summon offenders, and to
- Identify criminals and make sure they get arrested.

#### **4.4.4.7 Access to Persons and Information**

The following strategies were listed by respondents as means to ensure access to persons and information:

- The lines of communication should be respected between committee and executives.
- Create a proper channel for reporting complaints.

#### **4.4.4.8 Professional Development of Members**

Turn around strategies to improve professionalism of committee members included:

- Provide training of committee members on financial oversight, report writing, interpretation, analysis of reports, ICT and project management.
- Continuous training of MPAC members on financial matters.

#### **4.4.4.9 Publication of reports**

Strategies to improve on the publication and distribution of reports as expressed by respondents were:

- Use Ward Offices for circulation and distribution of documents and reports.
- Reports should be written and published in both isiXhosa and English and sent directly to Ward Offices, traditional councils and communities.

#### **4.4.4.10 Execution of reports**

Strategies to ensure implementation of the reports as expressed by respondents were:

- Recommendations must be sent to the departments and create a channel to follow-up implementation of recommendations.
- Enforce Implementation of MPAC Recommendations.
- Empower MPAC to enforce implementation of its recommendations.
- Clarify council role in the presentation, processing and implementation (actioning) of MPAC recommendations and determinations

From the researchers' point of view, there is a need to address committee and council capacity to deal with oversight issues and processing, develop and advocate a language

policy in line with Section 21 of the Municipal System Act (MSA), conduct civic education to enhance creation of public awareness, participation forums and their roles with particular focus on accountability, allocate and mobilize budget and human resources (like a researcher) to MPAC for effective oversight, and distribution of all municipal reports to all wards offices for realization of bringing government closer to people.

#### **4.4.5 In-depth Interview with Key Informants**

This sub section presents results of in-depth interviews with key members of the Nyandeni Local municipality and other relevant role players. Based on theoretical framework of the study, the following headings were formulated to answer the research questions and objectives.

##### **4.4.5.1 Understanding of the Mandate of NLMPAC**

The MPAC was established by the Nyandeni Local Municipal council during the second half of 2011, as guided by Sections 121 and 129 of the Municipal Finance Management Act of 2003. These acts clearly outline the committee with functions, power and methods of work. Central to these is the production of an oversight report and follow-up investigations on use of public resources.

Four interviews were conducted as stipulated on the study sample as follows: Two managers and two stakeholders (Business and Audit committee). They were asked to rank the level of effectiveness of the NLMPAC of which from their overall ranking, it could be said that the NLMPAC has not been fully effective in carrying out its legislative functions.

The stakeholders believed that the NLMPAC has been fair in the overall implementation of its legislative mandate; one manager indicated that the NLMPAC has been good while the other interviewee who was serving as a manager noted that the NLMPAC has been very good in the implementation of its legislative mandate.

All four interviewees remark that the NLMPAC has been able to table oversight report to council and carried out report interrogations to the desired level. The committee always insists on interrogating the annual reports in the presence of portfolio heads (Departmental Heads) prior to submission to council for approval, and has held the executive accountable for all actions and inactions. One interviewee comment that "The

committee visits projects in the wards and picks up problems which I have noted it has constantly reported on”.

However, there has not been a notable shift in the status of projects visited beyond the oversight report”. In addition, they point that, the oversight by the NLMPAC should be time bound and deal with matters as a soon as they can be rectified. As a result, the oversight reports are stale since it does not deal with issues in the current year but of the previous year and this could be one reason why communities shy away from the MPAC report.

Moreover, several loopholes were identified by the interviewees as far as implementing oversight duties were concern. There is a lack of mobilization and sensitization about oversight report. The stakeholders comment that, primarily oversight reports are more easily accessible through browsing the municipal website, thus persons who can't have access to internet won't be able to get a soft copy of the report. Although notices are made about the availability of the oversight reports to the public, the strategic areas for collection are observed to be far from the community and taking into consideration the volume of the hard copies which are handed (no soft copies are given) plus the fact that all these reports are written in English language and none in the Vernacular, places much constraint for the public to get access to the site of collection. More so, there is an increasing trend of failure or lack of interest in obtaining these reports.

The other two interviewees serving as managers confirmed that the oversight reports are made public through the municipal website, that posters with regards to the availability of the oversight report are placed at municipal offices and libraries where these copies could be obtained, and that these reports are available only in English (but presented in vernacular during community outreach). Still a notable trend is that despite placing these reports at these strategic points, the public still show little or no passion in travelling to these points.

They remark that, these reports should be placed at ward offices and other public institutions like schools and clinics which are closer to these communities thus close the gap of inaccessibility and improve dissemination of these reports to the communities. More so, they commented that the municipality is not complying fully with the constitution

as well as the Municipal Structures Act on language prescription (Section 21 of the MFMA) due to the fact that the municipality has no Language policy in place.

#### **4.4.5.2 Adequacy of Resources**

One of the strengths of the MPAC is the administrative and professional support available to it. Maximum administrative and professional support is a key element for an effective accountability process.

As far as professional support is concerned, the interviewees pointed that the committee members have undergone several training ranging from departmental training by COGTA to equip them for their task. Other training provided include SALGA initiatives (provided training on the induction and role of the committee and induction of King III), APAC, the office of the Auditor General, office of the National Treasury (Provincial on Understanding and application of regulations) and the continuous required skill training provided by the municipality such as training on basic computer literacy and basic project management.

One interviewee also remarked that the community is eager to know the profile of the MPAC members as it is not documented and supplied for circulation. They are not aware what training they obtained and what skill(s) they possess and how such skills would assist the communities comprehend and resolve matters raised in the municipal reports.

To enhance support to the committee by the council, the Chairperson has been appointed and designated a full time councillor in terms of Section 12 of the Structure Act (Act 117 of 1998).

