

# ENDUMENI MUNICIPALITY



## TERMS OF REFERENCE OF STANDING COMMITTEE ON MUNICIPAL ACCOUNTS( MUNICIPAL SCOPA)

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## 1. BACKGROUND AND PURPOSE

Council resolved to establish a municipal SCOPA by Council Resolution dated **7 DECEMBER 2009** to oversee the expenditure of public funds in order to ensure the efficient and effective utilization of council resources and to enhance the political accountability of Council.

The primary purpose of the municipal SCOPA is to assist council hold the executive and the municipal administration to account.

## 2 FUNCTIONS AND POWERS

1. SCOPA may examine the following documents:
  - (a) Audit Reports on annual financial statements of the Municipality.
  - (b) Any reports issued by the Auditor-General on the affairs of the Municipality.
  - (c) The annual reports of the Municipality.
  - (d) The mayor's quarterly reports on the implementation of the budget and the financial state of affairs of the municipality; and
  - (e) Any other financial statements or reports referred to SCOPA by the Council
  - (f) Any information relating to personnel; books of account, records, assets and liabilities of the Council.
  - (g) Relevant information that may be required for the purpose of fulfilling its mandate
2. SCOPA may report on or make recommendations in relation to any of the reports or financial statements which it may examine.
3. In its examination (mentioned in clause 2) SCOPA must take into account previous statements and report and consider the degree to which previously identified shortcomings have been rectified. The Committee must report to Council on its findings.
4. The Committee shall initiate and develop the Annual Oversight Report on the Municipality's Annual report.
5. The Committee may initiate, direct and supervise investigations into any matter falling within its terms of reference including projects requested by EXCO and Council.
6. SCOPA may consider any Audit Committee recommendations referred to it and render an opinion on such recommendations.
7. The Committee may request or invite members of the public to attend any meeting of the Committee i.t.o. s16(1) of the Systems Act, 2000, to assist it with the performance of its functions.
8. SCOPA may co-opt advisory members or experts to advise the Committee in its deliberations, provided that such persons may not vote on any matter.

### **3 MEMBERSHIP**

SCOPA will consist of SIX (6) Councillors to be appointed by the Council in consultation with caucuses on a proportional representation basis, and such other persons who are not councillors who are co-opted by the Committee as advisory members in terms of section 79 of the Local Government: Municipal Structures Act.

Members of SCOPA are elected for a term ending, subject to section 79 of the Local Government: Municipal Structures Act, when the next Council is declared elected, provided that –

- (a) the Council may, by resolution remove from office one or more of the members of the Committee;
- (b) If all the members of the Committee are removed, a new election of members must be held.

SCOPA may co-opt not more than TWO (2) advisory members who are not Councillors, on the basis of their knowledge and experience in matters pertaining to the above terms of reference.

### **4 CHAIRPERSON**

The Council must elect the Chairperson of the committee from amongst the ordinary members of SCOPA and such office bearer must hold office for a term ending when the next Council is elected.

The Committee must elect from amongst its ordinary members a Deputy Chairperson and such office bearer must hold office for a term ending when the next Council is elected.

### **5 QUORUM & DECISION MAKING**

A majority of the members of the Committee constitute a quorum for a meeting of the Committee.

A question before the Committee is decided if there is agreement amongst at least the majority of the members present at the meeting.

If on any question there is an equality of votes, the member presiding must exercise a casting vote in addition to that member's vote as a member.

### **6 MEETINGS**

The committee must meet at least bi-monthly as directed by the Speaker of the Council after consultation with the Chairperson of the Committee; subject to the condition that any cancellation/postponement of a meeting is approved by the Speaker.

Meetings of the Committee must be conducted in accordance with the Standing Rules of Order of Council and any dispute arising from an interpretation of such Rules must be referred to the Speaker of the Council whose decision in the matter shall be final. (The Committee may determine and adopt its own procedure for the conduct of meetings).

## 7 RELATIONSHIP AND OTHER STRUCTURES

SCOPA may liaise with:

- The Municipal Manager
- the Mayor;
- the Internal Audit Unit of the Municipality
- the Audit Committee;
- the person designated by the Auditor General to audit the financial statements of the municipality
- other committees of the Council; and
- Heads of Departments

SCOPA exercises an oversight role over the Executive and the Administration on behalf of the Council, with regard to matters falling within its area of competence. In keeping with good governance, an oversight committee cannot report to EXCO. SCOPA accordingly reports and makes recommendations to Council via the Speaker.

## 8. ADMINISTRATIVE SUPPORT

Administrative support to the Committee will be provided by the *Director of Corporate Services*.