

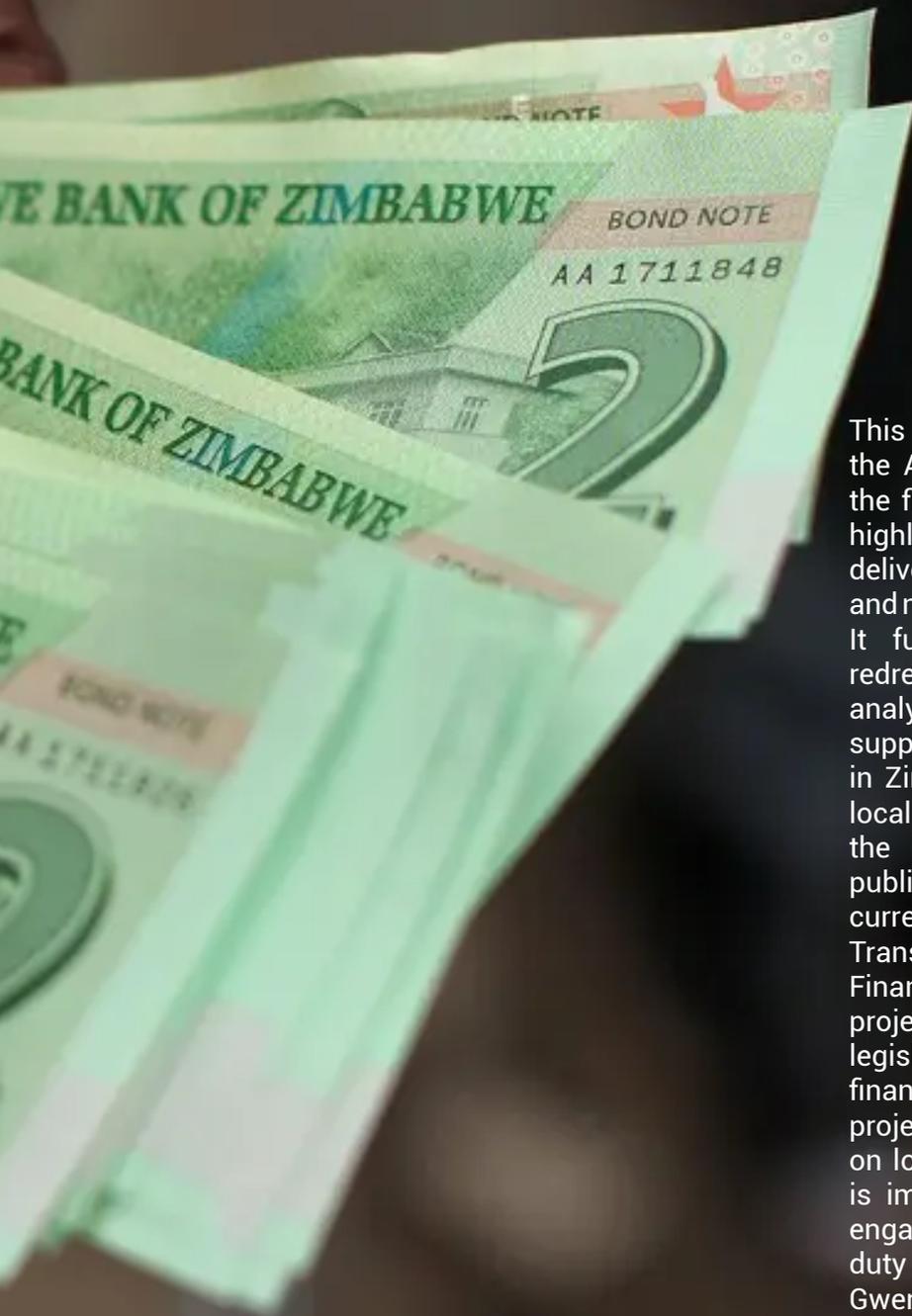


AN ANALYSIS OF THE 2019 FINDINGS OF THE AUDITOR GENERAL ON LOCAL AUTHORITIES



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Introduction



This analysis seeks to outline the findings of the Auditor General on local authorities for the financial year ended 31 December 2019 highlighting the implications on public service delivery. The analysis focuses on both financial and non-financial conduct of local authorities. It further outlines recommendations for redress in the short and long term. The analysis is part of civil society initiatives to support transparency and accountability in Zimbabwe's public sector in general and local authorities in particular. In pursuit for the improvement of the management of public resources in Zimbabwe, ZIMCODD is currently implementing the Strengthening Transparency and Accountability in Public Finance Management in Zimbabwe (STAP) project which primarily seeks to influence legislative and institutional reforms in public finance management. In line with the STAP project, emphasis on this analysis is placed on local authorities under which the project is implemented to pave way for ZIMCODD engagements with key stakeholders including duty bearers and residents. These include; Gweru City Council, Masvingo City Council and Mutare City Council



| Background

BACKGROUND

Sound public finance management remains a bedrock for the realisation of sustainable development. As such, effective resource mobilisation and utilisation remains a key determinant for the success of any developmental agenda both at local and national levels. In pursuit of sound and prudent public finance management, countries, Zimbabwe included, have put in place various mechanisms to safeguard public resources.