In terms of administrative support, one of the interviewees indicated that the NLMPAC enjoys an excellent technical, financial, and manpower support from the council. Allocated a fulltime secretary with car subsidy, an office Intern, and provided the office with baseline support materials and documents like photocopier, telephone line, printer, accessories like refrigerator and portable law library.

However, another interviewee pointed that the NLMPAC does not get adequate administrative support from the council and that is explained by the non-availability of specific budget vote for council oversight of NLMPAC as a committee to perform its function optimally.

The interviewees noted the following challenges in the institution that are posed on the MPAC thus impeding its effective functionality:

- no budget allocated specifically for oversight and MPAC,
- The municipality has not provided a researcher for MPAC activities. Which is necessary as magnitude of the work of the committee requires a researcher,
- the communication lines between the Executive, Management and the MPAC requires synergy and timeous responses,
- Inadequate and sometimes lack of quality assurance of council reports which keep on changing from time to time,
- the general skills base of the members of the MPAC has tended to place burden on few members to drive the oversight process on behalf of the committee,
- lack of coordinated activities between MPAC and the Audit Committee,
- no qualitative scrutiny and interaction of the MPAC reports by both the Executive and the Council,
- insufficient capacity of the office and committee,
- the size of reports and delays in distributing them to the communities tends to discourage the communities from making submission of comments thus impeding the functioning of the MPAC, and
- Inability to monitor and oversights projects whilst the service providers are on site which would impact on the quality of projects as they would be monitored.

#### **4.4.5.3 Stakeholder Relations**

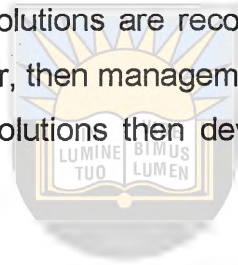
##### **4.4.5.3.1 Internal Stakeholders**

In general, the role of the MPAC is accepted by the council but there is no meaningful oversight relationship or positive interaction between the NLMPAC, its reports and the council members. The interviewees emphasized that the management has failed to appreciate the rationale for the establishment of MPAC.

This they point out, could be due the legal and structural guideline of the creation of the committee within the council which failed to make clarity regarding separation of powers between the legislative and the executive arm of the council. The legislative imperative failed to add more emphasis on the guidelines which would clarify oversight at the Local Government level as different from Provincial and National spheres and lack of sanction procedure stipulated by the municipality to deal with underperformance and sub-

standard projects. In a nutshell, the management lacks adequate and proper embracement of MPAC and its operations.

Nonetheless, the activities of the MPAC have been incorporated into the council calendar so that possible clashes with other institutional activities are minimized. Its role is comprehensive in the monitoring of the IDP, SDBIP and Annual Reports by being incorporated in the office of the Municipal Manager Process management. The chairperson interacts with the offices of the Mayor and Municipal Manager on processing of questions raised and responses thereto. Moreover, each department is programmed to report to the MPAC on progress and on times agreed to with the committee as reflected in the MPAC Work plan and Council Resolution Register. All council decisions, as translated into the Council Resolutions are recorded into the Council Resolutions Register, on the basis of the register, then management implements and processes the decisions as expressed in the resolutions then develop reports which are tabled to council through quarterly reports.



#### **4.4.5.3.2 External Stakeholders**

On the relationship with external stakeholders, one of the interviewees explained that the contributions of the community have been limited to the attendance to meetings when invited. Their presence more often has little impact as reports are made available only in the English official language and delivered to them in the morning of the meeting; thus denies and limits them from making valuable inputs. On the other hand, another interviewee remarked that the communities are made aware of the MPAC issues through the IDP sessions and MPAC road shows. Their participation is evident through submissions by individuals or groups to the MPAC. There is a notable and observable desire to participate in the matters of oversight and this is illustrated by the approaches and submissions to the committee either by individuals and stakeholders.

##### **4.4.5.3.2.1 Public participation**

Notably, there is always attendance by members of the public through invitation to council meetings when the oversight report is being tabled to council.

However, the media and public are intentionally not invited to the MPAC meetings when the annual report is being scrutinized by the MPAC for fear of being misquoted, because the presenters are media shy or fear that the MPAC may play to the gallery.

Some disjuncture has been observed with regard to participation by the public in oversight of the MPAC reports. For example one of the interviewee stated that "I have seen newspaper notices at times inviting the members of the public to make representation and submissions on the Annual Report and MPAC reports by visiting the places where reports are purportedly placed, I found none". Again the timing of the MPAC meetings is such that they clash with work hours thus it becomes impossible to attend even if invited to the extent that the capacity of the communities as relying on the educated people, is weakened by their absence.

It is also noted that the passion of the public in oversight is difficult to determine primarily as their involvement is mainly limited to stakeholders and more often their participation is informed by their desire to have services delivered to their specific wards and less on the oversight as an accountability tool and opportunity for them to cause their representatives to account. Specifically, the institution has not measured this aspect either through an assessment or baseline study and as such it cannot be conclusively stated that they have or do not have a passion for oversight.

#### **4.4.5.3.3 Community Participation**

Based on the level of advocacy and publication of MPAC programmes, it could be said that the council does not fully encourage participation by communities. Apparently, there has been no public advocacy about the committee, its function and intended outcomes. Community attendance in MPAC meetings is via stakeholders who cannot replace general community involvement, and as such stakeholders are normally sampled purposively. They participate with the MPAC through interaction with the committee prior to the full scale scrutiny session in the absence of ordinary public members and media, thus the majority of the population is left out.

Even, the stakeholders and or communities are not invited to be part of the MPAC meetings where the departments are being engaged nor have been invited on the basis of their skill(s) to be part of the committee in its general operations, an aspect that is resonating throughout modern oversight trends. Moreover, the venue for meetings is generally too far from the communities and yet no transport compensation is made.

In addition the interviewees contend that even when the communities attend such meetings, the language in which the reports both the Annual and Oversight Reports are

written is English, making it difficult for them to make important and meaningful comments or contributions. The fact that the wards are not visited by the council and committee on specific oversight issues renders the community participation a fuss.

