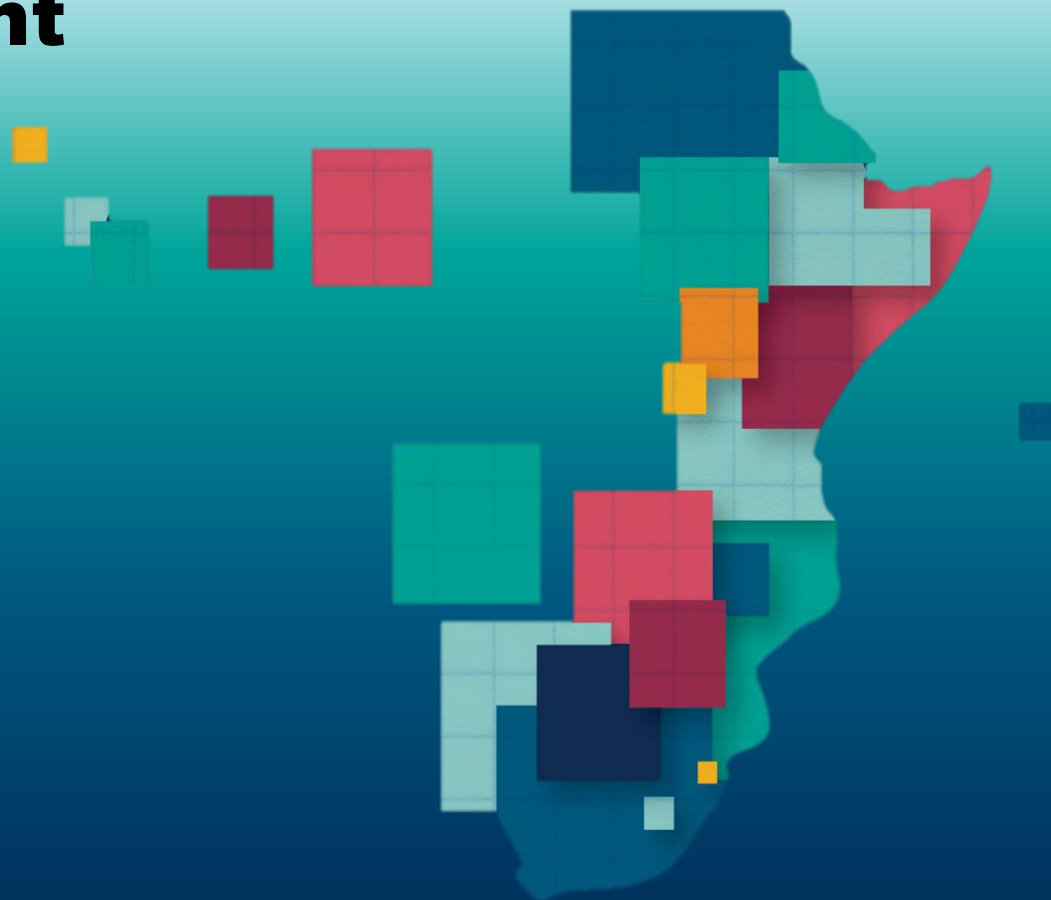


Local Government Audit Consideration Guideline



Strategic Plan 2025-2029

OUR VISION

To make a difference in the performance of SAIs

OUR MISSION

We commit support and cooperate with our member SAIs to enhance their institutional capacity to successfully fulfil their audit mandates, thereby making a difference to the lives of citizens



OUR MEMBERS

Angola, Botswana, Eritrea, Eswatini, Ethiopia, Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Tanzania, Uganda, Zambia, Zimbabwe





Presentation outline

- Purpose of the Guideline
- Scope of the guideline
- How to use the Guideline
- Overview of services delivery in local government
- Auditing Specific key services

Purpose

- INTOSAI P12 – Demonstrates that the services are being delivered through value adding reports .
- Audit considerations to deal with in order to produce value adding reports
- Stakeholders e.g. PAC requiring more than financial figures but going beyond to include service delivery issues

Scope of the Guidance

- **Audit Considerations for service delivery issues :**
- Water management service Delivery
- Waste Management service Delivery
- Disaster Management
- Infrastructure
- Financial Health

How to use the guidance

- Nature and scope of the audit
- Not a separate audit methodology
- Supplements the existing methodologies

Overview of and service delivery in local government

Position of local government in the government structure

Service delivery process

Sources of local government revenues

Key challenges in service provision

Key players in service delivery by local government entities

Importance of internal controls in service Delivery

Auditing Specific Key Services

- Water Management
- Waste management
- Disaster management
- Infrastructure
- Financial Health

Auditing the service delivery

- Understanding of the legal mandate and regulatory framework
- Understanding the service delivery process
- General high level audit consideration
- Specific audit consideration

Snapshot of the Regional Findings on Service Delivery

Type of service delivery	Key findings
Infrastructure : Water treatment plant no longer able to service the population due to ageing	Plant equipment such as electric pumps, piping, flow recorders, transmission tubes and filter gauges are now aged, and this compromised water production efficiency
Water billing and revenue	City Council had not been able to bill the correct volume of water supplied due to the growing number of non-functional meters. The growing number of non-functional water meters was a result of its long period of service since installation with the majority over 30 years without servicing or replacement.
Waste disposal site	City Council has not been able to develop/ transform its dumpsite into a standard scientific engineered landfill citing funding challenges. As a result, basic waste hierarchy of waste prevention, reduction, recycling was not being practiced, and the Council has been levied penalties for non-compliance.

Guideline

[www. Afrosai-e.org.za/Focus area/Audit impact and Quality](http://www.Afrosai-e.org.za/Focus%20area/Audit%20impact%20and%20Quality)



**Local
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