Both legal and institutional frameworks have been promulgated to guide the conduct of those who are entrusted with the collection and utilisation of public funds. In the case of Zimbabwe, the Constitution of Zimbabwe (Amendment No. 20) 2013 lays the foundation for the efficient and effective use of public finances as outlined in Section 298 on the basic principles of sound public finance management that include transparency, accountability and equity.

Other legislations which complement the Constitution include the Public Finance Management Act [Chapter 22:19], the Public Procurement and Disposal of Public Assets Act, Public Debt Management Act and the Audit Office Act. The key actors mandated to promote transparency and accountability in public financial matters include the Parliament of Zimbabwe, the Procurement Regulatory Authority of Zimbabwe, the Auditor General's Office, the Zimbabwe Anti-Corruption Commission, the National Prosecuting Authority among other accountability institutions.

Public sector auditing remains a cornerstone for the realisation of sound public sector governance. Through conducting factual and unbiased assessment of the public sector financial

statements, public auditors especially Supreme Audit Institutions (Office of the Auditor General in the case of Zimbabwe) assist public entities, constitutional entities and local authorities to promote good governance anchored on public accountability, transparency, integrity, efficiency and effectiveness in all matters and decisions involving public funds. Above all, public sector auditing plays a crucial role in ascertaining whether public funds are being utilised for the attainment of set goals and objectives. Public sector auditing thus remains imperative for promoting efficiency and effectiveness both at local and national levels.

It is against this background that Zimbabwe's OAG conducted an audit for financial statements of local authorities in Zimbabwe and produced the 2019 Audit Report. The report is produced 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 [Chapter 22:18].

Section 309 (2) of the Constitution of Zimbabwe provides for the functions of the Office of the Auditor General which include, "to audit the accounts, financial systems and financial management of all departments, institutions, and agencies of government, all provincial and metropolitan councils and all local authorities;" The Audit Office Act actualise this constitutional provision and Section 10 (1) (a) of the Audit Office Act stipulates that:

"the Comptroller and Auditor-General, after examining the accounts transmitted to him or her in terms of section 35(6) and (7) of the Public Finance Management Act [Chapter 22:19], and the accounts of any public entity, designated corporate body or statutory fund, and after signing a certificate recording the result of his or her examination, shall—prepare and submit to the Minister, not later than the 30th of June in each year, a report on the outcome of his or her examination and audit of the accounts.

Despite the importance of public sector auditing in promoting efficiency and effectiveness in public entities, local authorities in Zimbabwe are notorious for not submitting financial statements for audit in time. In 2018, only Bindura, Goromonzi and Marondera submitted their 2018 financial statements for audit. The trend continued in 2019. Out of the 92 local authorities in Zimbabwe, only 23 local authorities have submitted financial statements of varied periods to the Auditor General for the 2019 Audit Report. Of the 23, only 4 (Hurungwe Rural District Council, Binga Rural District Council, Bindura Municipality and Chinhoyi Municipality) submitted 2019 financial statements, 9 submitted 2018 statements, 6 submitted 2017 statements, 6 submitted 2016 statements and 2 submitted 2015 statements. The timing of auditing is as important as the audit itself. Observations from the 2019 Audit Report highlights that the majority of local authorities in Zimbabwe are lagging behind when it comes to auditing and there is a high likelihood that the financial and non-financial irregularities and malpractices which occurred in unaudited previous years could have been recurrent owing to delays in detection and redress. Regrettably, it makes it extremely difficult for both parliament and the Auditor General to follow up and address issues raised in the previous reports especially when the 2019 report constitute findings from as far back as 2015. Furthermore, a lot could have happened to perpetrators of the misconduct which include death, retrenchment, dismissal, resignations and retirement and at the end of it all justice won't prevail.

