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RWANDA



Analysis of the Involvement of the District Councils in Ensuring Effective financial Management of District Resources

Final report

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Acknowledgement

Rwanda has in the past years reached great achievements in the fight against corruption. But despite the improvements, audits still show weaknesses in the public financial management. An analysis of the 2011 Auditor General report showed that Districts still have difficulties to submit accurate reports. The decentralization policy in Rwanda gives autonomy to Districts in the management of their resources under the monitoring and surveillance of the District Councils. Guidelines and laws have been put in place to regulate the work of the district councillors, but these regulations are not well implemented. TI-Rw carried out this study to assess the difficulties and lack of implementation and formulate recommendations on how to improve financial management at district level.

The aim of this report is to contribute to the improvement of the District councillors performance to monitor the use of resources at the District level. The District councils are central in the efficient management of the District funds. According to the laws, guidelines and ministerial orders governing the work of councilors, part of their role is to examine and approve the district budgets, examine district financial reports and follow up on the execution of recommendations formulated by both the auditor general and the district auditor. Results show that the irregularities that may occur in the management of Districts funds indicates that the Districts councillors have either ignore that they are the ones to address the issue of lack of Public finance management of the districts or failed to fulfill their duties.

On behalf of Transparency International Rwanda, I would like to express my great appreciation of the financial and technical support received from the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) for the implementation of this project. Having worked closely together for many years, GIZ is one of our most important donors and we have a longstanding partnership. Through our collaboration with the GIZ Decentralization and Good Governance programme, we found it in our mutual interest to further examine the function and role of the councilors in the management of resources in local government structures on district level. The project enabled us to carry out an extensive research and look into the realities on the ground on the district level. The findings of this study will hopefully lead to further collaboration on capacity building initiatives and follow up activities in the local government.

I would like also to express my sincere gratitude to the TI-Rw team, especially Mr. Apollinaire Mupiganyi, the Executive Director, for his efforts to ensure the quality of this research, and Mr. Albert Rwego Kavatiri, the program manager who supervised the research process. My sincere thanks go also to Mr. Révérien Interayamahanga, the lead consultant who played a major role in the elaboration of the report. My special thanks go to the Members of the District councils who agreed to take time from their busy schedules to answer TI-Rw's questions during the survey. Without their cooperation, this survey would not have been possible. Last but not least, I would also like to express my thanks to all TI-Rw partners who contributed to this project as well as the whole research team who helped with this survey.

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Chairperson

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CHAPTER I: INTRODUCTION

1.1. Study background

Since its establishment, the Office of the Auditor General conducts an audit on the management of funds in all state institutions and makes a report that is submitted to the Parliament, but people's interpretations and awareness on such reports prove to be mixed. It is in this framework that, in the second semester of 2012, TI-Rw, with the support of GIZ, undertook a detailed analysis of the reports of the Office of the Auditor General.

The purpose of this analysis was to make available accurate data on specific indicators which will help to regularly monitor the progress (for the best or worst) of the districts in their public finance management. TI-Rw analyzed the reports for the financial year 2011 for all districts. For this purpose, the Auditor General's report was analyzed and summarized in a very simplified way for the public and the districts to understand it easily.

From the weaknesses identified by the analysis, one can wonder about the process of auditing at the district level which intends to improve the outcome of the district financial management. Indeed, there exist ministerial orders and instructions that were developed to direct the government institutions on how to conduct the auditing in their respective institutions. One of those instructions relates to the role of district councils audit committees (a sub-committee embedded in the district council) in local government entities. Other legal clauses provide for the role of district councils in the examining and approving of the district budgets, examining district financial reports, following up the execution of recommendations formulated by both the auditor general and the district auditor, to name but a few. However, there was a paucity of information on whether or not these councils perform their role as it is provided for by the law.

It is against this background that TI-Rw committed to conduct a specific study on the role of district councils in ensuring effective management of the district resources. The present initiative aims to examine whether these councils perform their role as it is provided for by the law, the challenges they encounter and how to overcome them. The overall purpose of the study is to contribute to the reduction of the financial anomalies identified by the auditor general report at the level of the district, by engaging members of the district council in the process of the district financial management.

1.2. Objectives

The overall objective of this study is to investigate the extent to which district councils are involved in the management of district resources. Specifically, the study aims to:

- Examining the awareness of district councilors with regard to the organs in charge of ensuring effective management of district resources;
- Explore the role of councilors in examining and approving the district budget;
- Analyze the role of councilors in examining and approving the district financial report;
- Investigate the role of councilors in examining the district internal audit report;
- Explore the role of councilors in examining the Auditor General's report and enforcing related recommendations or advice;
- Examine councilors' perceptions with regard to councils' effectiveness in fulfilling their duties related to the management of the district resources;
- Identify challenges faced by councilors in their role of ensuring effective management of district resources;
- Formulate operational recommendations to improve councilors' involvement in the management of district resources

1.3. Methodology

This section covers the methodology used to conduct this study. It covers issues such as methods used for data collection, sampling strategy, quality control, ethical considerations and data analysis tools.

1.3.1. Approaches and data collection instruments

This study on the involvement of districts councilors in the management of the district resources was conducted on members of the district councils. The quantitative approach was very largely used, though qualitative one also served usefully. In this regard, data collection methods included a questionnaire, interviews and desk research. A semi-structured questionnaire was administered to district councilors. Data on councilors' role in the management of district resources were collected. In addition, 40 interviews were organized with key informants including chairpersons and secretaries of district councils, executive secretaries of districts, vice-mayors in charge of economic affairs, and district auditors in 10 districts (2 districts per province and Kigali City). As regards to the desk research, it involved the review of existing laws and instructions especially those governing councils, executive committees and audit committees in public institutions. In addition, the desk research has been instrumental in checking relevant documents related to district financial management such district budgets, financial reports, internal audit reports, district council meetings' reports, District council reports on the execution of the budget by District Executive Committee, etc.

1.3.2. Sampling strategy

Respondents were selected randomly from the lists of councilors at the district level. These lists were provided by the council chairperson. Fifteen councilors were selected from 10 districts, which are 2 districts per province and Kigali city. All in all 150 councilors were targeted. However, as shown in the table below, 148 questionnaires were properly completed.

Table 1: Allocation of sample (quantitative survey) per province and district

Province	District	Frequency	Percent
Kigali City	Gasabo	15	10.1%
	Kicukiro	15	10.1%
		30	20.3%
South	Kamonyi	13	8.8%
	Muhanga	15	10.1%
		28	18.9%
East	Bugesera	15	10.1%
	Rwamagana	15	10.1%
		30	20.3%
North	Gicumbi	15	10.1%
	Musanze	15	10.1%
		30	20.3%
West	Ngororero	15	10.1%
	Nyabihu	15	10.1%
		30	20.3%
Total		148	100.0%

1.3.3. Data collection

The data collection was carried out by skilled interviewers and team leaders recruited and trained to this end. The training covered issues such as survey methods, questionnaire structure and content, interviewers/supervisors' responsibilities, as well as survey ethics. Regarding interviews, they were facilitated by researchers (consultants) who have outstanding experience in this area.

- *Pilot Survey*

Before starting the data collection process a “pilot survey” was organized in a sector other than those covered by the actual survey. The pilot survey allowed testing the research tools with regard to the clarity, wording, coherence and consistency of the questions. It also served as an opportunity for interviewers and supervisors to get used to research tools they were to use during the actual survey.

After this stage, research tools and methodology were submitted to an *ad hoc* workshop (including key local government stakeholders, i.e. Rwanda Governance Board, Rwanda Association of Local Government Authorities, GIZ, etc.) for review and validation.

- **Fieldwork supervision**

In a bid to ensure data quality, the data collection activity was supervised by skilled supervisors and team leaders. Supervisors included researchers while team leaders were recruited based on their experience in carrying out such exercises.

1.3.4. Data processing and analysis

For the purpose of data processing, a specific data entry template was designed using Statistical Package for Social Sciences (SPSS). After the data collection, quantitative data was captured by data entry clerks under the supervision of the IT specialist specifically recruited for this task. After the data entry, and data cleaning by the IT specialist, graphs and tables were generated based on the tabulation plan, and the analysis thereafter followed.

1.3.5. Formula used to calculate questions' score

A weighted average mean was used to calculate the questions score which is an average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average as indicated in the formula below:

$$\bar{x} = \frac{\sum_{i=1}^n x_i w_i}{\sum_{i=1}^n w_i}$$

Where $x_1, x_2 \dots x_n$ are quantitative scores (0, 2, 3, 4) and $w_1, w_2 \dots w_n$ are frequency scores corresponding to respective qualitative scores.

1.3.6. Formula used to calculate indicator's score

The first step in the scoring process was to construct a score for each question using the above mentioned formula. As a second step, question scores are aggregated into a score for each sub-indicator. The sub-indicator score was computed as a simple mean of associated question scores (Qscores). The same process is used to calculate the indicator score and the overall score as indicated in the following formula:

$$\text{Sub - Indicator Score } X_i = \frac{\sum Q \text{ Score } X_i}{n}$$

$$\text{Indicator Score } X_i = \frac{\sum SI \text{ Score } X_i}{n}$$

1.3.7. Quality control

For the purpose of data quality control, the following measures were taken:

- ✓ Recruitment of skilled enumerators and supervisors

- ✓ Training of enumerators and supervisors
- ✓ Testing of the questionnaire
- ✓ Approval of inception report by some local government stakeholders
- ✓ Supervision of data collection activity
- ✓ Use of SPSS software for data analysis

1.3.8. Ethical considerations

The following ethical measures were taken into account throughout this study. Interviewees' confidentiality was granted to all respondents. Verbal informed consent, whereby respondents were provided with all the necessary information regarding reasons for the research before they could give their consent, was ensured for all participants in the questionnaire survey.

In addition, research ethics requires objectivity in research design, data collection, analysis and interpretation. An attempt was made to ensure that the whole research process complies with this requirement.

Indicator framework to assess the role of councilors in ensuring effective management of district resources

This indicator framework was designed on the basis of existing law and instructions governing the work of district councils, district executive committees and audit committees in public institutions. It was useful in developing the questionnaire for this study.

