

MEDIA STATEMENT

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For immediate Release

MEC DUBE-NCUBE CALLS FOR MORE COLLABORATION BETWEEN GOVERNMENT AND PRIVATE SECTOR TO RAISE THE STANDARD OF FINANCIAL MANAGEMENT IN LOCAL GOVERNMENT

Today, KZN Treasury is leading a high-level financial performance and knowledge sharing engagement on finance and accounting protocols for local government.

This engagement, attended virtually by Chief Financial Officers and accountants of various municipalities is held in partnership with the South African Institute for Chartered Accountants as well as the Accounting Standard Boards.

Opening the engagement, MEC for Finance in KwaZulu-Natal who is also Leader of Government Business, Nomusa Dube-Ncube, emphasised the need for strategic partnerships in order for municipalities to improve their capacity to manage their budgets.

“It is now more crucial than ever for us as Provincial and Local government to continue to work in partnership with various private sector stakeholders in order learn from each other so that we can serve our communities better. This engagement is purely meant to assist municipalities to improve their financial management and this will allow them to deliver services much better. We need to have municipalities that demonstrate a clean bill of health in their finances because this attracts investment into their communities,” she said.

Despite the challenges facing the municipal environment, KZN Provincial Treasury continues to commit itself to supporting municipalities and promoting good financial governance in the public sector.

In terms of Section 5 of the Municipal Finance Management Act (MFMA): General functions of National and Provincial Treasuries, KZN Provincial Treasury performs an oversight and monitoring function but also provides technical support and guidance to help municipalities by instilling effective financial management practices.

At a micro level, KZN Provincial Treasury focuses on providing structured support in conjunction with training and transfer of skills at specifically targeted municipalities in the Province. Concurrently, at a macro level, the intention is also to provide support through educational platforms such as CFO forums and frequent training seminars on relevant financial and governance matters.

Dube-Ncube said, “We want to enhance the type of support that we give to our municipalities because they are the ones that are at the coal face of service delivery. As we move into the 4th industrial revolution, municipalities must look at using technological mechanisms as a

means to advance and effectively address challenges in the constantly evolving municipal environment”.

She said that true economic freedom lies in educating municipalities and that KZN Provincial Treasury is also steered by the philosophy of former President Nelson Mandela, “Education is the most powerful weapon which you can use to change the world”.

Municipalities are strongly urged to make a concerted effort to continuously keep abreast of technical updates, changes and new reforms and ensure effective capacity building at all levels, consequently improving financial management and ultimately service delivery, noting that a well-served community creates economic momentum which promotes sustainable growth and development.

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