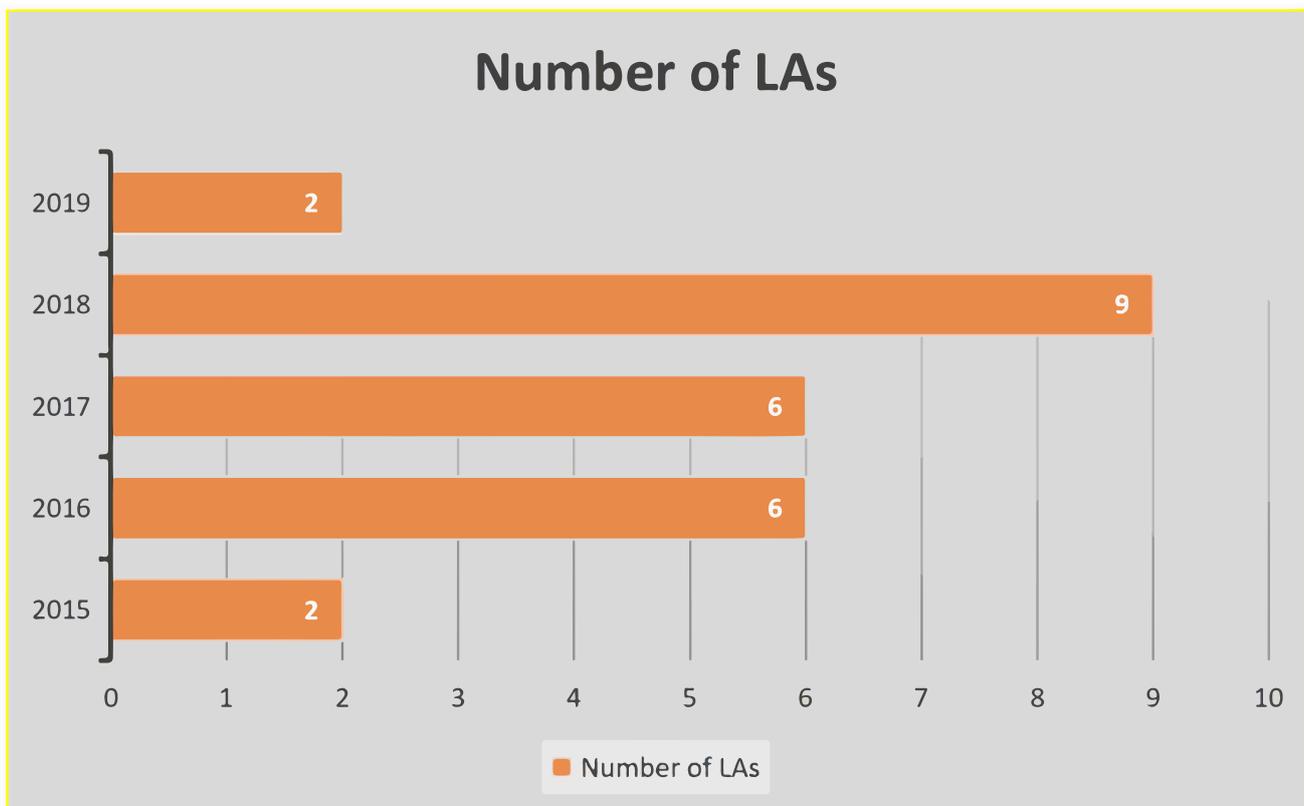


Figure 1: Number of Local Authorities that submitted 2015-2019 statements for 2019 Audit



State of local public service delivery in Zimbabwe

State of local public service delivery in Zimbabwe

The state of public service delivery in Zimbabwe is generally in shambles. In Zimbabwe, it is the dual responsibility of urban local authorities and the Ministry of Local Government, Public Works and National Housing to oversee the state of affairs in urban areas.

The Urban Local Authorities are governed by the archaic Urban Councils Act with the Ministry of Local Government, Public Works and National Housing playing a supervisory role. Looking at the public service delivery chain, local authorities are closer to the people. The mandate to deliver basic local public service delivery including refuse collection, water and sanitation, public healthcare, public education, housing and local business development largely rests on local authorities.

Poor public service delivery is evident both in rural and urban areas with urbanites being affected the most. At national level, public service delivery is on its knees and is characterised by potholed roads and dilapidated infrastructure, ever deteriorating public healthcare system including ill-equipped hospitals, shortage of essential drugs and other medical necessities, acute water shortages and crumbling public education system.