Table 2: Indicator Framework

INDICATOR	SUB-INDICATOR
Awareness of councilors with regard to organs in charge of promoting effective management and usage of districts' budget and other resources	Organs in charge of promoting effective management and usage of district budget
	Responsibilities of district councils regarding the effective management and usage of district budget
	Number of times (per year) district councils examine the management of district resources
	Responsibilities of district audit committees
	Duration of the Term of the District Audit Committee
	Number of times (per year) the audit committee submits its report
	Organ to which district audit committee reports
	Requirements for appointment of members of the district audit committee
Role of district councils in approving and monitoring district budget	Proportion of district councilors who received written invitation to the council meeting aimed at examining and approving the district budget over the last 12 months
	Proportion of District councilors who attended a meeting aimed at examining the financial report from the Executive Committee over the last 12 months
	Average number of days before the meeting day that district councilors receive invitation letter and related documents
	Level of independence of district councilors in analyzing and approving the district budget
	Level of impartiality of district councilors in analyzing and approving the district budget
	Level of capacity of district councilors in analyzing and approving the district budget
	Number of times district councilors received written invitation aimed at examining the

	district financial report over the last 12 months
	Number of times mistakes/errors were found by district councilors during the examination of district financial report
	Action taken by district councilors over the mistakes/errors found in the district financial report over the last 12 months
	Whether or not actions/Recommendations from district councils were executed by concerned staff
	Reasons for not having executed all recommendations (if any)
	Level of independence of district councilors in analyzing district financial report
	Level of impartiality of district councilors in analyzing district financial report
	Level of capacity of district councilors in analyzing district financial report
	Challenges met by district councilors in monitoring and evaluating district budget usage
Role of district councils in examining district financial report	Number of times district councilors received written invitation aimed at examining the district financial report over the last 12 months
	Number of times district councilors attended the meetings aimed at examining the district financial report
	Number of times mistakes/errors were found by district councilors during the examination of district financial report
	Action taken by district councilors over the mistakes/errors found in the district financial report over the last 12 months
	Councilors' views on whether or not actions/recommendations from district councils were executed by concerned staff
	Level of independence, impartiality and capacity of district councilors in analyzing district financial report
Role of district councils in examining district financial audit report	Number of times district councilors received written invitation to the meeting aimed at examining the district audit report over the last 12 months
	Number of times district councilors attended the meetings aimed at examining the district financial audit report over the last 12 months
	Number of times mistakes/errors were found by district councilors in the district audit report over the last 12 months
	Recommendations/Actions taken by district councilors in relation to mistakes/errors reported by the district auditor
	Whether or not actions/Recommendations from district councils were executed by concerned staff
	Reasons for not having executed all recommendations (if any)
	Level of independence of district councilors in analyzing district audit report
	Level of impartiality of district councilors in analyzing district audit report
	Level of capacity of district councilors in analyzing district audit report
Challenges met by district counsellors in analyzing district budget usage report	
Role of district councils in analysing and following up the recommendation made by the auditor general on the district	Number of times district councilors received written invitation to a meeting aimed at examining the auditor general report on the district over the last 12 months
	Number of times district councilors attended the meetings aimed at examining auditor general report on the district over the last 12 months
	Number of times mistakes/errors were found by district councilors in the auditor general report on the district over the last 12 months
	Recommendations/Actions from district councilors in relation to mistakes/errors reported

	by the Auditor General
	Whether or not recommendations from auditor general report were executed by the district staff/organs concerned
	Reasons for not having executed all recommendations (if any)
	Level of independence of district councilors in examining the auditor general report on the district
	Level of impartiality of district councilors in examining the auditor general report on the district
	Level of capacity of district councilors in examining the auditor general report on the district
	The average time (in days) district councilors to receive meetings invitation and related useful documents before the meeting day
	Availability of time for district councilors to review received meeting documents
	Level of time sufficiency for district councilors to review received meeting documents
	Challenges met by district councilors in evaluation of the auditor general report on the district
Councilors' perception of effectiveness of district councilors in fulfilling their duties related to effective management and usage of budget and other district resources	Councilors' perception of their effectiveness in fulfilling their (selected) duties

CHAPTER II: PRESENTATION OF KEY FINDINGS

While the preceding chapter focused on the study background, objectives, methodology and indicator framework, the present chapter discusses key results from the survey. It covers key demographics of respondents and findings on the extent to which district councillors are involved in the management of district resources.

2.1. Demographics

Table 3: Distribution of respondents by sex, years of experience as a council member and education level

Variable		Frequency	Percent
Sex	Male	80	54.1%
	Female	68	45.9%
	Total	148	100.0%
Years of experience as district councillors	Less than 2 Years	10	6.8%
	2 Years to 3.9 Years	98	66.2%
	4 Years to 5.9 Years	10	6.8%
	6 Years to 7.9 Years	20	13.5%
	8 Years to 9.9 Years	5	3.4%
	10 and above	5	3.4%
	Total	148	100.0%
Education level	Secondary school	12	8.1%
	Diploma	20	13.5%
	Bachelors degree	95	64.2%
	Masters degree	21	14.2%
	Total	148	100.0%

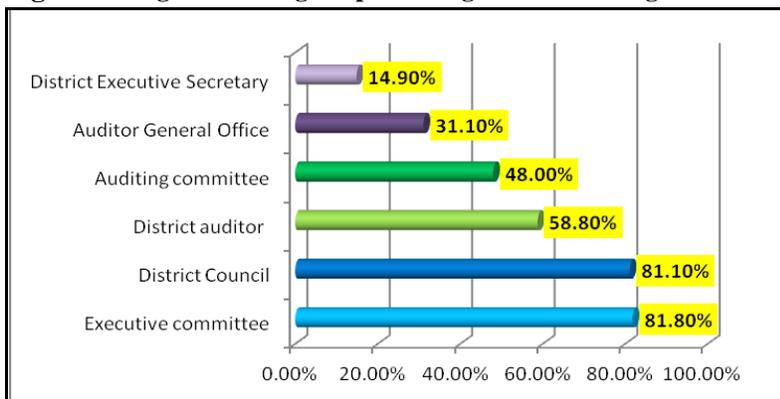
The majority of councillors who were selected to participate in this study were male (54.1% versus 45.9%). These proportions are almost similar to those of councillors countrywide (55.2% male and 44.8% female)¹. With regard to their years of experience with district councils, it emerges from the table above that, cumulatively, around 9 in 10 respondents have spent two years or more in local government as district councillors. One can assume that this period is quite

¹ National Institute of Statistics of Rwanda & Gender Monitoring Office (2013). *National Gender Statistics, 2013*. Kigali

enough for councillors to assess their role in ensuring effective management of district resources. As far as the education level is concerned, the table above suggests that, cumulatively, close to 8 in 10 respondents have at least a bachelor's degree, while secondary school leaving certificate proves to be the lowest qualification for the council members who were interviewed. This suggests that in general members of district councils are quite highly educated.

2.2. Awareness of district councils of organs in charge of promoting effective management and usage of districts' budget and other resources

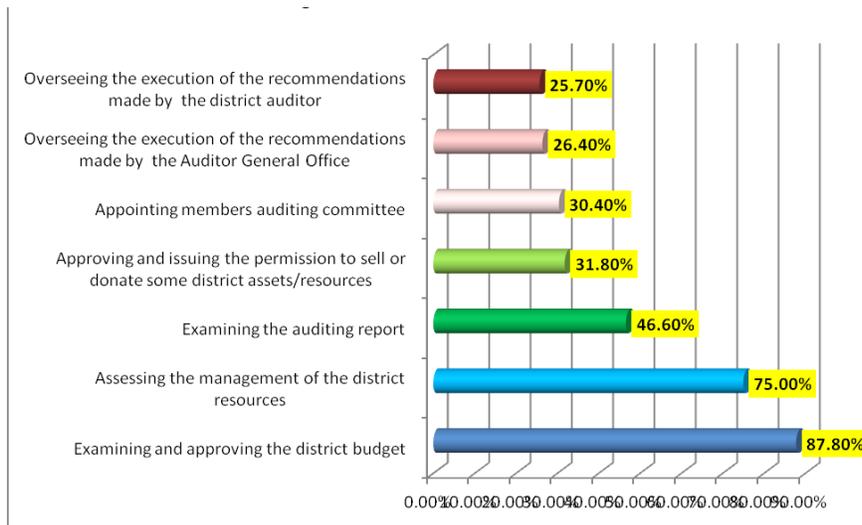
Figure 1. Organs in charge of promoting effective management and usage of district budget



The large majority of respondents (around 8 in 10) is aware of district council and executive committee as key bodies in charge of promoting effective management of the district budget and resources. Other organs or staff which were mentioned by important proportions of respondents include the district auditor, auditing committee, Auditor General Office and the district executive secretary (chief budget officer). Overall, the district council and executive committees emerged as the organs most well known by councillors as the body in charge of promoting district resources management, while the rest of organs/staff (as mentioned above) remain less or poorly known. It emerged from interviews that the Executive Committee remains the most known in this category because its members (mayor and vice-mayors) stand not only as district councillors but also as overall supervisors of the executive secretariat. On the contrary, the executive secretary was the least cited by councillors because he or she plays fully a budget implementation role rather than an accountability one.

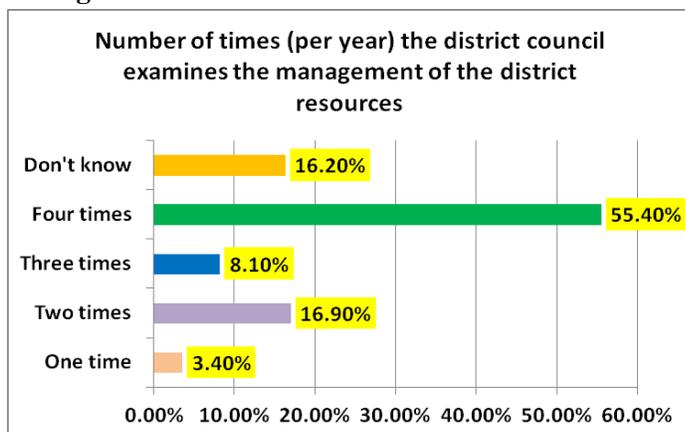
Furthermore, it is worth noting that the audit committee is part of the district council, which may have led some councillors to not mention it as a specific organ meant to contribute to the promotion of effective management of district resources.