Regarding community participation in oversight reports, it is confirmed that the role of public and stakeholders starts and ends when the oversight report is being tabled without linking it to the annual report, the oversight report does not assist the communities by reflecting on how its decisions are taken forward by the council, the concerns of the communities are not informed by the oversight report but by the plethora of needs thus they find it difficult to distinguish between IDP meetings and oversight meetings. Even when the MPAC has recorded the submissions by the communities, it does not explain how these have been encapsulated into institutional programmes. Inherently, communities are always invited through public notices and urged to make comments and submissions to the MPAC. This arrangement has not been yielding much success due to language barrier and inaccessibility to site where the reports are posted primarily due to financial constraints which limits their travelling to the pickup points.

Concerning community participation in investigation of the use of public funds, only one interviewee mentioned that the MPAC visit project and talk to Project Steering Committees and Traditional institutions.

#### **4.4.5.4 Committee Cooperation**

There is a non-partisan approach by NLMPAC to a limited extent and decisions are taken democratically and collectively. The interviewees remark that there was contestation for the chairmanship position among the different parties which caused temporal non-participation by opposition parties in the committee but later rejoined. It is however, difficult to determine if this contestation was triggered by monetary interests or to advance political interests or even community priority.

One interviewee pointed that political party struggle is by nature a contestation for power and therefore, the culture of factions (interest groups) may be the reason for the non-implementation of MPAC recommendations by council for fear of yielding to the other faction.

Also the fact that the report of the MPAC is subjected to party caucus sessions where decisions are taken and status of the report determined such that the report is doctored may be a reason for MPAC recommendations not finding expression and space into the council implemented programmes.

However, the interviewees noted that, to this date, no negative political influence has impeded the MPAC report from being tabled and its contents acutely disputed in the council.

#### **4.4.5.5 Factors that have undermined effective oversight**

- The non-invitation of stakeholders to attend MPAC meetings and the holding of MPAC meeting at centralized venues away from the places where the communities reside and have access.
- Lack of full and meaningful community participation.
- The language of oversight reports as they are written without provision for the general population of Nyandeni which largely speaks IsiXhosa (or Pondo dialect).
- The distribution of oversight reports focuses mainly on the municipal satellite offices in Libode and to an extent Ngqeleni town areas, thus making it difficult for community members who reside in other outer and rural areas to have access to these reports.
- Failure to discuss or document oversight in any IDP Representative Forum during municipal planning process.
- The oversight reports are not user friendly even for a well-educated person.
- The programmes of the municipality in general and inclusive of those of the MPAC take place during the week when and most influential people who can articulate on the contents of the reports are at work.

#### **4.4.5.6 Turn around Strategies**

The following turn around strategies were pointed out by the interviewees:

- Develop language policy to compel all reports including MPAC reports to be written in IsiXhosa.
- Deployment of councillors to the MPAC needs to be objective and must take into account the required skills against the committee workload.

- The municipality must distinguish between a public document and an office document.
- Reports must be distributed to all ward offices, traditional institutions and public institutions like the clinic and be delivered on time for the public to access them. Also the MPAC should utilize schools that have computers and email the reports to them so that they can be available at nearest points.
- Council to make a quarterly report on how it has processed and implemented issues of oversight.
- Council must adhere to council calendar so that the members of the public would not be disorganized by any changes to the schedule.
- An assessment must be done between the quantities of attendance versus the invitation (cross matching).
- Civil education must be both intensified and institutionalized to include advocacy of the MPAC, its roles and functions as well as how the public is expected to utilize it.
- All reports submitted to MPAC must be verified and quality assured by the Internal Audit Unit and rectified by the Audit Committee.
- Invite the members of the public (especially those with expertise) to meetings where the Annual Report is being scrutinized in order to expose them on how the committee works.
- Development of clear and integrated outreach programmes by council and those of the District Municipality to encourage and optimize community participation.
- The timelines of presenting oversight reports should be synchronized to cater for those who are working if the notion of taking government to the people is to be realized.
- Appoint a researcher to enhance committee capacity for better results.
- Timeous dissemination of reports for maximum community inputs.
- Institutionalization of oversight to be inclusive of wards demographics.
- The profile of the members of the MPAC must be provided in the report.
- Reports must be user friendly and less technical or in an abridged version.

## CHAPTER FIVE

### DISCUSSION OF FINDINGS

#### 5.1 INTRODUCTION

This chapter provides an interpretation and discussion of the findings of this study, relating them to the outcomes of previous publications related to theories of an effective MPAC. The discussion provides answers to the objectives of the study. Some of the limitations of the present research are discussed.

#### 5.2 DEMOGRAPHICS

The present study reflected demographics of employees at the Nyandeni local municipality which is part of ORTDM; the worst underperforming administrative district of South Africa (Auditor-General's report, 2009-2010). The majorities of participants were female, age range of 31-40 years old, and were members of the ward committee or community members. This demographic presentation correlates with data published from literature that women outnumber men, making up 53% of the population in 2007 (RAPUEC, 2010).

This imbalance was attributed to a sex-selective pattern of migration out of the province in young people, and gender differences in mortality rates at older ages. Most migrants are males between the ages of 25 and 39 years, heading for Cape Town, Johannesburg, or other urban centres in Gauteng.

It is estimated that between 2006 and 2011 the net migration was 215 000 people out of the province (RAPUEC, 2010). Due to this aspect of emigration, the district is left with more females within this age group (31 – 40 years the economically active age).

Thus the municipality is a true representation of national and international statistics on gender and age stratification of economic profile couple with the effect of globalization (urbanization).

#### 5.3 FUNCTIONALITY AS EXPRESSED IN THE LEGISLATIONS

The production of an oversight report is a requirement in terms of section 129(1) of the MFMA. In terms of the aforementioned Act, the main objective of an oversight report is

to review the annual report of a municipality in order to recommend whether the council should adopt the annual report with or without reservations, or whether the annual report should be rejected, or referred back for revision of certain components. The main functions of a MPAC entail the examination of the accounts of the municipality and the report of the external auditor.