According to a ZIMCODD Survey, the Public Resources Management Situational Report for the month of May 2021, residential suburbs like Mkoba 14 and 19 in Gweru go for weeks with dry taps owing to the tightened water rationing by the City Council because of the obsolete water infrastructure in Gweru. In one of his State of the City Address, Gweru Mayor, His Worship Josiah Makombe cited water as one of the challenges confronting the city, therefore Gweru is faced with an

imminent water borne disease disaster, the report says. Early this year, some Gweru residents of Woodlands, Ascot, Mambo, Mkoba 4, Riverside, Nashville and Mtapu were severely affected by floods as they were allocated residential stands in undesignated areas including wetlands and un-serviced areas. Sometime in 2014, Mutare was one of the cities hit by an outbreak of typhoid together with Harare and Chegutu. According to the Ministry of Health and Child Care, the outbreak was blamed on the municipalities inability to provide safe drinking water to residents.

The Mutare Mayor blamed water shortages in the city on old water pipes that are too old and are too small to sustain the high pressure of the water from the reservoirs thereby experiencing numerous and regular bursts hence affecting the distribution of the water. According to the Public Resources Management Situational Report for the month of April by ZIMCODD, some residents of Dangamvura area 3 in Mutare have not been getting tapped water for the past 23 years, whilst in Gimboki area, greedy people have monopolized some of the open water sources and are demanding payment from vulnerable women and children as they seek to fetch water.

Reports were recently made pertaining Masvingo vendors at Chitima Market who lamented the city council's failure to collect refuse and the placement of a dumpsite near the market as the over 2000 vendors are exposed to contracting diseases related to unclean environment. The COVID-19 pandemic did not spare the ailing public service delivery and has brought to the fore the dire state of the country's public services and the situation is fast deteriorating.

Key governance issues notable in the 2019 OAG Report

The efficiency and effectiveness of local authorities to deliver their service delivery mandate primarily rests on whether their operations are based on principles of good governance. 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 (25) twenty-five relate to revenue collection, employment costs, procurement and service delivery.

The 2019 Auditor General's Report unearths acts of bad governance amongst local authorities and key governance issues noted are in table 1. Broadly, the irregularities have to do with payment of goods not delivered, revenue

leakages, poor records keeping, poor public service delivery and operations without key policy documents. 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 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.

A snapshot of specific financial and non-financial irregularities in some of the town

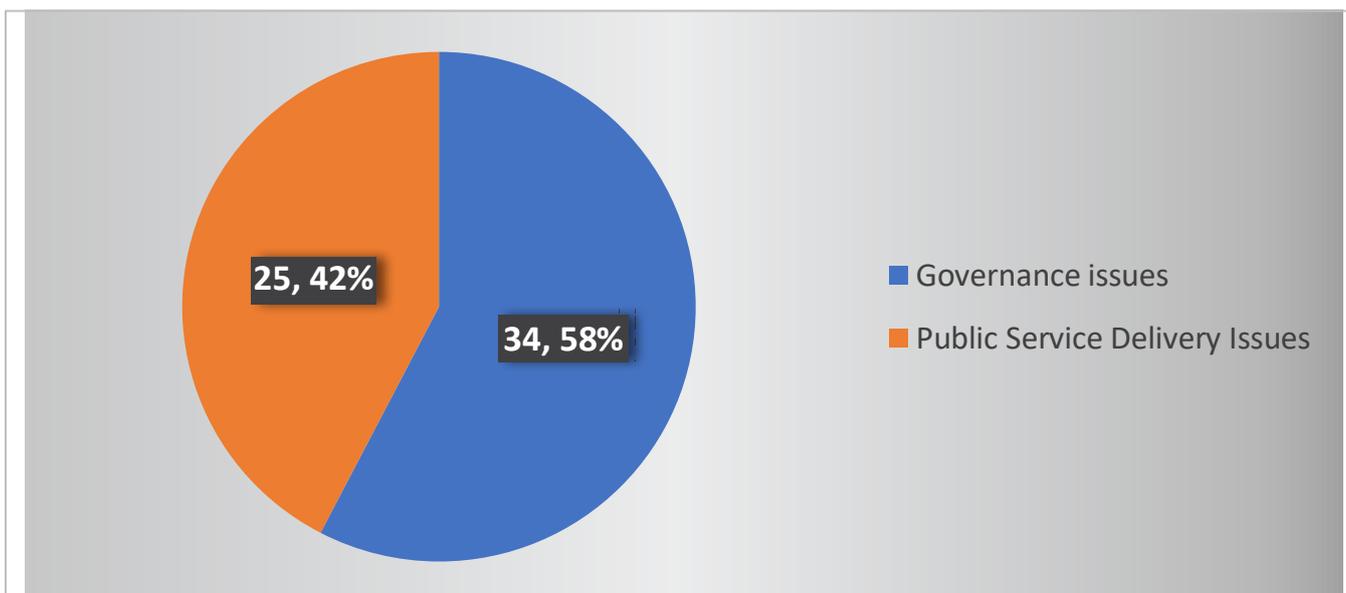


Figure 3: Nature of 2019 OAG Findings on Local Authorities

councils, municipalities, local boards and rural district councils in Zimbabwe as reported in the 2019 Auditor General's report are highlighted below.

