RECORDS MANAGEMENT in LOCAL GOVERNMENT

Mpumalanga Records Management Seminar

DECEMBER 2015
INTRODUCTION

- Records Management is a practice that touches on 4 pillars of Back to Basics and SALGAs MASP:
  - Leadership
  - Governance
  - Financial Management
  - Institutional Capacity
- MFMA S62(1)(b) tasks the Municipal Manager as the Accounting Officer to take reasonable steps to ensure that full and proper records of financial affairs are maintained
- Records Management is a key component of information management
- Good records management caters for supporting information or records for financial statements, performance information reporting and compliance with laws and regulations (AGSA regularity audit)
RECORDS MANAGEMENT

- Doctor Google provided a definition:

*Records management* refers to a set of activities required for systematically controlling the creation, distribution, use, maintenance, and disposition of recorded information maintained as evidence of business activities and transactions.

- In our own words
  - Needs to be a part of normal operations where the culture and discipline is driven from the top
  - Enable accountability to be practiced and enhanced
  - Ensure that information is adequately safeguarded, you find what you want when you need it and you dispose of it responsibly
  - Assists in managing more effectively

- Cynical ex-boss always said….either they don’t know how to implement records management or they don’t want to implement it!
WHY THE NEED FOR GOOD RECORDS MANAGEMENT

- Good business practice
- MFMA Requirement
- Assist management to account and manage more effectively (BI)
- Enable the municipality to comply with other legislation which links to records management (PAIA, POPI etc.)
- Creates an environment of good internal control and also assists in knowledge management and business continuity
- The entire municipal structure will understand the organization better and also better understand the role they play
- Measuring and monitoring impact will be easier and meaningful
SUMMARY OF KEY FINDINGS
13/14

**PARI**
- Lack of Evidence – Records Management
- Asset Management
- High Administration and Oversight Budget
- Reliance on Service providers – capacity issue
- Inadequate Level of Technical Skills of Councillors
- Level of oversight possible
- Functionality Internal Audit, Audit Committees and MPAC
- Lack of business processes
- Lack of coordination of support
- AG – Cost and use of Junior Staff

**National Treasury**
- Training or Hands on Support on Record Keeping
- 167 Municipalities have plan of action for AFS preparation
- 95 Municipalities do not have officials capable of AFS preparation
- Asset Management
- Co-operation finance and operation managers

**Auditor General**
- Inadequate record keeping to support disclosures
- Reliance on consultants
- Procurement and contract management processes
- Slow progress of political and administrative leadership to address root causes of poor audit outcomes
- Inadequate consequences for poor performance and transgressions
- Inadequate internal controls and basic controls (daily discipline)
- Level of assurance by ALL role players
- Non compliance with legislation
CHALLENGES AROUND RECORDS MANAGEMENT

- Not seen as a key business process by Municipalities or no defined records management process or lack of discipline in adhering to records management processes
- Leadership both Administrative and Political not setting the tone from the top
- Political oversight sees it as an Administrative function
- Junior or unskilled staff tasked with records management in municipalities
- Lack of physical and logistical resources to enable proper records management
- Provincial Archive legislation not understood or applied and link to Provincial Archivist poor (training, mentoring and professionalization)
CURRENT STATE OF RECORDS MANAGEMENT

- 60 Municipalities who have received Disclaimer/Adverse/Audits not finalised based on 2013/14 Audit Outcomes nationally
- 2 Clean Audits (Steve Tshwete LM and Ehlanzeni DM)
- 4 Disclaimers and 1 Audit not finalised by legislated deadline in Mpumalanga
- Disclaimers (Emakhazeni, Emalahleni, Thaba Chweu and Mkhondo)
- Audit not finalised (Msukaligwa)
- Disclaimers are by and large due to a limitation of scope during the audit as the auditors could not obtain sufficient audit evidence and this relates directly to poor records management
- Other municipalities are not by implication having good records management but those with clean audits are expected to have basic records management that is functional
WHAT IS TO BE DONE?

- The Records Management Forum (RMF) is the appropriate structure to try and address this matter going forward. NT and PT participation vital.

- Peer learning amongst municipalities and within other spheres can also be an effective means of implementing records management.

- The RMF needs to create a framework for basic records management that can be applied by all Public Sector organisations. RMF parties need to assist with implementation and monitoring.

- Lobbying for professionalization of Records Management officials within the Public Sector

- National RMF in conjunction with Provincial RMFs must develop a training programme at a basic level and with advanced levels and submit proposals for funding to donors
THANK YOU