Figure 2. Responsibilities of the district council with regard to effective management of the district resources



The survey reveals that only two responsibilities of the district council are well known by the respondents (councilors). These include those related to assessing the management of the district resources (75%) and examining and approving the district budget (87.8%). The data also suggests low proportions (less than 50%) of respondents who are aware of other responsibilities of the district council in relation with the management of the district resources. This proves to be an important gap in terms of knowledge among the councilors.

Figure 3. Councilors' knowledge of number of times (per year) the district council examines the management of the district resources



It emerges from the table above that almost half of the councilors (44.60%) who were interviewed do not know the frequency of the council's meeting to examine the report on the district resources management. This proves surprising in that the large majority of them do attend such meetings regularly. The article 20, al.14 of the law number 07/2006 of 24/02/2006

governing the organization, the structure and the functioning of the district², states that one of the responsibilities of the district council is to “assess the report on the district resources management at least once a quarter”.

Table 4: Responsibilities of District Audit Committee³

	Frequency	Percent (n=141)
Provide advisory assistance to the management of the entity for the betterment of its operational efficiency;	90	63.8%
Considering and reviewing the district financial reports	97	68.8%
Considering and approving the annual action plan proposed by the district auditor	82	58.2%
Considering and reviewing of internal audit and Auditor General’s reports and recommend appropriate actions to be taken in connection with the issues raised and recommendations in those reports	51	36.2%
Follow-up management to ensure the implementation of the agreed recommendations within the agreed timeframe	40	28.4%
Following up the execution of Auditor General’s/district auditor’s recommendations	68	48.2%

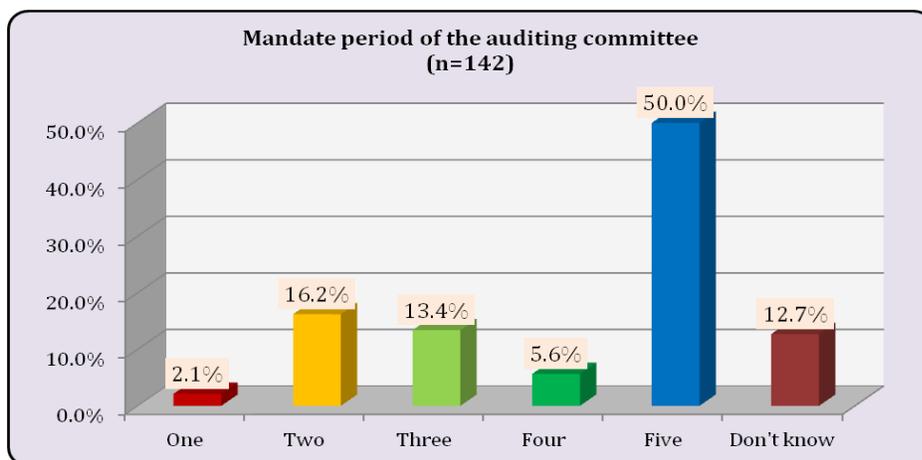
The table above indicates that the majority of councilors (above 58%) knows 3 out of 6 responsibilities of the district audit committee, while those who know other responsibilities remain in small proportions. This result challenges the awareness of councilors with regard to the responsibilities of this committee whose members are appointed by the same councilors. It implies that some of them participate in nominating members without knowing what their mandate is. The data also suggests that the responsibilities related to the consideration and execution of the Auditor General’s recommendations is among the least known. It is worth emphasizing that interviews with key informants revealed that some councilors confuse responsibilities of the audit committee with those of the economic commission council while those responsibilities are very distinctive. Such confusion was interpreted by some interviewees as a result of the novelty of audit committees in local governments (they started being operational in 2011) and insufficient consultation of relevant laws/instructions governing councils and related committees. In the words of a district council permanent secretary,

² Itegeko No 08/2006 ryo kuwa 24/02/ rigena imiterere, imitunganyirize n’imikorere y’Akarere

³ Provided for by the Ministerial Instructions N° 004/09/10/Min of 01/10/2009 for the Establishment of the Audit Committees in Public Entities, Local Government Entities and Autonomous and Semi-Autonomous Public Entities

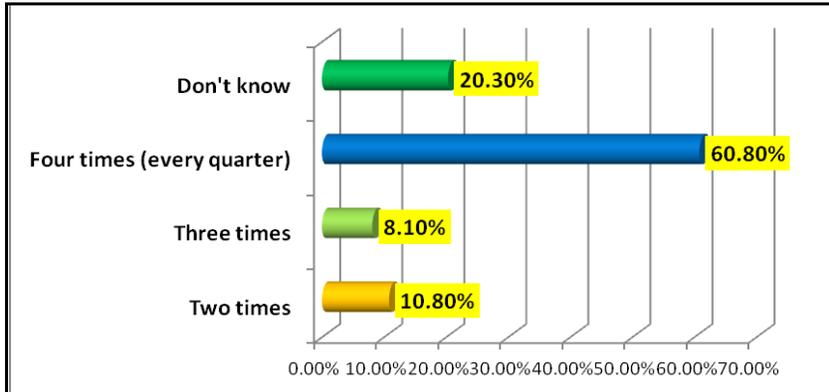
“councilors have full-time contracts with other employers or are running their own business in such a way that some of them do not get enough time to get familiar with laws and other documents/reports governing or relating to their work as councilors in which they serve on a volunteering basis”. This was echoed by a district council chairperson who contended that “the little time that councilors get is generally used to read financial reports at the expenses of immersing themselves in laws/instructions which govern their work as council members”.

Figure 4. Duration of the Term of the District Audit Committee



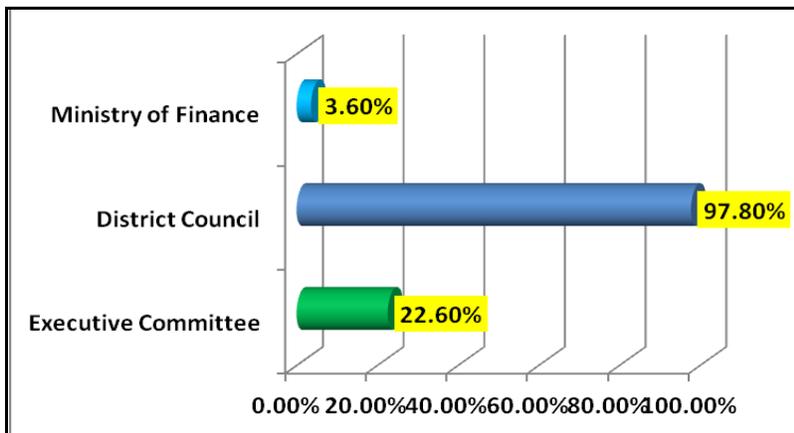
Article 10 of the Ministerial Instructions N° 004/09/10/Min of 01/10/2009 for the establishment of the audit committees in public entities, local government entities and autonomous and semi autonomous public entities states that “members of Audit Committees shall be appointed for a three (3) years term renewable only once”. The data in the figure above shows that close to 9 in 10 respondents ignore this term.

Figure 5. Number of times (per year) the audit committee submits its report



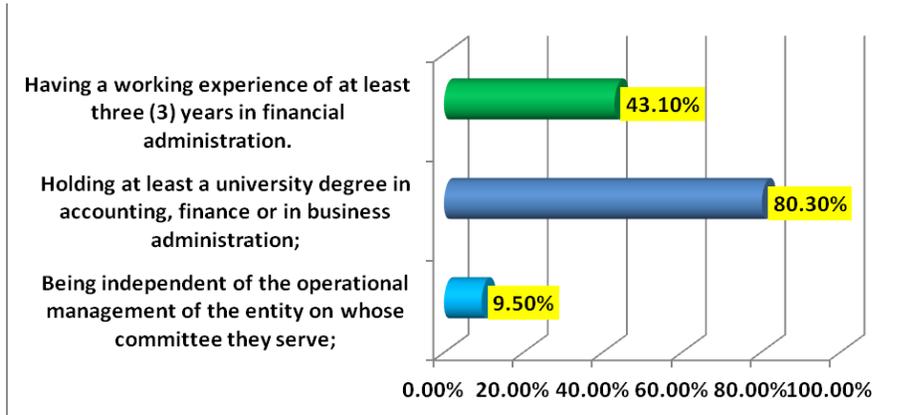
The data suggests that 6 in 10 respondents know the timing for the report submission by the District Audit Committee. Article 14 of the Ministerial Instructions N° 004/09/10/Min of 01/10/2009 for the establishment of the audit committees in public entities, local government entities and autonomous and semi autonomous public entities states that “Audit Committees shall report on a quarterly basis” and that “in local government entities, Audit Committees shall report to the District Councils”. However, close to 4 in 10 respondents ignore this reporting arrangement.

Figure 6. Organ to which district audit committee reports



It emerges from the figure above that nearly all respondents (97.8%) know the organ to which the District Audit Committee submits its reports. However, some respondents add the Executive committee and the Ministry of Finance as recipients of the Committee’s reports, which is not true according to the related Ministerial Instructions. This stands as additional evidence that legal instruments regulating the work of District Councils are not enough understood by councilors and need therefore to be more popularized.

Figure 7. Requirements for appointment of members of the district audit committee

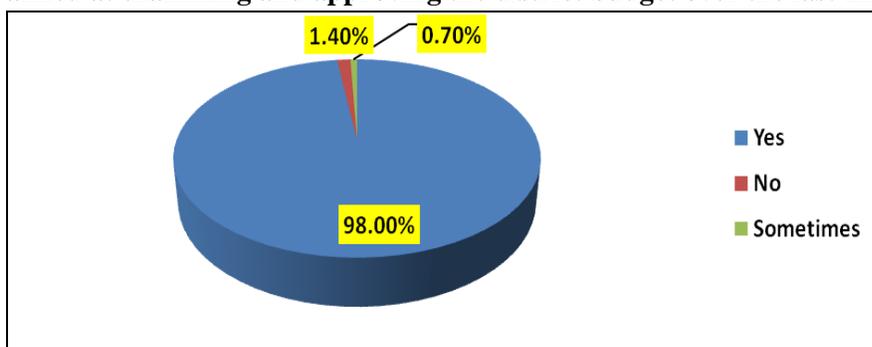


The large majority of respondents are aware of the requirements related to the education background of potential members. However, the data suggests low proportions of respondents with awareness of the other two remaining criteria which involve mainly the working experience and professional compatibility. Once again this result questions the councilors capacity to appoint members of the audit committee, while the majority of them do not know the requirements for such an appointment.