LOCAL AUTHORITY	AUDITED YEAR	IRREGULARITY	IMPLICATION/S
CITY COUNCILS			
Mutare	2015	<ul style="list-style-type: none"> No guiding policy outlining Management Staff benefits like school fees. One operational ambulance for the whole city shared between the health and fire department. \$3555 was not banked in Council's accounts. Paid a supplier US\$330 000 in 2012 for the supply of water pipes not delivered as at December 2020. 	<ul style="list-style-type: none"> Having one shared ambulance meant that if more than one emergency arose only one person could be saved, and many lives could have been lost because they could not be taken to hospital on time. Residents are also forced to look out for expensive private owned ambulances like MARS. Given a tight fiscal space that councils operate under, every cent counts. The \$3555 could have been used for procuring fuel for waste collection, road maintenance and or cater for public health delivery gaps in Mutare. A case in point is that of lack of a permanent council clinic structure in Ward 17 and people rely on a rented clinic currently stationed in Hobhouse Phase 1 which is also incapacitated to service Mushamukadzi, Natview, Destiny and Hobhouse phases Weimouth residents. The US\$330 000 that was paid for undelivered water pipes affect citizens in such a way that some places still do not have adequate water supply. In places like Hobhouse, residents must travel for long distances (to kuChitubu -spring) to fetch water. This makes them vulnerable to water borne diseases like typhoid and cholera. For 2 decades now, some Dangamvura residents are yet to access tap water forcing residents to opt for water from unprotected wells yet there are funds that could have been used to address these challenges. Without a policy to guide the provision of staff benefits there is high likelihood of the abuse of the facility.
Gweru	2015	<ul style="list-style-type: none"> No risk management policy, recruitment and selection policy, housing policy and procedure manual for central stores. No supporting documents of all stands sold. Stands worth \$1 714 784 sold in 2019 but that amount could not be traced to the financial statements. 	<ul style="list-style-type: none"> The absence of a risk management policy cultivates a breeding ground for corruption especially in financial management. Financial risks go undetected. Lack of a recruitment policy fuels capacity and skills gaps in the council's workforce as staff can be recruited along partisan lines and not based on merit. There is high likelihood that the council can hire ill capacitated personnel as well as increased risks for nepotism. Lack of a housing policy presents a risk of allocation of stands in undesignated areas which might lead to demolitions and illegal accumulation of council properties by the council employees. The former Council Housing Department Boss resigned on allegations of corruption which included grabbing houses which belonged to council (Lundi Park Mansion). The Woodlands housing scandal by River Valley properties is another worrisome case. The residential area has been instituted illegally and council officials are allegedly involved in the scam. Revenue loss contributes to poor public service delivery by the council for instance Ward 8, (Ascot Infill) residents do not receive water at all and residents pay the price through being forced to pay exorbitant rates to cover the revenue gap.

LOCAL AUTHORITY	AUDITED YEAR	IRREGULARITY	IMPLICATION/S
CITY COUNCILS			
Masvingo	2016 2017 2018	<ul style="list-style-type: none"> Lost at least \$78 000 in 2016 due to fraud by 2 clerks. ZAR1 308 Parking fees not deposited into the Council account. No lease register to indicate details of leased properties. Unresolved variance of \$520 653 between the 8 recomputed lease rental balance (\$167 190) and the ledger balance (\$687 843). No comprehensive record of fuel usage during the years audited 5 vehicles not recorded in fixed asset register. 10 assets including tractor, fire engine, tipper, grader and front-end loader could not be verified physically even though they appeared in the asset register. 	<ul style="list-style-type: none"> Service delivery is negatively affected because of abuse of public funds. Despite collecting parking fees, the council is not frequently maintaining the roads even in the Central Business District (CBD), and potholes are all over. In 2019, the council also failed to collect refuse due to fuel shortages. Lost funds could have been used towards constant refuse collection, quick attendance to sewer blockages, maintenance of roads and lighting, completion of Runyararo clinic, construction of water Augmentation phase 2 to curb water shortage and construction of public ablution facilities in the CBD that accommodates people with disabilities.
MUNICIPALITIES			
Bindura	2017 & 2019	<ul style="list-style-type: none"> 153 billed accounts whose total balance amounted to ZWL\$307 565, which could not be identified by name. The accounts increased to 218 with a total value ZWL\$425 890 as of June 22, 2020. 49 accounts created by unknown users, while the remainder was created by various users. Paid US\$90 850 in December 2018 for purchasing a front-end-loader which was not delivered as of October 2020. 	<ul style="list-style-type: none"> Given that its now 2 years after a front loader has been paid for and not delivered, there is high likelihood that the municipal could lose revenue. The paid for but undelivered front-end loader also undermines the municipality's capacity to deliver public services.
Chinhoyl	2019	<ul style="list-style-type: none"> No evidence that payroll was being reviewed and approved by the Human Resources Manager before being processed. A Registered General Nurse, who was stationed at Alaska Clinic left employment but remained on the Council's payroll for 12 months. The total amount paid to this employee amounted to \$15 946. Council filled a middle management post in the year ending December 31, 2018 without advertising the post. Operating without an accounting procedure manual and the following policies; Asset management, Investment property, Risk management and donations. 	<ul style="list-style-type: none"> On one hand it is high likely that the municipality's capacity to collect revenue is compromised by the lack of functional water metre. On the other hand, residents could be overcharged in water rates. Lack of review of payroll by the HR management could lead to inappropriate tax deductions presenting a risk of financial loss from penalties by ZIMRA. The risk of having ghost workers on the payroll cannot be ruled out. Hiring staff without advertising the post gives room for nepotism which may lead to hiring of unqualified or incompetent personnel.