In this study, the participants significantly demonstrated that, the MPAC fully understands its mandate of oversight and legislative requirements. Again, a significantly high proportion reported that, the MPAC carries out its mandate to compile and table oversight report to council and has done so since its establishment in 2011. In their views obtained from the qualitative approach the NLMPAC carries out investigations by scrutinizing the spending of public funds by the municipality.

However, the information retrieved from the interview showed that there has not been a notable shift in the status of projects visited beyond the oversight report". In addition, they point that, the oversight by the NLMPAC should be time bound and deal with matters as soon as they can be rectified. This point was explained by the researcher's observation that this aspect of implementation of findings of investigations is not the duties of the MPAC but that of the municipal council. Thus, it could be said that the NLMPAC committee has functioned since its creation based on its mandate and legislation.

#### **5.4 AVAILABILITY OF RESOURCES**

As mentioned earlier, effective oversight is determined by both professional and administrative support (resources) available to the MPAC. Mixed views were observed as far as resource availability was concerned. The overall results showed that a number of MPAC members are not fully trained, capable and effective in performing oversight duties, although it is well resourced and has the administrative and council support it requires.

However, results from the qualitative approach obtained from both their views and from the interviews, confirms that a number of members of the NLMPAC are not fully trained to perform their oversight duties but rejects the points that the committee is well resource and has the administrative and council support it requires. The results showed that the available resource compared to the amount of work load is very limited. Also, the

committee does not get full support from council, especially financial support as there is not budget vote for the activities of the MPAC. As a matter of fact, most of their programmes are sabotaged by council; they have to respect lines of communication with council; lack of political commitment and recommendations not implemented by council. Thus, this present study shows that, the NLMPAC is not capable to perform its duties as its members are not fully trained, inadequacy of resources, and functioning in a non-supportive milieu.

The need to train oversight councillors was also pointed out by the Canadian Institute on Governance, who noted the disparity in what was done for councillors in terms of training against —the growing emphasis in the private sector on the orientation and grooming of corporate directors (IoG, 2006). Also, published literature enlisted the unacceptance of executive members to be watched and scrutinized by non-executives (Van der Walt, 2007; Botes and Woods, 2011).



## **5.5 OVERSIGHT ON ANNUAL REPORTS**

The present study shows that, the NLMPAC ensures that community members are invited and are present during tabling of both annual and oversight report in the council. The results also show that, it adheres to the spirit of the Term of Reference.

However, the views and submissions of the communities are not taken through the full accountable chain cycle where the community, as voters confers authority on the council which in turn confers authority to the Executive that appoints the Administration. The MPAC and are not expressed in the oversight reports; and that the MPAC is not clear about its mandate and as such in its meetings, it considers executive reports with the portfolio heads with neither the community members nor the media in attendance.

On the other hand, respondents were neutral on the extent to which the MPAC outlines the processes and systems for executive committee reports processing as well as outline of the public access to its meetings.

Thus, the MPAC is mid-way to meeting up with the turnaround strategies to improve governance and oversight report on annual reports as expected of the committee. This conclusion is drawn on the basis that, 2/5 of the assessment tools are implemented, 2/5 of the tool are not implemented and 1/5 of the tool is partially implemented.

The study also reveals through the various documents scrutinized that the MPAC is in the right path in turning around the situation to improve governance. Documents examined show that there is coherence between the advent of the MPAC and the improvement in audit opinion. The last time the Auditor General complained strongly of governance issues was in the 2010/11 financial year when the municipality obtained a disclaimer. Giving impetus to this conclusion is the record of Council Resolutions Register which illustrate that the MPAC has complied with the legislative requirements thus the council has not since 2010/11 had a finding on its failure to conduct oversight.

## **5.6 COMMUNITY INVOLVEMENT IN MPAC ISSUES**

This study demonstrates that, the NLMPAC ensures that communities and stakeholders are made aware of the municipal finance and performance issues and MPAC does not deliberately excludes communities in its meetings of over sighting public resources, Thus, it assimilates communities and stakeholders in financial and performance issues by the MPAC. However, although the members of the public are always invited to the meetings of the MPAC, they are not allowed to make submissions on areas of concern. Also, the communities are relegated to be spectators in the governance and oversight of municipal use of public resources; and the oversight reports are not made public and available to the communities at all times and in the language prevalent to the people of Nyandeni.

In support of these observations were the results obtained in the qualitative approach. The issues of dissemination of reports at ward offices in IsiXhosa home language were raised. Also the submissions and concerns of the community are not reported in oversight reports; only their needs are often listed which is not the essence of an oversight report. In addition, public and media are not invited when annual reports are being tabled to the council. Notwithstanding, the venues for oversight meetings are far from the residents making it difficult for a good number of population to attend such meetings due to financial insufficiency faced by these already poor rural inhabitants. Also, the timing of these meetings does not fit into the schedule of the well-educated community and public members, who are usually at their various work places when oversight meetings are being held, as such valuable input to the report is lacking.

Kuye and Mafunisa (2003:422) stipulated the need for full public and community participation in issues of governance as a measure to ensure effectiveness in an

institution. Botes and Woods (2011) also emphasized the need to present oversight reports in the language of the people as an important measure to ensure effectiveness of the MPAC.

### **5.6.1 Role of the community in oversight**

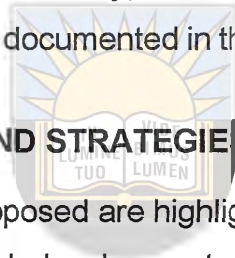
The qualitative findings highlights that the community must play a role in the governance and oversight of municipal resources owing to the fact that it exist in a Constitutional democratic country. In the NLMPAC actions and practice, the role of communities is expressed and implemented. The participants believe that it is a mandatory function of the MPAC particularly as it is operating in a democratic country where the government is a public institution and leaders are elected by the public. Actions and practices that are in place include consultation with communities to identify problems, table their recommendations to council, follow-up on implementations of these recommendations and presents annual reports to them. In addition communities are allowed to participate in oversight report and hold council to account on projects.