2.3. Role of district council in approving and monitoring district budget

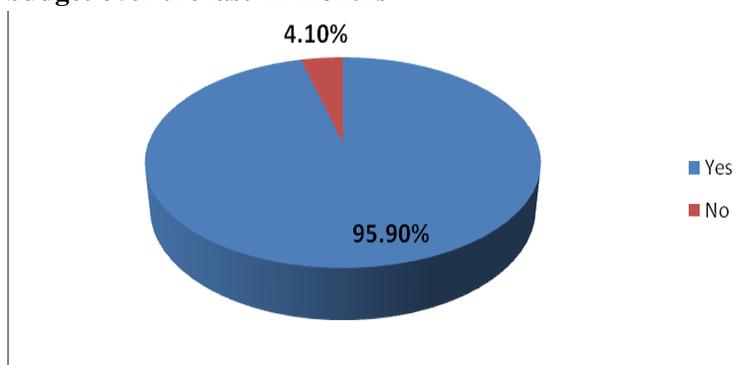
This section examines the extent to which councilors are involved in reviewing and approving the district budget. It mainly focuses on attendance in meetings convened to this end, average time taken to receive invitation and documents related to the budget, level of independence, impartiality and capacity of district councilors in analyzing and approving the district budget.

Figure 8. Proportion of district councilors who received written invitation to the council meeting aimed at examining and approving the district budget over the last 12 months



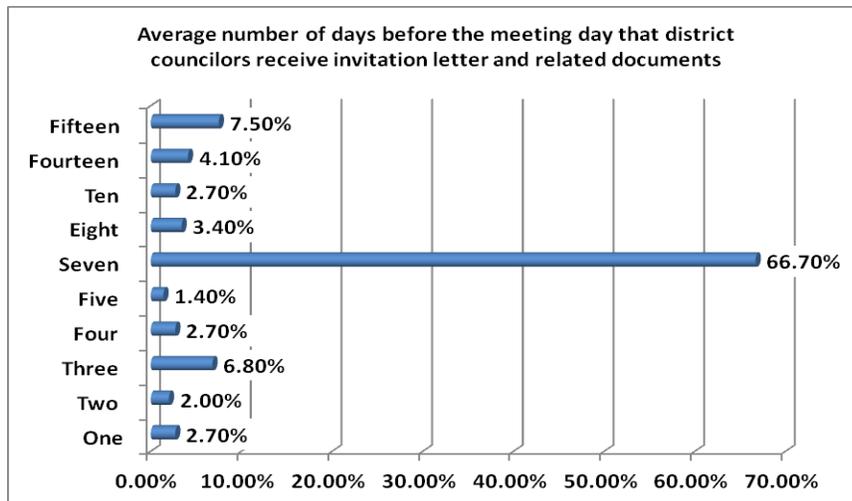
The figure above suggests that nearly all respondents (98%) were invited to a meeting aimed to examine and approving the district budget over the last 12 months. This implies that district councils do take time to fulfill its responsibility as per the related law. The figure below examines the proportion of councilors who attend such meetings.

Figure 9. Proportion of District councilors who attended a meeting aimed at examining the district budget over the last 12 months



The figure above suggests that more than 9 in 10 respondents attended at least a meeting aimed at examining the district budget by the Executive committee over the last 12 months. However, given that such meetings are supposed to be held 4 times a year, this data does not allow assessing whether the attendance is high or not. In any case, the data implies that most of respondents are in a good position to assess the situations discussed in a set of questions below.

Figure 10. Average number of days before the meeting day that district councilors receive invitation letter and related documents



The majority of respondents (close to 7 in 10) suggested that the average time to receive the invitation and related documents for the council meeting is 7 days (one week). This time proves consistent with the art.30 of the law number 07/2006 of 24/02/2006 governing the organization, the structure and the functioning of the district. In addition, around 15% of respondents declared that the average time is longer than 7 days, which is much better if councilors are to have enough time prepared for those meetings. However, almost a similarly sized proportion maintained that less than 7 days prior to the meeting. Although this is a very low proportion, those who receive late invitations are unlikely to have time to go through the documents (including proposed budgets, financial reports, etc.) and provide their contribution in actual meetings.

Table 5: Level of independence, impartiality and capacity of district councilors in analyzing and approving the district budget

	Very high	High	Moderate	Low	Very low	Total	Score
Independence	39	70	28	4	5	146	3.92
	26.7%	47.9%	19.2%	2.7%	3.4%	100.0%	78.4%
Impartiality	40	64	27	11	4	146	3.86
	27.4%	43.8%	18.5%	7.5%	2.7%	100.0%	77.1%
Personal capacity	37	51	48	6	4	146	3.76
	25.3%	34.9%	32.9%	4.1%	2.7%	100.0%	75.2%
Capacity of others councilors	14	50	72	8	2	146	3.45
	9.6%	34.2%	49.3%	5.5%	1.4%	100.0%	69.0%

The table above suggests a high level of independence, impartiality, personal capacity and capacity of other members in examining and approving the district budget. However, the

perceived level of capacity of other members proves slightly lower (69%) than that of respondents (75.2%). The high level of independence and impartiality in fulfilling this duty implies that the interference of other bodies such as the district executive committee or the executive secretary remains very low, and that councilors are not led by sentiments or political affiliation or their relationships with some district leaders or staff members. *Interviews with key informants revealed that the level of councilors' independence has been increasing in the past a couple of years due to the fact that some council members are individuals who do not work or reside in the district where they stand as councilors.* This reduced therefore the likelihood for councilors to feel fearful of members of the district executive committee who may stand as hierarchically superior to the latter councilors. It is likely to increase the level of integrity and professionalism of councilors in fulfilling their role of promoting a proper use of district resources.

As highlighted by a district council chairperson “*our district council used to be comprised of primary and secondary teachers, but since the current mandate of our council [March 2011], there are some members who live in Kigali where they take very high profile positions which make them confident and thus their opinions and attitudes likely to be independent vis-à-vis the members of the district executive committee*”.

Despite this advantage of those councilors with higher positions and working outside their respective districts, to be independent from members of district executive committees, interviews also revealed its side-effect. Due to the fact that these individuals work and live away from the district, they are likely to not get opportunities to be aware of priorities and needs of the population they are meant to represent. In addition, they are likely to be late for council meetings or simply absent as a result of the long distance they have to cover without receiving the refund of transportation cost beyond the legally acceptable amount and the allowances provided for by the district council⁴.

It also emerged from interviews that there has been some improvement in councilors' capacity to assess budget and other management related-issues, especially in urban areas, given that the number of district councilors with a university/higher education degree is increasing following the rise of higher learning institutions in Rwanda. In the same vein, it was revealed by some chairpersons of district councilors that training sessions are sometimes organized by various

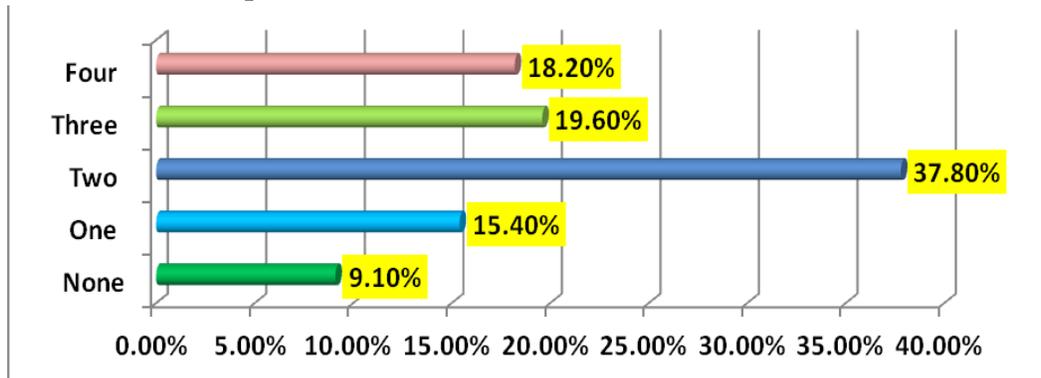
⁴ Iteka rya Minisiriri No 002/07.01 ryo kuwa 15/09/2006 rigena insiburamubyizi n'ibindi bigenerwa abagize inama Njyanama igihe bateranye mu nama (Art. 2,3,4,5,6 and 7).

local government stakeholders including MINALOC, RGB and RALGA, though they emphasized that more trainings are needed.

2.4. Role of district council in examining the district financial report

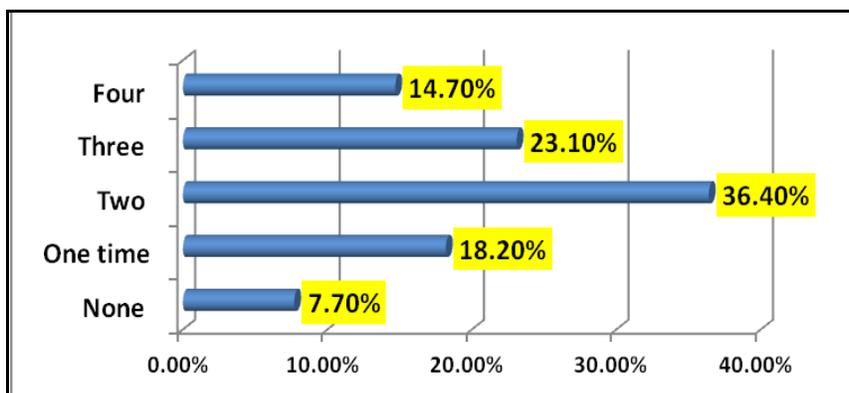
This section examines the extent to which councilors are involved in examining the district financial report. It mainly focuses on attendance in meetings convened to this end, average time taken to receive invitation, frequency of occurrence of mistakes/errors in the management of district resources, actions taken over those mistakes/errors (if any), level of independence, impartiality and capacity of district councilors in analyzing district financial report and related challenges.