LOCAL AUTHORITY	AUDITED YEAR	IRREGULARITY	IMPLICATION/S
MUNICIPALITIES			
Chitungwiza	2016	<p>Lost at least \$78 000 in 2016 due to</p> <ul style="list-style-type: none"> No risk management policy. New settlements had emerged where houses were built before land servicing was done. 	<ul style="list-style-type: none"> The issue of housing irregularities impacted heavily on residents. Most residents had invested their hard-earned money in houses which were later demolished and in the whole matrix, it is land barons who benefit the most at the expense of residents' right to shelter. Sewer bursts are the order of the day in Chitungwiza due to mushrooming illegal settlements burdening the available sewer system.
Marondera	2016	<ul style="list-style-type: none"> No risk management policy. Council did not provide a detailed list of rented properties as well as lease agreements. \$200 264 could not be substantiated. 	<ul style="list-style-type: none"> Engagements with Council officials indicated that to date there is no transparency on lease agreements. The unsubstantiated \$200 264 could go a long way for instance in the development of Cherutombo Council Primary School which currently has 2 blocks including a corner office as administration site. Currently it has an estimated enrolment of 600 pupils some of them are learning from outside with a 3rd building still under construction.
TOWNS & COUNCILS			
Chiredzi	2016	<ul style="list-style-type: none"> Council incurred a total cost of \$2 595 in repairing the vehicle involved in a non-council business with the Chairman. No supporting documents to show how the ZINARA grant of \$105 465 had been acquitted. 	<ul style="list-style-type: none"> Tax injustice as rate payers incurred expenses which did not benefit them in terms of public service delivery. Lack of supporting documents might imply that the ZINARA grant was misappropriated.
Shurugwi	2015 & 2016	<ul style="list-style-type: none"> No documentary evidence to support acquisition of two (2) Ford ranger vehicles valued at US\$79 000. No database for business licences as such revenue amounting to \$97 843 could not be substantiated. 	<ul style="list-style-type: none"> There is high likelihood that the vehicles could have been overpriced or public procurement procedures could not have been followed. Public revenue could have been channelled into private pockets and without a database, accountability is difficult to demand.
Zvishavane	2017	<ul style="list-style-type: none"> No evidence to support ministerial approval for the development of Izayi Park phase 5, Makwasha. No ministerial approval for a debt swap deal with ZINWA amounting to \$128 000 by allocating 32 high density stands at a concessionary rate. No explanation for a variance of \$2 904 between the Councillors' allowances summary which had \$35 120 and the amount in the ledger of \$38 024. 	<ul style="list-style-type: none"> Lack of ministerial approval of land developments presents risk of demolitions in case of disputes between the local authority and government. Financial loss due to unreconciled expenditure.