The above findings are consistent with the National Treasury MFMA Circular No 32 of 2006. This highlighted the following related issues:

- All meetings of Council and the oversight committee at which an annual report is considered must be open to the public;
- Timely notice of meetings should be given to enable representations to be made (making representations to the oversight committee should not necessarily preclude representations by the same individuals to the full council as this promotes transparency in the process); and
- Municipalities should take into account all costs of the various mechanisms (oversight committee and other meetings) for reviewing the annual report and preparing an oversight report – the cost needs to be balanced against the need for transparency, good governance practice and accountability, the capacity of the municipality and the need for an effective process within the time allowed.

Moreover, a concern raised is that there is a lack of follow-up as far as implementation of recommendations is concerned. Botes and Woods (2011) documented that the submission of a formal response to the council within a prescribed period of time that generally ranges between three and nine months is generally accepted MPAC practice.

In practice, however, effective follow-up actions by council often seem to be non-existent. Noteworthy, the main purpose of an oversight report is to make recommendations to the council on the basis of the findings from investigations carried out on behalf of the council. Effective follow-up of the recommendations is one of the key elements of an effective oversight process. The NLMPAC attempts to monitor the implementation of its recommendations itself once the recommendations have been adopted by the council. The study realized that, there is no council rule requiring a response to the MPAC recommendations, however, and neither is there any stipulation concerning a period within which the municipal executive or the management of the municipality has to respond to the MPAC recommendations. From the community stakeholder's views from this present study, the recommendations, submissions and comments of the community are not documented in the oversight report of the NLMPAC.



## **5.7 PROPOSED TURN AROUND STRATEGIES**

The main turn around strategies proposed are highlighted in Section 4.4 of the previous chapter. These strategies included development of a language policy, community involvement, non-partisan operation, adherence to terms of reference and report to council regularly, adequacy of resources, public hearing/ meetings, Power to Initiate own Investigations, access to persons and information, Professional Development of Members, publication of reports in a user friendly design and in IsiXhosa, execution of reports, create a budget vote specifically for the MPAC, and appoint a researcher.

These issues had previously been identified by Snape (2002:11-112), at a time when the MPACs were not in place as measures to ensure effective local government oversight and scrutiny:

- *A responsive executive willing to listen to and be influenced by the scrutiny committee, and making use of the power of influence ;*
- *Genuine non-partisan working, with the easing of party control being perceived as a critical success factor;*
- *Supportive senior officer culture – a factor just as important as a responsive executive, as senior officers are able to “smother the effectiveness of overview and scrutiny”;*

- *A high level of awareness and understanding of oversight and scrutiny by internal and external stakeholders – education of staff and non-scrutiny members, as well as the public and the media is therefore important.*

Other publications where similar proposition to an effective PAC were raised are from CCPAC, 1991; CPA, 2002; Stapenhurst, et al. 2005; KPMG, 2006; Hedger and Blick, 2008. Measures highlighted include:

- The PAC should have the power to compel any person to appear before it, or to have access to any relevant information.
- The PAC should have the powers to initiate own investigations.
- Frequent or regular meetings
- The PAC reports should always be published and made public.
- The PAC should be adequately resourced.
- The PAC should have a secretarial, research and audit units.
- Members should be exposed to specialized training/professional development.
- Executive authority is required to respond to PAC recommendations.

## **5.8 CONCLUSION ON THE FINDINGS OF THIS STUDY**

The present findings will be useful to provide knowledge of the achievements and gaps of the NLMPAC since its creation in 2011. Although literature demonstrates that an effective MPAC means an effective oversight report, finance management and audit reports (Pelizzo, et al., 2006), the present study description of effectiveness was drawn from both Systems and Institutional theories taking into consideration all the aspects of these theories. The aspects of the Systems theory (Inputs and outputs) have been employed in the discussion chapter. The aspects of the Institutional theory are employed to make conclusions and recommendations in the next chapter. / later in this chapter

To conclude based on system factors, the study found that although the NLMPAC is fully aware of its mandate, it has not been effective since service delivery (outputs) were hindered by input factor (non-supportive environment, limited human, financial and administrative resources). As supported by Charlton and Andras, (2003); Friedman and Allen (2012), the aspects of systems theory are inter-related such that if one part is not functioning, the whole system won't work.

## 5.9 LIMITATIONS

The qualitative and quantitative research and case study approach of the study should be a limitation at some degree. Only prospective and comparative studies that take into consideration 'time' are best designs to measure the effectiveness of MPAC. However, the quantitative approach showed significant correlations to the views obtained from the qualitative approach; thus NLM-MPAC understands its mandate of oversight, but it is not quite effective in performing its duties due to other contributing factors.



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## CHAPTER SIX

### CONCLUSION AND RECOMMENDATIONS

#### 6.1 INTRODUCTION

Liberal democracy needs not just potential oversight or oversight potential, but real and effective oversight. This is the major difference between formally democratic and liberal democratic regimes. In formally democratic regimes democratic institutions have only a cosmetic function. South Africa being a Constitutional democratic institution implies that its units function fully with reference to the constitution. The NLMPAC being a unit under this democratic institution has been given the full capacity to carry out its functions as stated in the legislature. The level to which it has done so has been assessed and results presented and discussed. In this Chapter, conclusions are drawn based on four items of the institutional theory as stated in the literature and recommendations were made.