Figure 11. Number of times district councilors received written invitation aimed at examining the district financial report over the last 12 months



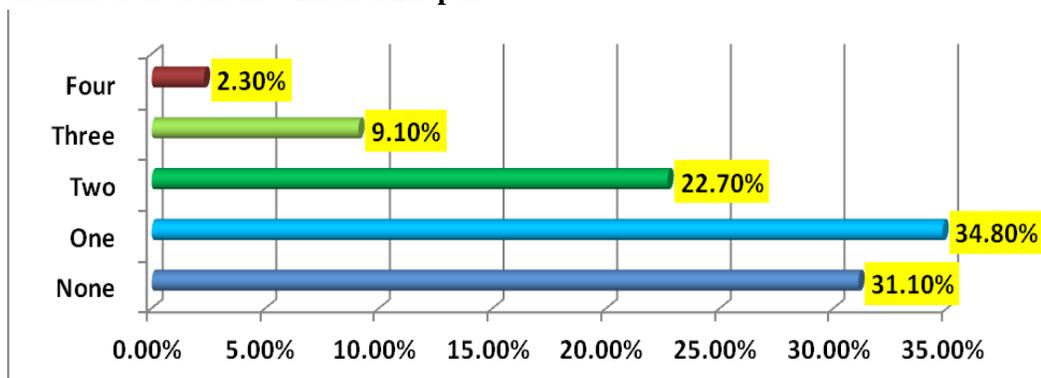
The data suggests very high proportion (9 in 10) of respondents received at least an invitation letter to a meeting aimed at examining the district financial report over the last 12 months. However, if there have been at least 4 meetings of the kind, i.e. at least one per quarter, the data in the figure above would imply that some council members did not receive invitations for those meetings. As shown above, cumulatively, less than 40% of respondents received such invitations at least 3 times out of four. If this result proves true, and in case no other ways are used to invite them, attendance in such meeting is likely to be low and therefore limited to those who received invitation letters as revealed in the figure below.

Figure 12. Number of times district councilors attended the meetings aimed at examining the district financial report



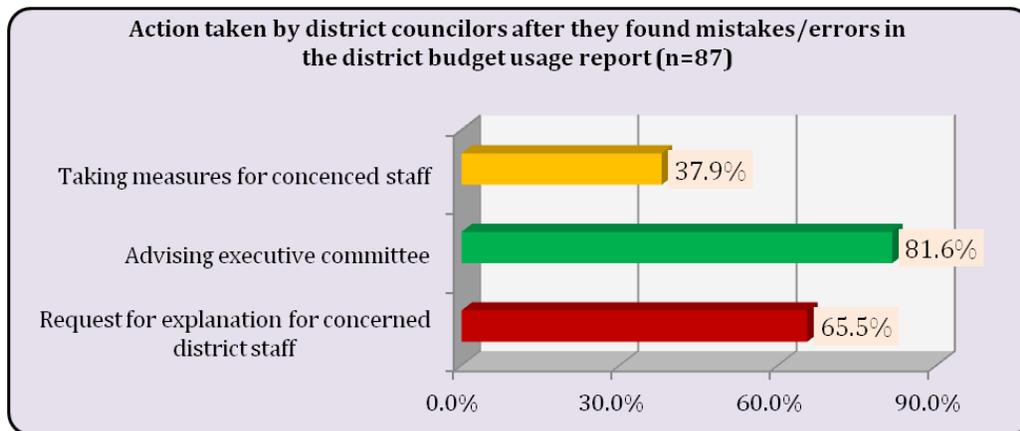
It emerges from this figure that of those who received at least one invitation for a meeting aimed at examining the district financial report, around 9 to 10 attended at least once. However, it also indicates that only less than 40% attended such meetings at least three times out of four. One can therefore argue that the higher the proportion of councilors who receive invitations the higher the proportion of those who actually attend meetings. As a result, financial reports are likely to be approved by a low number of councilors with the risk that some inconsistencies or managerial mistakes may be overlooked or simply ignored.

Figure 13. Number of times mistakes/errors were found by district councilors during the examination of district financial report



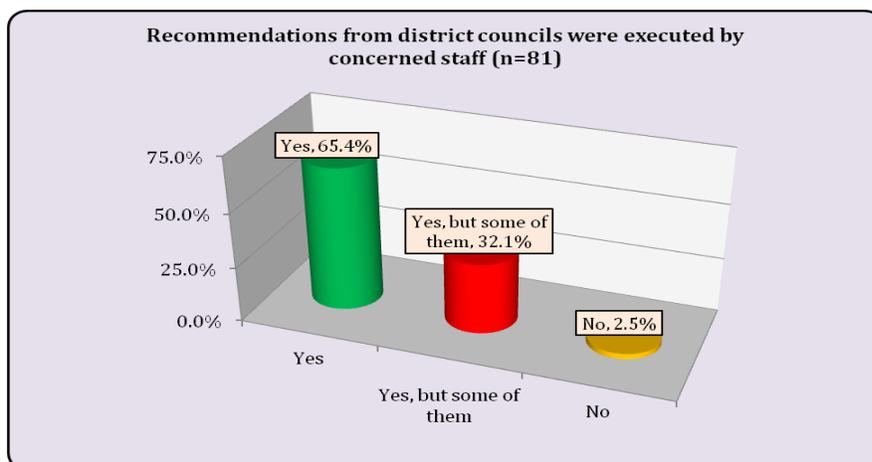
The survey revealed that, cumulatively, close to 7 in 10 respondents examined a district financial report in which mistakes/errors were found at least once over the last 12 months. In the same vein, 34% of respondents found such mistakes/errors at least two times over the same period. However, around 3 in 10 respondents did not notice any mistake in this period. The figure below examines councilors' reactions with regard to those mistakes/errors.

Figure 14. Action taken by district councilors over the mistakes/errors found in the district financial report over the last 12 months



The data suggests that in case of mistakes/errors made in the management of the district resources, the council took various actions assumingly depending on the nature of the mistakes/errors. It also implies that advisory assistance proves the most common action, although disciplinary ones (request for explanation or other sanctions) are also involved.

Figure 15. Councilors' views on whether or not actions/recommendations from district councils were executed by concerned staff



The majority of respondents (65.4%) suggested that recommendations made by the councils were executed while around 3 in 10 consider that only some of those recommendations were implemented. Possible reasons provided by respondents for such failure to take the council's recommendations into account include staff incompetence, avoidance of responsibilities, poor staff capacity (knowledge and skills), budget constraints, etc.

Table 6. Level of independence, impartiality and capacity of district councilors in analyzing district financial report

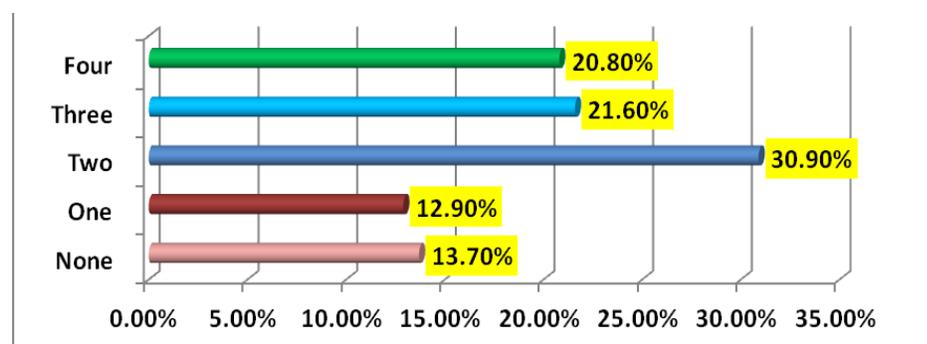
	Very high	High	Moderate	Low	Very low	Total	Score
Independence	40	61	28	10	3	142	3.88
	28.2%	43.0%	19.7%	7.0%	2.1%	100.0%	77.6%
Impartiality	39	60	31	12	1	143	3.87
	27.3%	42.0%	21.7%	8.4%	0.7%	100.0%	77.3%
Personal Capacity	29	58	44	11	1	143	3.72
	20.3%	40.6%	30.8%	7.7%	0.7%	100.0%	74.4%
Capacity of other councilors	15	53	62	11	2	143	3.48
	10.5%	37.1%	43.4%	7.7%	1.4%	100.0%	69.5%

The data in the table above suggests high levels (close to 70% or above) of independence, impartiality, personal capacity and capacity of other councilors in reviewing the district financial report. Similar for the capacity to examine the district budget, the above data indicates that respondents perceive their capacities to review the financial report as slightly higher than those of their peers. The data therefore implies that councilors, to a big extent freely review, the district financial reports submitted by the executive committee, that is without significant interference of the latter committee. However, some related challenges were revealed by councilors and include poor ability/knowledge of some councilors in reviewing financial reports, insufficient time to go thoroughly through the reports (some reports are submitted even on the same day of the meeting or one day before, some cases of misunderstanding/conflicts between district executive committees and councils, some councilors who, initially work under mayor's direct or indirect or supervision (working in local government sectors such as education, health, etc.) and therefore do not feel comfortable to challenge the financial report if need be, poor knowledge among some councilors) of laws and instructions governing local governments, especially those related to councils and executive committees, to name but a few.

2.5. Role of district councilors in examining district financial audit report

This section examines the extent to which councilors are involved in examining the district financial audit report. It mainly covers aspects such as attendance in meetings convened to this end, frequency of occurrence of mistakes/errors reported by the auditor, actions taken by councils in case of managerial mistakes, level of independence, impartiality and capacity of district councilors in analyzing and taking actions over mistakes/abnormalities reported by the auditor, the extent to which actions/recommendations taken are enforced, and related challenges.