LOCAL AUTHORITY	AUDITED YEAR	IRREGULARITY	IMPLICATION/S
LOCAL BOARDS			
Ruwa	2018	<ul style="list-style-type: none"> Bought 5 Titan tablets phones at \$7 609 in November 2018 but not delivered as of February 2020. Unaccounted 8 860 litres of diesel and 3 125 litres of petrol coupons. No contract was availed between council and a local company to construct a water pipeline from Nora Dam to Ruwa Local Board. 	<ul style="list-style-type: none"> The undelivered tablets prejudiced the local authority of funds that could have been utilised for local service delivery. Public fuel could have been used for private business. Public procurement procedures could not have been followed and this could have fuelled leakages of public resources in the process
RURAL DISTRICT COUNCILS			
Bindura	2018	<ul style="list-style-type: none"> The Council had a motor vehicle, Mazda BT50 AAE7802, as part of its fleet registered in the name of the Council's Administration Officer. 	<ul style="list-style-type: none"> Poor assets management can prejudice the local authority of its assets.
Binga	2019	<ul style="list-style-type: none"> No refuse collection truck and relied on one tractor to service the entire jurisdiction and the residents relied on communal bins in most areas as no plastic bins were given to residents. One ambulance servicing 4 clinics in the area. 	<ul style="list-style-type: none"> Residents exposed to diseases like cholera due to erratic refuse collection. Residents' right to public healthcare compromised due shortage of ambulances.
Bubi	2016	<ul style="list-style-type: none"> No accounting policy and procedures manual, risk management policy, assets replacement policy and risk register. Employees were not remitting change from the purchase of goods and services. \$4 558 disclosed as staff debtors in respect of non-remittances of change from cash purchases. 	<ul style="list-style-type: none"> Loss of council money due to non-remittance of change and the council should put in place mechanisms to ensure employees remit change.
Chirumanzu	2018	<ul style="list-style-type: none"> The post of Executive Officer Agriculture, Executive Officer Social Services, Admin Clerk, Driver and Lease clerk had been vacant for 8 years. 	<ul style="list-style-type: none"> Vacant post compromises effectiveness in the delivery of public services due to capacity and skills gaps.
Hurungwe	2019	<ul style="list-style-type: none"> Procured 3 Isuzu single cab trucks without following formal tendering procedures. Tender reference number used on the procurement of the Isuzu trucks was in fact related to the purchase of a different set of vehicles, a BIAAC for the Council chairperson and a 6 seater SUV for the CEO. 	<ul style="list-style-type: none"> Revenue leakages through flaunting of the Public Procurement and Disposal of Public Assets Act.

LOCAL AUTHORITY	AUDITED YEAR	IRREGULARITY	IMPLICATION/S
RURAL DISTRICT COUNCILS			
Hurungwe	2019	<ul style="list-style-type: none"> • Council's equipment revealed that it had less than 20% capacity to undertake road maintenance and construction. 	<ul style="list-style-type: none"> • Public service delivery is compromised.
Mangwe	2017	<ul style="list-style-type: none"> • 35% of primary school pupils walked on average 10km to school whilst 45% of the secondary school pupils walked on average 15km to school. 	<ul style="list-style-type: none"> • Learner's access to quality education is compromised.
Marondera	2018	<ul style="list-style-type: none"> • Dumpsite at Mahusekwa Growth Point not compliant with the provisions of section 97 of the Environmental Management Act [Chapter 20:27], which requires a full Environmental Impact Assessment to be done and a certificate to be acquired prior to operations 	<ul style="list-style-type: none"> • Residents' health at risk..
Matobo	2017	<ul style="list-style-type: none"> • Operating without an up-to-date and comprehensive mining claims register which enables it to invoice and collect unit tax due to it. 	<ul style="list-style-type: none"> • Loss of mineral resource revenue due to outdated mining claims register and this could also cultivate an enabling ground for mineral resource leakages. • Matobo Rural District Council's failure to invoice and collect tax from the miners has deprived the communities of Matobo District of effective public service delivery including good road networks for example the Bulawayo-Maphisa Road is just a strip road which needs expansion. So many lives have been lost in that road
Muzarabani	2018	<ul style="list-style-type: none"> • The Council only prepared bank reconciliation statements for the month of December 2018. Bank reconciliation statements for the other previous months were not prepared. 	<ul style="list-style-type: none"> • Risk of financial loss due to unreconciled bank statements.

LOCAL AUTHORITY	AUDITED YEAR	IRREGULARITY	IMPLICATION/S
RURAL DISTRICT COUNCILS			
Pfura	2018	<ul style="list-style-type: none"> • 20 members of staff did not have contracts of employment. 	<ul style="list-style-type: none"> • Poor dispute resolution mechanism between employer and employee.
Tongogara	2018	<ul style="list-style-type: none"> • Council entered an arrangement with a land developer for the development of 1322 residential stands at Raylands Estate. As part of the agreement, the Council would pay the developer for the services with 50% of the developed stands (661). • Council maintained its asset register on an excel spreadsheet which was not password protected. 	<ul style="list-style-type: none"> • The 50% deal exposes residents to stands sold at exorbitant prices beyond the reach of many by the developers. • High risk of the asset register being tampered with which may result in the council losing its assets.
Zaka	2018	<ul style="list-style-type: none"> • Pension deductions from employees were not being remitted to the relevant pension fund. For the year ended 31 December 2017, the outstanding pension contributions balance was \$459 894. 	<ul style="list-style-type: none"> • Looming socioeconomic injustice. Employees are likely to reel in poverty as pensioners who have a possibility to face challenges in accessing their pensions.

