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**BONAMELO CAMPUS  
MUNICIPAL ADMINISTRATION N6  
HLANGABEZA MT**

# **MODULE 6:** **CONTROL OVER MUNICIPAL AUTHORITIES**

## **Reasons for control measures:**

- Municipalities are established by central government to provide services
- Funds to provide services are public funds
- Employees might be tempted to steal
- To ensure that actions are legal and complies with statutory policy
- To identify the infringement of democratic rights of individuals
- To improve the general welfare of the community
- To ensure public accountability
- For the executive authorities to explain their deeds

# External control:

- Municipalities are authorised to provide services to satisfy community's needs
- Municipalities receive funds from higher authorities to carry out these services

# Types of control measures:

- Control over the legislation of local authorities
- Control over finances
- Control over personnel and personnel groups
- Control over administration (daily activities)
- Control over municipalities acting as agents for national government

## Internal control:

(i) Hierarchical structure; (ii) Council control; and (iii) Departmental control

## Control through the hierarchical structure of the institution:

- Identifies lines of responsibility and communication
- Allows for different levels of management
- Officials know their supervisor and are aware of their roles

# Internal control:

## Council control:

- Issue enforceable decisions
- Demand feedback and accountability
- Ratification of executive decisions and proposals
- Inspections by the council
- Monitor the performance of the municipality
- Intervene and take corrective action if necessary

# Internal control:

## Departmental control:

- Municipal Manager over the chief officials
- Chief officials over the head of executive departments
- HODs over senior officials (supervisors) in their division
- Supervisors over their subordinates at all levels in the hierarchy

# Departmental control:

## Techniques for exercising departmental control:

- Written procedures and work manuals
- Prescribed standards
- Centralised units for domestic and auxiliary services
- Record keeping
- Reports, statistics and accounts
- Checking systems
- Auditing; Inspections and investigations



# Voter control:

## Voter control:

- Demand for feedback and accountability
- Ratification of council decisions
- Issue of decision statements
- Monitoring of services and council decisions

# Areas of control:

There are four basic municipal resource types where control measures should be designed and implemented:

## Physical resources

- Examples of measures that control physical resources include **inventory management**, quality control and equipment control.

## Human resources

- Human resources need control measures that employees are recruited and managed as efficiently and appropriately as possible.

## Informational resources

- Municipal Managers and department heads are dependent on information to monitor how staff is performing and check how services are delivered.

## Financial resources

- Municipal finances also need to have control measures in place including the constant monitoring cash flow, credit control and municipal debt.

# Types of control measures:

There are four broad types of control measures that municipalities should design and implement:

## Strategic control

- It looks at how effectively a municipality's approach planning and policy-making has achieved the goals of its IDP.

## Structural control

- It looks at the influence of a municipality's organisational structure on its ability to function effectively and to deliver on its mandate.

## Operation control

- Monitors the effectiveness of the processes that a municipality uses to transform resources into service delivery.

## Financial control

- Monitors the financial resources of the municipality. It is important that a municipality implements financial control measures and the budget is the main control measure used.

# **Characteristics of control measures:**

For control measures or systems to be effective, they have to be closely incorporated into the municipal planning process. They should also be flexible, accurate, timely and objective.

## **Integration with planning**

- Control measures work best if people know what they are and if they are directly linked into a municipality's strategic plan.

## **Flexibility**

- Control measures must be able to deal with change.

## **Accuracy**

- Control measures must take into account the need for information to be accurate.

## **Timeliness**

- Control measures should provide prompt and regular information.

## **Objectivity**

- Control measures should provide the MM and HOD's with information that is as objective as possible.

# Methods of external control:

## Methods of external control:

- Monitoring as an external control method
- Performance indicators as an external control method
- Potential to instigate as an external control method

# Five elements of internal control:

Internal is made up of five elements:

## (i) Control environment

- The control environment in a municipality should be set by the elected officials and appointed managers. In addition, the municipality should have a clear and unambiguous organisational structure with appropriate policies and procedures.

## (ii) Risk assessment

- Is needed so that a municipality can understand which activities may be at risk of fraud and embezzlement.

## (iii) Control activities

- Control activities are the specific actions municipalities can take to prevent or mitigate risks identified in the operations.

## (iv) Information and communication

- Is an important element, it ensures that reporting to the council and citizens is timely and accurate.

## (v) Monitoring

- Is the final element, is what the municipality does to assess the quality of performance.

**END OF PRESENTATION**

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