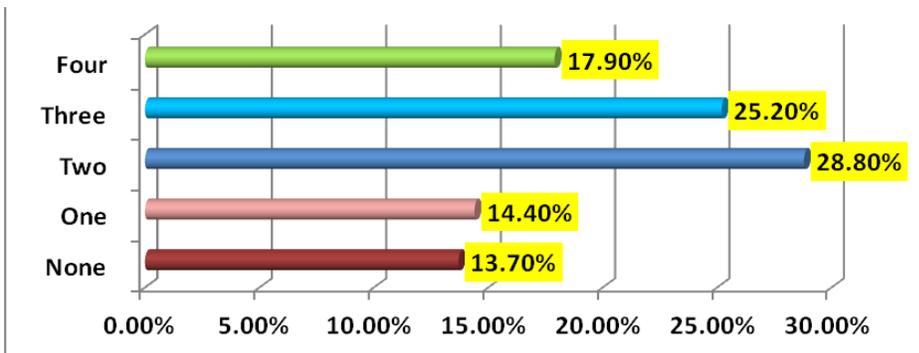
Figure 16. Number of times district councilors received written invitation to the meeting aimed at examining the district audit report over the last 12 months



The data suggests that, cumulatively, close to 9 in 10 respondents received an invitation for the council meeting whose agenda included among other things the examination of the district audit report over the last 12 months. Around 7 in 10 received such an invitation at least twice. However, only around 4 in 10 respondents received those invitations at least three times. This result proves surprising to some extent given that meetings with that agenda are supposed to be held on a quarterly basis. It emerged from interviews with key informants that in many cases, invitations are sent by the Council's permanent secretary to the executive secretaries of sectors who are in charge of sending them to respective councilors through cells' executive secretaries.

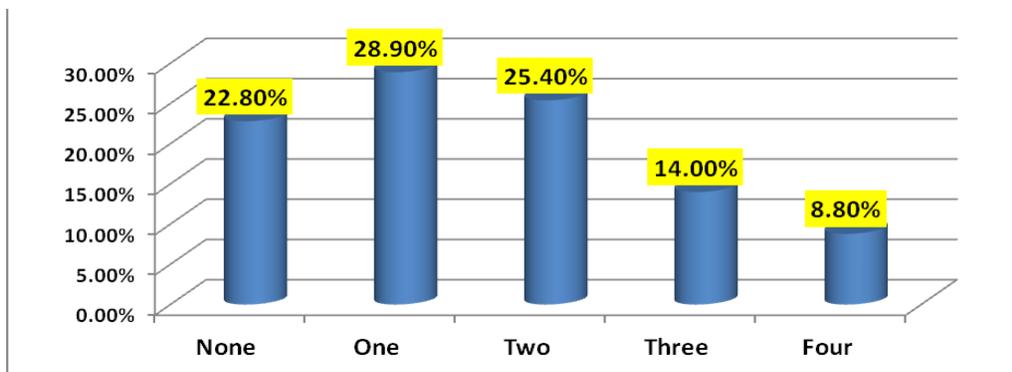
Additionally, emails (group emails , especially in urban districts) and phone calls are used. It was also noted that in an attempt to ease the councilors' work and communication, some districts (e.g. Gasabo District) and district councilors were provided with laptops. However, interviews revealed that it happens that some councilors do not receive invitations in time due to the delays encountered in the line of communication from the council permanent secretary to councilors through the sector and cell executive secretaries, especially in areas where councilors do not access internet easily. This was also corroborated by one rural district vice-mayor who maintained that it happens that some councilors attend the council meeting without having received a written invitation letter; arguing that they were only invited through phone calls or short messages. The figure below examines the attendance issue.

Figure 17. Number of times district councilors attended the meetings aimed at examining the district financial audit report over the last 12 months



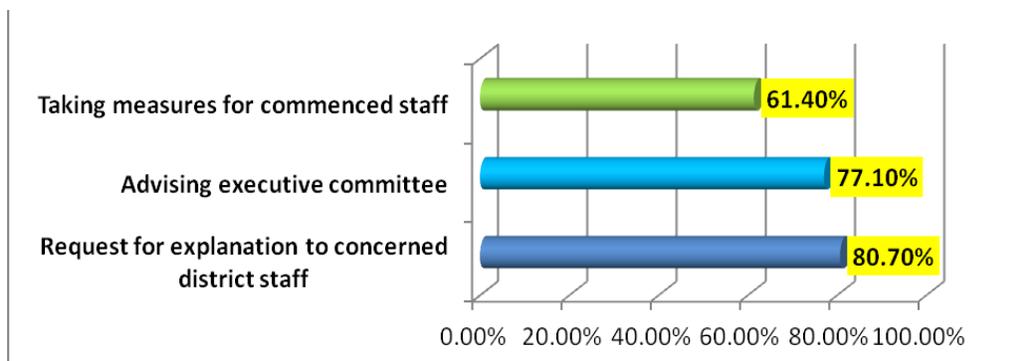
It emerges from the figure above that, cumulatively, around 7 in 10 respondents attended meetings aimed at examining the district audit report at least twice over the last 12 months. Alternatively, only around 4 in 10 respondents, cumulatively, attended such meetings at least three times. This result implies that sometimes such reports are examined by less than half of councilors. One can argue that the audit report scrutiny is likely to be restricted if significant proportions of members are absent in these meetings. This is in line with the data in the previous figure whereby important proportions of respondents claimed that they did not receive written invitations to meetings aimed at analyzing district audit reports. Councilors would hardly attend meetings if they were not invited.

Figure 20. Number of times mistakes/errors were found by district councilors in the district audit report over the last 12 months



The data suggests an important proportion (48%) of respondents (among those who attended a meeting aimed at examining the district audit report) attended two council meetings in which mistakes/errors were reported by district audit statements. This result implies that mistakes/errors in the district resources management are relatively common. The following figure illustrates actions taken by councils in case of such mistakes/errors.

Figure 21. Recommendations/Actions taken by district councilors in relation to mistakes/errors reported by the district auditor



The figure above reveals that district councils take various actions in relation to mistakes/errors reported by the district auditors in the management of district resources. Request for explanations and advisory assistance prove to be most important reactions from councils while severe sanctions are less common as implied by the same figure. The extent to which recommendations made by councils are taken into account by relevant staff or district managers is examined in the figure below.

Figure 22. Whether or not actions/Recommendations from district councils were executed by concerned staff



As shown in the figure above, close to 6 in 10 respondents declared that recommendations made by councilors on mistakes/errors reported by the district auditors were implemented by the concerned staff. However, only some of those recommendations were taken into account as noted by close to 4 of 10 respondents. Based on this result, there are some good reasons to believe that not all recommendations made by district councils are implemented by concerned organs or staff. Some reasons for not taking them into account were examined. Major reasons include poor follow-up by some members of the executive committees, too much workload for some district staff members, cases of complicity in management mistakes which sometimes

hinder the consideration of councils' recommendations, negative solidarity among some district staff, etc.

Table 7. Level of independence, impartiality and capacity of district councils in analyzing district audit report

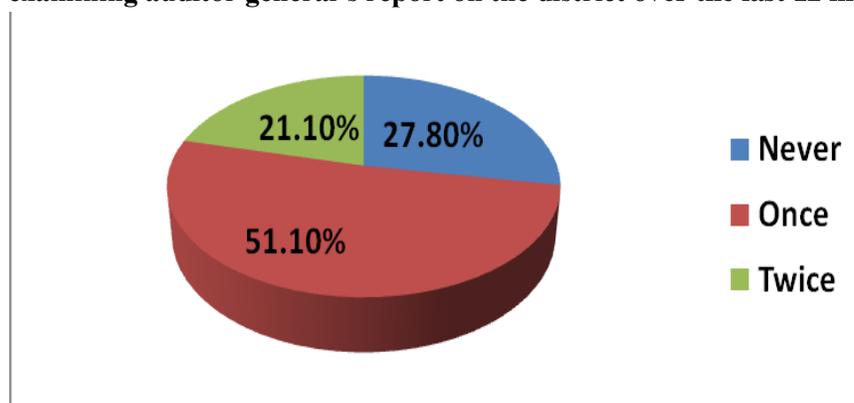
	Very high	High	Moderate	Low	Very low	Total	Score
Independence	37	72	20	6	3	138	3.97
	26.8%	52.2%	14.5%	4.3%	2.2%	100.0%	79.4%
Impartiality/fairness	39	61	26	9	4	139	3.88
	28.1%	43.9%	18.7%	6.5%	2.9%	100.0%	77.6%
Personal Capacity	32	58	39	10	1	140	3.79
	22.9%	41.4%	27.9%	7.1%	0.7%	100.0%	75.7%
Capacity of other councilors	15	53	61	9	1	139	3.52
	10.8%	38.1%	43.9%	6.5%	0.7%	100.0%	70.4%

The levels of independence, fairness and capacities of councilors to examine district audit reports prove to be almost similar (high) to those discussed under the sections on councilors' role in analyzing district budget and district financial reports. However, some challenges were also identified by councilors. They mainly include the fact that some councilors work in institutions that are under the district/mayor's supervision and that they therefore find themselves powerless when it comes to challenging members of the executive committees or some staff of the district for example. Other challenges consist in poor intellectual abilities of some council members with regard to financial management and audit issues; poor knowledge of some councilors in relation to laws/instructions governing the management of district resources, budgeting and audit process, audit reports submitted late to councilors compared with the councils' meeting dates, complicity or sentiments among some councilors, some councilors live far away from their respective districts, etc.

2.6. Role of district councilors in analyzing and following up the recommendation made by the Auditor General on the district

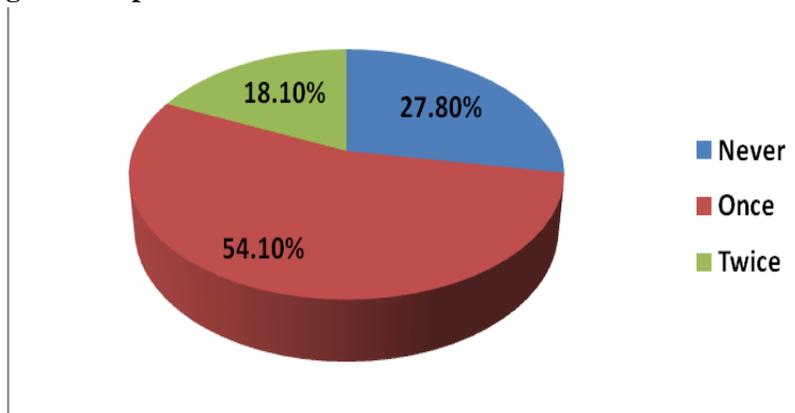
This section examines the extent to which councilors are involved in analyzing and following up the recommendation made by the Auditor General to the district. The emphasis is put on aspects such as attendance in meeting convened to this end, frequency of occurrence of mistakes/errors reported by the auditor general, actions taken by councils in case of managerial mistakes, level of independence, impartiality and capacity of district councilors in analyzing and taking actions over mistakes/abnormalities reported by the auditor general, the extent to which actions/recommendations are enforced, and related challenges.