#### 6.2 USING THE INSTITUTIONAL THEORY TO MAKE CONCLUSIONS

##### 6.2.1 Autonomy

In line with autonomy, it was drawn from qualitative, quantitative, and secondary data that the MPAC have not yet acquired full autonomy. Its capacity to make and implement its own decisions are limited particular as they are still in lack of basic support materials and the budget to purchase such is not within their powers.

##### *Recommendations*

*A budget to be made available for the MPAC and a fully staffed operational office is created for the running of its affairs*

##### 6.2.2 Adaptability

The extent to which the MPAC has implemented its roles and oversight functions on annual reports despite the unavailability of adequate resources was significant. It has continued to table oversight reports to council since its establishment, makes sure it visits community project site and investigate how resources are used and has increasingly improved on community involvement although their views neither find expression in their oversight reports nor are programmed by the council.

*Recommendations:*

*As a democratic country, the views and opinion of the community who are the main stakeholders of the government should be expressed in oversight reports. Oversight reports should be easily accessible to communities in their language. And that the press also attends to MPAC and council meetings*

### **6.2.3 Complexity**

The MPAC has achieved to a high ranking in this aspect of institutional theory. Firstly, it is non-partisan, its members are from different political parties and they are non-executive members within council structures. More so, it has constructed within its structures community groups, wards and ward heads to facilitate the fulfillment of its goals and to cope with its duties.

*Recommendations*

*To create Focus Groups within the community and conduct educational programmes to facilitate awareness.*



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### **6.2.4 Coherence**

The results showed that the MPAC is well capable to manage its own workload and has proven that through unfailingly presenting its Oversight reports to council, visiting projects albeit contractors no longer on site, to investigate the use of resources. It has also shown to be coherent in that it functions independently without the interference of non-members of the committee in a reasonable manner.

*Recommendations:*

*To bridge the gaps that exist such as those identified with executive members, clash within different political parties, and inaccessibility to persons and information.*

## **6.3 CONCLUSION**

Using the Institutional theory, this study concludes that the NL MPAC is almost 100% effective. The results obtained shows that this MPAC is very lacking only in the area of autonomy. All other aspect gave positive results.

## 6.4 GENERAL CONCLUSION

Based on its institutions, the NLMPAC is effective but lacks autonomy and based on the systems, it is not effective. Logically, no matter how a unit is structural built, if it is not self-sufficient to run its affairs, it is bound to be stuck at one point or the other. This is the situation with NLMPAC; it is structural capable to carry out its duties but since it lacks the power to fuel its activities smoothly; consequently service delivery has been greatly affected



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## ANNEXTURE A: QUESTIONNAIRE INTRODUCTORY LETTER

Dear Sir/Madam

### **AN ASSESSMENT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE EFFECTIVENESS: A CASE STUDY OF NYANDENI LOCAL MUNICIPALITY**

This survey is part of a research project aimed at assessing the effectiveness of the Municipal Public Accounts Committee in its discharge and commissioning of its legislative mandate at the Nyandeni Local Municipality.

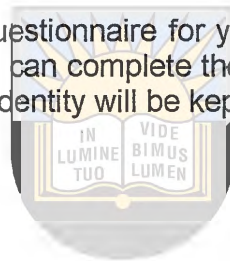
The information is required for the completion of my dissertation that is a partial requirement for my Masters in Public Administration Studies at the University of Fort Hare.

Please kindly look at the attached questionnaire for your perusal. You can complete it at own time or with your permission, we can complete the questionnaire together if you grant me a few minutes of your time. Your identity will be kept confidential as only your opinion is needed.

Yours sincerely,

Mabuya Jamangile, (Researcher)

mabuyajay@webmail.co.za (082- 856 3837 or 047 555 5051) 134



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## ANNEXTURE B: QUESTIONNAIRE

The aim of this research is to find out how effectively the Municipal public Accounts Committee conducts its legislative mandate of conducting oversight for Good Governance in the Nyandeni Local Municipality. Findings from this research will be used purely for academic work. The researcher will use the findings to write his treatise for master's degree. Your right to anonymity, consent and any other research ethics are fully assured.

This questionnaire comprises of three sections:

- Section A Biographical information
- Section B Closed-ended questions
- Section C Open-ended question



### SECTION A

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Answer each question by ticking the appropriate number in the box provided on your right-hand column.

#### 1. GENDER

Male		1
Female		2

#### 2. AGE

21yrs – 30yrs		1
31yrs – 40yrs		2
41yrs – 50yrs		3
51yrs – 60yrs		4
61yrs and above		5

### 3. MUNICIPAL INVOLVEMENT

Serving in the Councillor		1
Serving as Manager		2
Member of the Ward Committee		3
Municipal Public Accounts Committee Member		4
Member of the Executive Committee		5
Community/Stakeholder Member/ Other		6



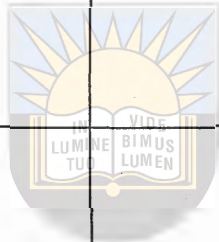
### SECTION B

To what extent do you agree with each of the following statements about research?  
Please tick under a corresponding column.

STATEMENT	Agree	Strongly Agree	Neutral	Disagree	Strongly Disagree
1. The Municipal Public Accounts Committee fully understands its mandate of oversight.					
2. It is well vested and fully understands its legislative requirements.					
3. The members of the Committee are well trained and fully capable					

and effective in performing its oversight duties.					
4. The Committee is well resourced and has the administrative and council support it requires thus self sufficient to perform oversight functions.					
5. It carries out its mandate: compiles, tables Oversight report to Council and has done so since its establishment in 2011.					
6. The Communities and Stakeholders are made aware of the Municipal Finance and performance issues by the MPAC.					
7. Members of the Public are always invited to the meetings of the MPAC and are allowed to make submissions on areas of concern.					
8. Communities are not relegated to be spectators in the governance and					

oversight of Municipal use of public resources.					
9. Views and submissions of the Communities are taken seriously by MPAC and find expression in the Oversight Reports.					
10. Members of the Community are always invited and present in the Council meetings whenever both the Annual and Oversight reports are tabled in Council.					
11. The MPAC has Terms of Reference as required by the National guidelines in which it outlines the processes and systems for the Executive Committee reports processing as well as outline of public access to its meetings.					
12. The MPAC adheres to the spirit of its Terms of Reference to the letter.					



