



THE Weekend Reader

"Your Weekly Read on Debt, Development & Social & Economic Justice"

FINDINGS FROM THE 2019 AUDITOR GENERAL REPORT SHOW GLARING IRREGULARITIES IN LOCAL AUTHORITIES

Zimbabwe's OAG conducted an audit for financial statements of local authorities in Zimbabwe and produced a 2019 Audit Report. The report is developed in accordance with the dictates of Section 309 (2) of the Constitution of Zimbabwe read together with Section 10(1) of the Audit Office Act [Chapter22:18].

According to the 2019 Auditor General's Report on Local Authorities findings are predominantly to do with governance and service delivery issues such that out of fifty-nine (59) reported issues; thirty-four (34) relate to the area of governance whilst twenty-five (25) relate to revenue collection, employment costs, procurement and service delivery.

The 2019 Auditor General's Report unearthed acts of bad governance amongst local authorities and key governance issues noted include:

1. The irregularities with payment of goods not delivered as in the case of Ruwa which bought 5 Titan tablet phones at \$7 609 in November 2018 but they had not been delivered as at February 2020;
2. Revenue leakages, as reflected by Zvishavane were there was no explanation for a variance of \$2 904 between the Councillors' allowances summary which had \$35 120 and the amount of \$38 024 in the ledger;
3. Poor record keeping as projected by Shurugwi which had no database for business licences as such revenue amounting to \$97 843 could not be substantiated;
4. Poor public service delivery in the case of Binga with no refuse collection truck which has seen council relying on one tractor to service the entire jurisdiction and the residents using communal bins in most areas as no plastic bins were given to them. The local authority had one ambulance servicing 4 clinics in the area;
6. Operations without key policy documents as in the case of Chinhoyi which operated without an accounting procedure manual and the following policies; Asset management, Investment Property, Risk Management and Donations.

The mismanagement and misappropriation of public funds have both monetary and non-monetary implications. Institutionalised corruption, rampant abuse of public funds and lack of public accountability among other governance woes bedevilling local authorities in Zimbabwe have contributed to the worsening plight of residents especially in urban areas. The aforementioned crises thrive at the expense of public service delivery and it is the poor men and women who bear the brunt.

Poor public service delivery is really taking a toll on residents. The implication is that citizens' fundamental rights enshrined in Chapter 4 of the Zimbabwe Constitution are continually abrogated. The Constitution obligates custodians of public finances to exercise transparency, accountability and equity.

To address these noted challenges, it is critical that local authorities fully deliver their mandate as clearly stated in Section 265 whilst implementing in earnest the Auditor General's recommendations in the 2019 Audit Report. Furthermore, there is need for local authorities to publicize and make available all audit information to enhance public scrutiny and follow up on the implementation of recommendations. Those local authorities operating without key policy documents such as Gweru City Council must formulate and implement policy guidelines. To improve on service delivery and ensure a culture of accountability, all local authorities must recover the monies owed to them by individuals and corporations to bridge the fiscal gap. For continued transparency, the local authorities should put in place rigorous measures to plug out leakages in revenue collection in their jurisdictions through putting in place electronic Public Finance Management Systems that reduce the manipulation of manual operations by unscrupulous officers and agents.

<http://zimcodd.org/wp-content/uploads/2020/02/Analysis-of-Auditor-Generals-Report-5.pdf>