Figure 18. Number of times district councilors received a written invitation to a meeting aimed at examining auditor general's report on the district over the last 12 months



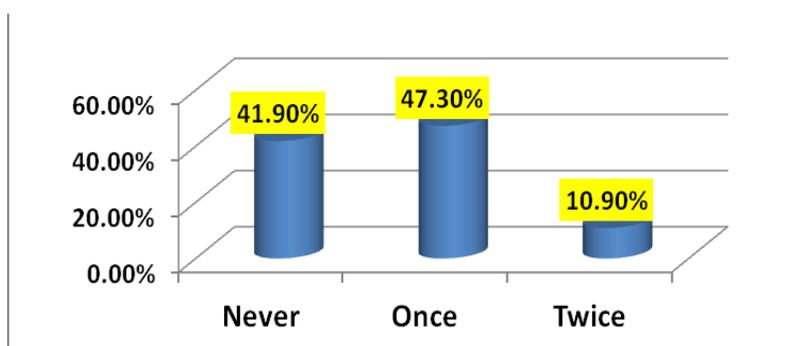
The data in the figure above suggests that the majority of respondents (72.2% cumulatively) received the invitation at least once, while close to 3 of 10 did not receive any invitation to a meeting aimed at examining the auditor general's report on the district over the last 12 months. Normally the auditor general's report is released once a year. Those who received such invitations twice include those who examined that report in a council's commission (such meetings are held on a monthly basis), but also attended the council general meeting (held on a quarterly basis). Based on interviews with key informants, the proportion of those who did not receive a written invitation includes those who did not receive any invitation at all and those who received invitations via emails and/or phone calls. The figure below examines the proportions of respondents who received invitations and attended such a meeting.

Figure 19. Number of times district councilors attended the meetings aimed at examining auditor general report on the district over the last 12 months



As shown in this figure, all respondents who received invitations to a meeting aimed at examining the auditor general’s report on the district did actually attend at least one meeting. The proportion of those who did not receive a written invitation (see the preceding table) looks similar to that of those who did not attend at all. Again, as highlighted by key informants, those who attended twice included those who participated in both the council’s commission to analyze the report and the general council’s meeting with the same purpose. However, some interviewees claimed that they personally never received the auditor general’s report. This hinders a thorough examination of this report by councilors who rely solely, in such a case, on a list of auditor general’s recommendations that they receive from the executive committee. This was also confirmed by one council chairperson who stated that he never received such reports.

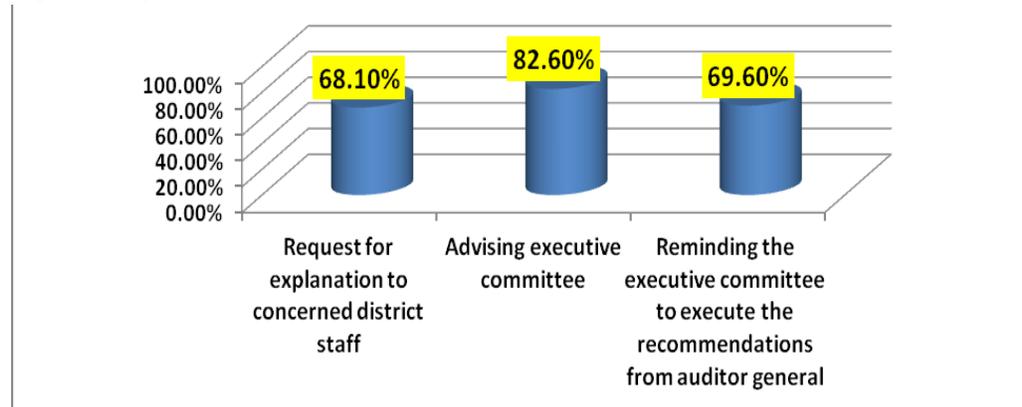
Figure 20. Number of times managerial mistakes/errors were reported in the auditor general’s report examined by district councilors over the last 12 months



The data in the above figure suggests that close to 6 in 10 respondents participated in councils’ meeting examining auditor general’s report which reported cases of mismanagement. Although the data covers only one year, it proves indicative as far as the magnitude of financial management mistakes/errors committed by district staff is concerned. One should note that councilors who declared that they examined the auditor general’s report in which managerial

mistakes were found twice include those who are members of the economic commission council (which convenes on a monthly basis) and who also attended the quarterly council meeting. It is worth highlighting that though some councils did not mention any case of managerial mistakes/errors the report by the Auditor General office, the analysis done by Transparency International Rwanda on the Auditor General’s report (2011) revealed that such posting errors were found in all districts⁵.

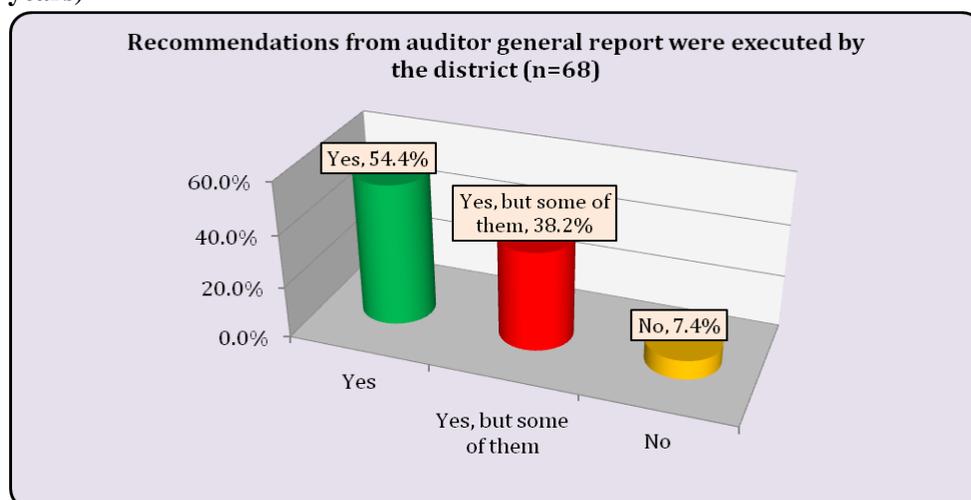
Figure 21. Recommendations/Actions from district councilors in relation to mistakes/errors reported by the Auditor General



It emerges from this figure that district councils also examines the Auditor General’s reports on respective districts and take a number of actions. They include the provision of advisory assistance to executive committees and reminding them to implement the Auditor General’s recommendations. Advisory action proves most common given that the role of councils in relation to the Auditor General’s recommendations consist in facilitating their execution rather than reacting or providing comments on them. In addition, explanations are requested from implicated staff. The data also suggest that all three actions are sometimes concurrently taken by the councils.

⁵ TI-Rwanda, Analysis of the Auditor General Report of the Districts for the financial Year ended 30 June 2011

Figure 22. Councilors' views on whether or not recommendations from auditor general report were executed by the district staff/organs concerned (check the AG report on districts over consecutive years)



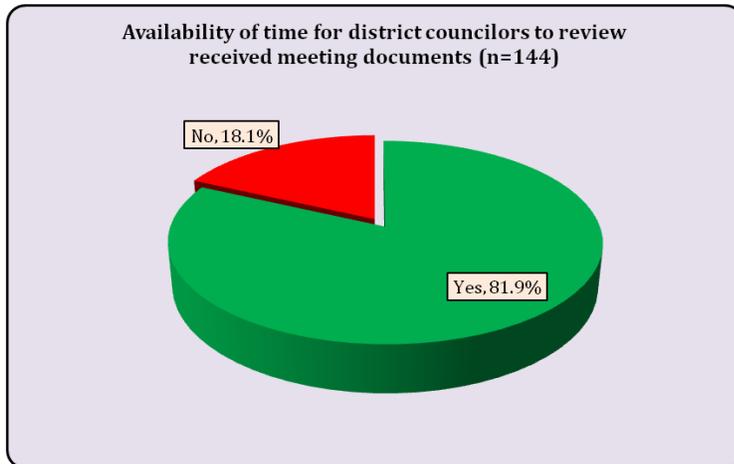
As shown in the figure above, around a half of respondents who examined auditor general's statements reporting mistakes/errors in the management of district resources, declared that Auditor General's recommendations were taken into account. However, close to 4 in 10 respondents in this category claimed that only some of the recommendations were implemented, while 7.4% said they were not implemented at all. The study also examined reasons for the failure to take into account some of the auditor general's recommendations. Major reasons mentioned by councilors include the feeling that some recommendations are contrary to the law, poor capacity for some executive staff, negligence, etc.

Table 5: Level of independence, impartiality and capacity of district councilors in examining the auditor general report on the district

	Very high	High	Moderate	Low	Very low	Total	Score
Independence	37	59	11	5	7	119	3.96
	31.1%	49.6%	9.2%	4.2%	5.9%	100.0%	79.2%
Impartiality/fairness	36	54	16	11	3	120	3.91
	30.0%	45.0%	13.3%	9.2%	2.5%	100.0%	78.2%
Personal Capacity	28	52	32	5	5	122	3.76
	23.0%	42.6%	26.2%	4.1%	4.1%	100.0%	75.2%
Capacity of other councilors	12	47	53	9	2	123	3.47
	9.8%	38.2%	43.1%	7.3%	1.6%	100.0%	69.4%

The table above shows high levels of independence, fairness and capacities of councilors in examining the Auditor General’s reports on respective districts. As for previous reports examined above, respondents (councilors) deem their capacities higher than those of their peers.

Figure 23. Availability of time for district councilors to review received meeting documents



It emerges from this figure that around 8 in 10 respondents have some time to go through councils meeting documents sent with invitations. However, close to 2 in 10 state that they do not have time to review those documents. As mentioned in the previous section, the minimum delay for both invitations and related documents to be available to the councilors is 7 days prior the meeting day. How sufficient do councils perceive this time to be? This question is examined below.