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13. The committee deliberately excludes communities in its meetings of over sighting Public resources.					
14. The Oversight Reports are made public and available to the communities at all times and in the language prevalent to the people of Nyandeni.					
15. The MPAC is clear about its mandate such that at no stage in all its meetings, it considers executive reports without the portfolio heads at all times and every instant reports are under consideration.					



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**SECTION C**

*Write your responses in the space/lines provided below.*

Explain whether in your understanding you think communities do have a role to play in the governance and oversight of municipal resources and whether such a role is expressed in the actions and practice of the MPAC.

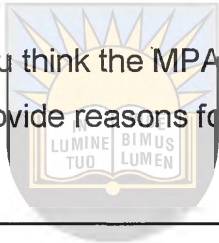
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In your own opinion, explain whether you think the MPAC is effective in discharging its oversight responsibility or not and provide reasons for your answer.



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What do you think needs to be done in order to ensure that communities are fully involved in the activities and programmes of the MPAC and what needs to be done to ensure that the MPAC discharges its oversight function in a non-party partisan manner with clear adherence to Terms of Reference and reports to council regularly?

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**THANK YOU FOR YOUR PARTICIPATION IN THIS INVESTIGATION!**

## ANNEXTURE C: QUESTIONS FOR INTERVIEWS

1. How has the Management/Administration supported MPAC in the execution of Oversight?

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2. What factors, in your view, have undermined the implementation of oversight by MPAC?

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3. Has the institution incorporated oversight by the MPAC into the Municipal Planning including but not limited to the SDBIP?

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4. How does the Council and Management implement recommendations of MPAC to Council which have been graduated into Council Recommendations?

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5. To what extent do Party Politics influence the functioning of the MPAC? (political/leadership)

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6. How are community concerns, submissions and presentations incorporated and addressed by the MPAC? (Stakeholders)

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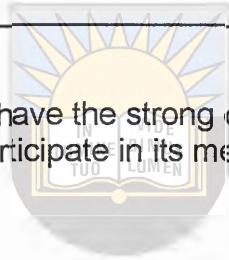
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7. What type of oversight training has the committee (Mpac) and the community been given and how relevant is it to the operations of the committee?(Mpac Members)

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8. Does the Public in your opinion have the strong desire and passion to attend MPAC meetings and actively participate in its meetings? What do you think is the reason for your answer?

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9. Over the period from October 2011 to March 2014, since its inception, how has the Mpac been executing its mandate? Explain your answer.

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10. Does the Council encourage the participation of communities in the Mpac? Explain.

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11. How would you rank effectiveness of the Mpac in its discharge of its legislative mandate:

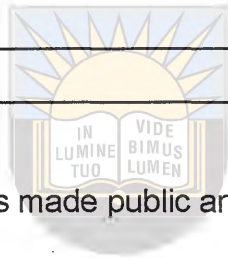
- a. Poor /      /
- b. Fair /      /
- c. Good /      /
- d. Very Good /      /
- e. Excellent /      /

12. Are the members of the Public and the media invited to meetings where the Annual Report is being scrutinized by Mpac and explain reasons for your answer.

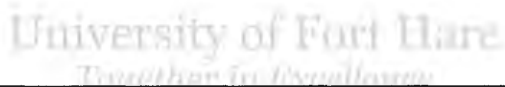
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13. Are the MPAC Oversight Reports made public and available to the public? If yes how are they made public?



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14. What language/s are Oversight Reports of the Mpac made available to the public?

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**For Political office Bearers**

15. Do MPAC reports get tabled to Political Caucus meetings and if so are there any changes that get effected in the MPAC reports?

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16. Does the Council discuss Oversight Reports and enforce implementation of MPAC recommendations?

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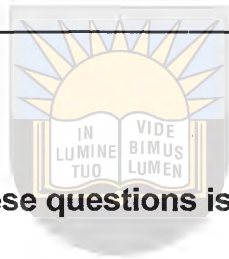
17. In your view is the MPAC effective in its discharge of oversight function?  
Provide explanation for your response.

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**Your cooperation in answering these questions is much appreciated**

University of Fort Hare  
*Together in Excellence*

## ANNEXTURE D: REQUEST LETTER

No 10265 Corana Locality Zithathele Administrative Area Libode, 5160

The Municipal Manager Nyandeni

Local Municipality Private Bag X

504

Libode, 5160

15<sup>th</sup> January 2014



Dear Accounting Officer

RE: REQUEST FOR PERMISSION TO UNDERTAKE STUDY AT NYANDENI LOCAL MUNICIPALITY

I am currently enrolled for a Masters in Public Administration at the University of Fort Hare. As part of the requirements for the successful completion of the aforementioned degree, I have to complete a dissertation. My topic is:

***An assessment of the Municipal Public Accounts Committee effectiveness: a case study of Nyandeni Local Municipality***

I hereby request permission from your institution to undertake this study in your municipality. It is my hope and trust that the information gathered through this study will be valuable and provide insights that will help enhance oversight practice in particular and governance arrangements in general. It is further envisaged that this study will also help ensure sustainable service delivery through focused approach with this study as a baseline.

Thank you very much for your kind and heartfelt sense of understanding and cooperation in this regard.

For any queries, my contact details are as follows: Email – [mabuyajay@webmail.co.za](mailto:mabuyajay@webmail.co.za) and my mobile number is **082 856 3837**.