Importance of audit findings of local authorities in the context of devolution

The capacity of both the central government and local authorities to redeem the country's public service delivery sector has always been questionable. Hopes are however pinned on the country's devolution agenda which is gathering momentum and is considered a vehicle for economic growth and a means towards the attainment of Vision 2030. Devolution refers to a situation where central government transfers legislative, executive, administrative and financial decision-making authority to local governments that have clear and legally recognised jurisdictions within which they provide public services to constituents to whom they are accountable.

The Devolution and Decentralisation Policy recently promulgated sets the foundation for the devolution of powers. Devolution is basically defined by three key aspects which are fiscal, political and administrative autonomy. Zimbabwe's devolution program is largely founded on the principle of empowering provincial government councils to spearhead economic and social development projects in their areas by leveraging on local resources.

Devolution is not an end in itself and as such there are key necessary conditions that need to be in place for the successful implementation of devolution, chief among them being strengthened governance systems in local governments. There is an urgent need for fiscal sector reforms at local tiers of government to guarantee improved efficiency and effectiveness. It is worrying to note that, perennially, the Office of the Auditor General exposes gross public financial misconduct and malpractices in local authorities and

the recommendations have been either ignored or partially implemented. Without governance reforms in local governments, the set objectives of devolution in Zimbabwe will not be achieved.

Despite devolution presenting potential to unlock the much needed social and economic transformation in Zimbabwe, it presents moral hazard in as far as public resources management at local level is concerned. Public auditing therefore remains key in assessing the extent of preparedness of local authorities to autonomously run their affairs when the country fully devolves governance. It is important for the local authorities to take the Auditor General's reports seriously for them to work on anomalies and address the governance challenges currently bedevilling them.

Notwithstanding the importance of the general public in exerting public accountability on the implementation of audit recommendations in local authorities, the 2020 Open Budget Survey conducted by ZIMCODD revealed that over 80% of the respondents in the research had never accessed any audit reports for local authorities.

The same survey noted that council officials revealed that they do not publish audited financial statements as is the case with private and listed companies and this means that the audit reports are not available to the public with ease. There is therefore need for local authorities to make deliberate efforts to timely publish audit information and make it readily available for stakeholders including residents. This can be done through sharing the audited statements on websites and in newspapers to enhance trustworthiness, accountability and transparency of local authorities to the public.



Recommendations

RECOMMENDATIONS

1. Local authorities must fully deliver their mandate as clearly stated in Section 265 of the Constitution on general principles of provincial and local governments in ensuring good governance by being effective, transparent, accountable and institutionally coherent.
2. Local authorities must implement in earnest the Auditor General's recommendations in the 2019 Audit Report to restore public trust in the authorities. Restoration of residents' trust will go a long way in ensuring mutual cooperation between local authorities and residents in local development processes.
3. An Open Budget Survey conducted by ZIMCODD indicated limited public access to council's audit information. There is need for local authorities to publicize and make available all audit information to enhance the public scrutiny and follow up on the implementation of recommendations.
4. Local authorities operating without key policy documents such as the Gweru City Council must formulate and implement policy guidelines. These include risk management policies, recruitment and selection policies and housing policies. This must be done through genuine and wider stakeholder consultations in the formulation of these policies especially the ones that guide public service delivery.
5. Local authorities must exercise strong public finance management to address challenges of public service delivery in their jurisdictions. This must be done through adherence and compliance with the basic principles of public finance management enshrined in Section 298 of the Constitution and other Acts of Parliament.
6. All local authorities must recover the monies owed to them by individuals and corporations to bridge the fiscal gap. This must be done through coming up with a Comprehensive Debt Management Framework at local authority level. This includes the Gweru City Council collecting the monies for stands owed by councillors whose terms of office have since lapsed. This will go a long way in addressing the budgetary gaps currently experienced by the local authority.
7. Local authorities must put in place rigorous measures to plug out leakages in revenue collection in their jurisdictions through putting in place electronic Public Finance Management System to reduce the manipulation of manual operations by unscrupulous officers and agents.
8. ZIMCODD calls upon citizens in their organised groups as Residents Associations, Community Resource Monitoring Agents and civil society organisations in general to compel local authorities to submit their current financial statements for auditing. The timeous submission of financial statements is as important as the audit itself.



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