

City celebrates clean audit

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The City celebrates a 'significant milestone': the finance portfolio head, Parks Tau; City manager Mavela Dlamini; Executive Mayor Amos Masondo; and Seadimo Chaba of the City's performance management panel (Photo: Enoch Lehung, City of Johannesburg)

Executive Mayor Amos Masondo thanked his staff for achieving a clean audit report from the auditor-general with a sumptuous banquet.



Executive Mayor Amos Masondo congratulates the chair of the audit committee, Brian Hawksworth (Photo: Enoch Lehung, City of Johannesburg)



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JOBURG celebrated its first clean audit report by throwing a lavish, black tie bash for its officials. It received the rating from the auditor-general in January.

Over the past five years the City has overhauled its financial management, enabling it to quadruple its capital budget and boost its credit rating. Then, in January, the City and its 14 municipal-owned entities all received an unqualified clean audit report from the auditor-general for the 2006-07 financial year.

In celebrating that "significant milestone", Executive Mayor Amos Masondo hosted a banquet for City officials who had laboured tirelessly to achieve the rating. The strictly black tie affair was held at the Castle Kyalami, in Midrand on Friday, 7 March.

Ignoring the steady drizzle, councillors and City officials rolled-up in glamorous gowns well suited to the night's atmosphere; some wore tuxedos or beautiful gowns. Members of the mayoral committee looked glamorous in their finery.

Some of the City's top brass who turned up included council Speaker Nkele Ntingane; Chief Whip Bafana Sithole; City manager Mavela Dlamini; the head of the finance department, Mankodi Moitse; the group audit committee chairperson, Brian Hawksworth; Refik Bismilla, the head of the health department; and chairpersons of municipal-owned entities and audit boards.

Moitse was stunning in a black lace dress, highlighted with gold and silver details. She complemented her partner, who was in a black suit and flamboyantly detailed tie. Her short hair was gathered up and her jewellery lit up in the dark.

Greater excellence

Dlamini looked dapper in a black suit, white shirt, black tie and white waistcoat. In his welcome speech, he noted that the City did not intend to use its success as an easy chair, but rather as a springboard to vault it to greater municipal service excellence.

He urged the assembled guests to enjoy the celebration and recognise their excellence in raising the City to achieve the milestone. "We will continue to work as individuals and as teams, to create a better Joburg. We intend to go back and work harder.

"This is an event we have earned and deserve. We have worked hard to get a clean audit report," Dlamini noted.

He said that although the unqualified clean audit report - which comes after several years of mismanagement of the taxpayer's money - was a starting point, "this is not the last; we are looking for a super audit.

"The important thing about Joburg is that we are like bees, attracted by colour, we are innovative. Our output is very sweet, however, if we are poked we sting." Dlamini said that Joburg had earned its right as a beacon of hope for African cities.

In his keynote speech, Masondo said that it was a great honour and a privilege for him to share the evening with City officials and to be part of such an important event.

Financial stability

"It has been my good fortune to work with an exceptional team constituted of both the councillors and the managers in the past six years. In many respects, many of you are the pioneers of democratic local government in South Africa. You have steered the City of Johannesburg from near bankruptcy to our current position of financial stability."

Johannesburg is South Africa's largest metro and wealthiest city, and accounts for 16 percent of the country's gross domestic product.

Masondo said that the City had had a negative experience of financial management in the mid-1990s. "This financial crisis was the result of a number of factors working together in a vicious cycle, each reinforcing the other. These ranged from unrealistic capital budget, taking on additional responsibilities without additional revenue, fragmented revenue and expenditure arrangements, non-payment of rates and services as well as the general lack of a proper focus."

However, he noted that the achievement of a clean audit report was testament to the City's "much stronger ... financial position, [it] is [now] even more sound".

Attaining a clean audit had always been one of the City's major priorities. "We [have been] working closely with the boards and audit committees of the various municipal-owned entities to increase capacity and to strengthen internal systems to achieve this objective."

Masondo added that the report from the auditor-general spoke volumes of the quality of direction and leadership coming from members of the mayoral committee, the administrative executive leadership demonstrated by the City manager and senior management, the commitment displayed by the finance department and the responsible way in which individual departments and municipal-owned entities took care of public assets.

Remarkable

"This clean audit report is indeed a remarkable achievement given the wide range of services that we deliver to the people of Johannesburg and the complex challenges attached to financial controls and management."

Johannesburg is the only city in the country that has consolidated under one control the accounts of its core administration with municipal-owned entities. "The implication of this is that the City has had to meet higher accounting standards."

Landing a clean report came out of the Operation Clean Audit Report (Opcar) campaign, which was tabled to build a strong environment for financial control, create a comprehensive asset register and confirm the completeness of revenue. "We took this process a step further ... when we formed a project team to ensure that each person employed by the City became accountable for the decisions we take and the areas that they are responsible for."

The clean audit was but one of a number of milestones attained by Johannesburg, Masondo said. In recent months it had received a number of accolades from numerous independent bodies.

Awards

The City bagged a 2007 Vuna Award for being the best governed metro in the country. MasterCard Worldwide also named it among the world's top 50 centres of commerce in its global survey, the only city in Africa to be included on the list.

Masondo, however, noted that the attainment of a clean audit report did not suggest that Joburg had become complacent with its status and would now rest on its laurels. "We will continue to set high standards for ourselves and ensure that we live up to expectations," he noted.

"This City views the achievement of a clean audit as both a milestone and a building block for the future." Achieving a clean audit took it closer to its goal of building Johannesburg into a world-class, African city.

Masondo also handed out medals to City officials as a gesture of appreciation for their hard work. And then the day ended on a scrumptious note, with fine food and entertainment.