Yours faithfully`

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**Mabuya Jamangile - Student**



University of Fort Hare  
*Together in Excellence*

## ANNEXTURE E: CONSENT FORM

Participant's name:

Date: \_\_\_\_\_

Principal researcher: Mr Jamangile Mabuya

Department of Public Administration Faculty of Management

and Commerce University of Fort Hare



### INFORMED CONSENT

University of Fort Hare  
*Together in Excellence*

#### **Title of the study**

An assessment of the Municipal Public Accounts Committee Effectiveness: a case study of Nyandeni Local Municipality

#### **Purpose of the study**

The purpose of the study is to assess whether the Municipal Public Accounts Committee in Nyandeni is effective in discharging its mandate and responsibility and whether in doing so is performing its functions as per the expected mandate.

#### **Procedures**

I will be requested to complete a questionnaire in writing and respond to interview questions that shall be led by the Researcher relating to the assessment of the Municipal Public Accounts Committee (MPAC) effectiveness in discharging its oversight functions and establish possible measures of improving the MPAC in doing its duties. The principal researcher will be available throughout the process to provide clarity on any questions asked but will not influence the answer.

**Risk and discomfort**

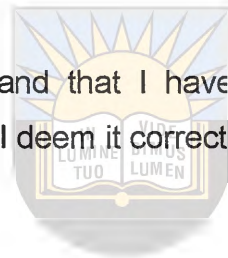
There are no known physical, emotional or any medical risks and/or discomforts associated with the project.

**Benefits**

It is my understanding that the results of the study will benefit and add value to Nyandeni local municipality in its response to service delivery mandate with extra care and caution in utilization of its resources.

**Participants' rights**

I am fully aware and also understand that I have the right to withdraw from participating in this study at any time I deem it correct to do so.



**Confidentiality**

I understand that my identity will be kept confidential. The results of the study may be published in the professional journals or presented at professional conferences but that my identity will not be revealed.

I know that if I have any questions or concerns, I can call Mr Jamangile Mabuya at **082 856 38 37** or **047 555 5051** at any time.

**I understand my right as a participant, and I voluntarily consent to participation in this study. I understand what the study is about and how and why it is being undertaken. I will receive a signed copy of this consent form.**

\_\_\_\_\_

\_\_\_\_\_

Participant's Signature

Date

\_\_\_\_\_

\_\_\_\_\_

Researcher's Signature

Date

## ANNEXTURE F: ETHICAL CLEARANCE CERTIFICATE



University of Fort Hare  
*Together in Excellence*

### ETHICAL CLEARANCE CERTIFICATE REC-270710-028-RA Level 01

Certificate Reference Number: NZE101SMAB01

Project title: An assessment of the Municipal Public Accounts Committee Effectiveness: A case study of Nyandeni Local Municipality

Nature of Project: Masters

Principal Researcher: Jamangile Mabuya

Supervisor: Dr O.J Nzewi

Co-supervisor:

On behalf of the University of Fort Hare's Research Ethics Committee (UREC) I hereby give ethical approval in respect of the undertakings contained in the above-mentioned project and research instrument(s). Should any other instruments be used, these require separate authorization. The Researcher may therefore commence with the research as from the date of this certificate, using the reference number indicated above.

Please note that the UREC must be informed immediately of

- Any material change in the conditions or undertakings mentioned in the document
- Any material breaches of ethical undertakings or events that impact upon the ethical conduct of the research

The Principal Researcher must report to the UREC in the prescribed format, where applicable, annually, and at the end of the project, in respect of ethical compliance.

Special conditions: Research that includes children as per the official regulations of the act must take the following into account:


Note: The UREC is aware of the provisions of s71 of the National Health Act 61 of 2003 and that matters pertaining to obtaining the Minister's consent are under discussion and remain unresolved. Nonetheless, as was decided at a meeting between the National Health Research Ethics Committee and stakeholders on 6 June 2013, university ethics committees may continue to grant ethical clearance for research involving children without the Minister's consent, provided that the prescripts of the previous rules have been met. This certificate is granted in terms of this agreement.

The UREC retains the right to

- Withdraw or amend this Ethical Clearance Certificate if
  - Any unethical principal or practices are revealed or suspected
  - Relevant information has been withheld or misrepresented
  - Regulatory changes of whatsoever nature so require
  - The conditions contained in the Certificate have not been adhered to
- Request access to any information or data at any time during the course or after completion of the project.
- In addition to the need to comply with the highest level of ethical conduct principle investigators must report back annually as an evaluation and monitoring mechanism on the progress being made by the research. Such a report must be sent to the Dean of Research's office

The Ethics Committee wished you well in your research.

Yours sincerely

  
Professor Gideon de Wet  
Dean of Research

30 June 2015

ANNEXTURE G: REQUEST TO CONDUCT ACADEMIC RESEARCH

# NYANDENI LOCAL MUNICIPALITY

**PHYSICAL ADDRESS:**  
Municipality Building  
B.N. Nomandela Drive  
LIBODE  
**POSTAL ADDRESS:**  
Private Bag X 504  
LIBODE  
5160



Tel: 047 5555 024  
047 5555 000  
047 5550 278  
Fax: 047 555 0202

: [mcis@nyandeniilm.gov.za](mailto:mcis@nyandeniilm.gov.za)

\_\_\_\_\_ *"Deciding with the people, not for the people"* \_\_\_\_\_

Enquiries: N Nomandela

Date: 15 January 2015

Mr. J Mabuya  
No.10265 CORANA  
ZITHATHELE ADMINISTRATIVE AREA  
LIBODE, 5160



## REQUEST TO CONDUCT ACADEMIC RESEARCH

I would like to inform you that Nyandeni Local Municipality approves your request to conduct research towards completion requirements of the Masters in Public Administration degree. The Topic of the Research is **"an assessment of the Municipal Public Accounts Committee effectiveness: a case study of Nyandeni Local Municipality"**

I would like to wish you all the best with your intended research and hope that the outcome results of the research will be of mutual benefit

Yours faithfully,

  
\_\_\_\_\_  
**N NOMANDELA**  
**MUNICIPAL MANAGER**