Table 6. Level of time sufficiency for district councilors to review received meeting documents

	Very sufficient	Sufficient	Somewhat sufficient	Insufficient	Very insufficient	Total	Score
Sufficiency of available time for district councilors to review received meeting documents	6 4.6%	66 50.4%	21 16.0%	29 22.1%	9 6.9%	131 100.0%	3.24 64.7%

As shown in this table, the level of sufficiency of the time that councilors have to review meeting related documents reaches 64.7%. This level proves fairly high. The analysis of the average time in which councilors receive invitation is 7 days as revealed by the majority of

respondents as highlighted above. This therefore calls for longer time (more than a week in advance) to send invitations and related documents to give councilors more time to get prepared for such meetings and eventually provide relevant inputs. Interviews with key councils' chairpersons revealed that some councilors do not get enough time to go through the documents to be examined in their meetings. Major factors explaining such time insufficiency include the fact that the majority of these councilors are employed elsewhere (salary based jobs) while the council's work is done on a volunteering basis; that is to say that much of their attention and time are allocated to the work which provides them with income. Another main reason resides in the fact that such documents are either sent to councilors late or are simply distributed on the meeting day (on the spot).

2.7. Effectiveness of district councils in fulfilling their duties related to effective management and usage of budget and other district resources

This section analyses the perception of councilors with regard to the councils' effectiveness in fulfilling their duties related to ensuring effective management of the district resources and the extent to which councilors are involved in analyzing and following up on the recommendation made by the Auditor General to the district. The emphasis is put on duties such as examining and approving the district budget, overseeing the management of the district resources, examining the district audit report, appointing members of the audit committee, following up on the implementation of the Auditor General's recommendations, and following up on the implementation of the district auditor's recommendations.

Table 7. Councilors' perception of their effectiveness in fulfilling their (selected) duties

	Very poor	Poor	Fair	Good	Very good	Total	Score
Examining and approving the district budget	1	2	30	64	50	147	4.09
	0.7%	1.4%	20.4%	43.5%	34.0%	100.0%	81.8%
Overseeing the management of the district resources	2	3	48	66	26	145	3.77
	1.4%	2.1%	33.1%	45.5%	17.9%	100.0%	75.3%
Examining the district audit report	4	6	32	68	33	143	3.84
	2.8%	4.2%	22.4%	47.6%	23.1%	100.0%	76.8%
Appointing members of the audit committee	3	1	9	55	71	139	4.37
	2.2%	0.7%	6.5%	39.6%	51.1%	100.0%	87.3%
Following up the implementation of the Auditor General's recommendations	6	8	29	61	23	127	3.69
	4.7%	6.3%	22.8%	48.0%	18.1%	100.0%	73.7%
Following up the implementation of the district auditor's recommendations	4	4	28	67	38	141	3.93
	2.8%	2.8%	19.9%	47.5%	27.0%	100.0%	78.6%

The table above suggests very high levels of perceived effectiveness of district councils in appointing members of the audit committee (87.3%), and examining and approving the district budget (81.8%). This proves somewhat surprising if one considers the relatively low level of awareness of councilors about the audit committee's structure (responsibilities, term duration, requirements for appointment, etc.) As far as other selected duties are concerned, levels of effectiveness stand high. It emerged from interviews with key informants including some district vice mayors and executive secretaries that they were very satisfied with the job done by district councils in relation to the duties shown in the table above.

2.8. Challenges met by district councils in fulfilling their duties related to ensuring effective management of district resources.

The following emerged as major challenges faced by members of district councils in fulfilling their duties related to ensuring effective management of district resources.

- Poor ability/knowledge of some councilors in reviewing financial reports;
- insufficient time for councilors to thoroughly review the reports (some reports are submitted in the morning the same day of the meeting or one day before);
- some cases of misunderstanding/conflicts between district executive committees and councils;
- some councilors who, work under the mayor's direct or indirect or supervision (working in local government sectors such as education, health, etc.) and therefore do not feel comfortable to challenge the financial report if need be;
- poor knowledge among some councilors) of laws and instructions governing local governments, especially those related to councils and executive committees;
- They mainly include the fact that some councilors work in institutions that are under the district/mayor's supervision and that they therefore find themselves powerless when it comes for example to challenge members of the executive committees or some staff of the district;
- poor intellectual abilities of some council members with regard to financial management and audit issues;
- poor knowledge of some councilors in relation to laws/instructions governing the management of district resources, budgeting and audit process;
- Audit reports submitted late to councilors compared to the councils' meeting date;
- Complicity with or sentiments of some councilors vis-à-vis some members of the executive committees or some district staff;
- Some councilors reside far away from their respective districts and sometimes do not attend councils' meetings and do not have time to learn about priorities of the population they represent.
- Challenges in implementing recommendations from internal auditor and auditor general reports: interviews with key informants revealed that the implementation of some of these recommendations proves difficult facing the barrier of the fact that some local government stakeholders such as National Police and the Judiciary have their own mechanisms of handling problems. This therefore makes the Executive committee and local government staff powerless, and thus obliged to wait for the decision coming from those stakeholders.

CHAPTER III: CONCLUSION AND RECOMMENDATIONS

This section is focused on the role of councils in ensuring effective management of district resources. Specifically, it aimed at:

- Examining the awareness of district councilors with regard to the organs in charge of ensuring effective management of district resources;
- Exploring the role of councilors in examining and approving the district budget;
- Analyzing the role of councilors in examining and approving the district financial report;
- Investigating the role of councilors in examining the district audit report;
- Exploring the role of councilors in examining the Auditor General's report and enforcing related recommendations or advice;
- Examining councilors' perceptions with regard to councils' effectiveness in fulfilling their duties related to the management of the district resources;
- Identifying challenges faced by councilors in their role of ensuring effective management of district resources;
- Formulating operational recommendations to improve councilors' involvement in the management of district resources

This study relied largely on a quantitative research approach through a semi-structured questionnaire administered to district councilors in 10 districts, i.e. 2 districts per province and Kigali City. A sample of 150 councilors was randomly selected on the basis of the lists of councilors in each district. In addition, a qualitative approach was used to complement the latter, which involved both a desk research and interviews with some key informants including chairpersons and secretaries of district councils, executive secretaries of districts, vice-mayors in charge of economic affairs, and district auditors .

The following emerged as key findings:

Regarding the awareness of district councils and organs in charge of promoting effective management and usage of districts' budget and other resources, the study suggested that important proportions of councilors are without relevant knowledge about some aspects of the said organs. For example nearly a half of councilors (44.60%) who were interviewed do not know the frequency of the council's meeting to examine the report on the district resources management. Furthermore, the majority of councilors (58% and above) know 3 out of 6 responsibilities of the district audit committee, while those who know other responsibilities remain in small proportions. In the same vein, close to 9 in 10 respondents are not aware of the

duration of the term for the audit committee. Moreover, in relation to requirements for the appointment as member of audit committee, the large majority of respondents are aware of the requirement related to the education background of potential members, with low proportions of respondents with awareness of the other two remaining criteria which involve mainly the working experience and professional compatibility.

With regard to the extent to which councilors are involved in reviewing and approving the district budget, the study indicated that around 9 in 10 respondents attended at least one meeting aimed at examining the district budget by the Executive committee over the last 12 months. The majority of them (close to 7 in 10) suggested that the average time to receive the invitation and related documents for the council meeting is 7 days (one week). This time proves consistent with the art.30 of the law number 07/2006 of 24/02/2006 governing the organization, the structure and the functioning of the district. The study also revealed a high level of perceived independence, impartiality, personal capacity and capacity of other members in examining and approving the district budget. However, the perceived level of capacity of other members proves slightly lower (69%) than that of respondents (75.2%).

The study also examined the role of the district council in approving and examining the district financial report. The data suggested a very high proportion (9 in 10) of respondents who received at least one invitation letter for a meeting aimed at examining the district financial report over the last 12 months. However, if there had been at least 4 meetings of the kind, i.e. at least one per quarter, the data in the figure above would imply that some council members did not receive invitations for those meetings. Moreover, of those who received at least one invitation for a meeting aimed at examining the district financial report, around 9 to 10 councilors attended at least once. However, it also indicates that only less than 40% attended such meetings at least three times out of four.

The survey revealed that, cumulatively, close to 7 in 10 respondents participated in a meeting that examined a district financial report in which management mistakes/errors were found at least once over the last 12 months. In the same vein, 34% of respondents found such mistakes/errors at least two times over the same period. However, around 3 in 10 respondents did not notice any mistake in this period. It also indicated that in case of mistakes/errors found in the management of the district resources, the council had taken various actions assumingly depending on the nature of the mistakes/errors; which also implies that advisory assistance proves the most common action, although disciplinary ones (request for explanation or other sanctions) were also applied.

When it comes to the consideration of recommendations made by councils, it emerged from this study that the majority of respondents (65.4%) suggested that recommendations made by the councils were implemented while around 3 in 10 are of the opinion that only some of those

recommendations were implemented. Possible reasons provided by respondents for such failure to consider the council's recommendations include staff incompetence, avoidance of responsibilities, poor staff capacity (knowledge and skills), budget constraints, etc.

Furthermore, the survey revealed high levels (close to 70% or above) of independence, impartiality, personal capacity and capacity of other councilors in reviewing the district financial report. Similar to the capacity to examine the district budget, the above data indicates that respondents perceive their capacities to review the financial report as slightly higher than those of their peers.

As regards the role of district councilors in examining district financial audit report, the survey showed that, cumulatively, close to 9 in 10 respondents received an invitation for the council meeting whose agenda included among other things the examination of the district audit report over the last 12 months. Around 7 in 10 received such an invitation at least twice. However, only around 4 in 10 respondents received those invitations at least three times. This result proves surprising to some extent given that meetings with this agenda are supposed to be held on a quarterly basis.

It also emerged that, cumulatively, around 7 in 10 respondents attended meetings aimed at examining the district audit report at least twice over the last 12 months. Additionally, only around 4 in 10 respondents, cumulatively, attended such meetings at least three times. This result implies that sometimes such reports are examined by less than half of councilors. The data further implies that mistakes/errors in the district resources management are relatively common given that a significant proportion (48%) of respondents (among those who attended a meeting aimed at examining the district audit report) who attended at least two council meetings in which mistakes/errors were reported by district audit statements.

As regards actions taken by councils in relation to those mistakes/errors, the study indicated that request for explanations and advisory assistance prove to be most common reactions from councils while severe sanctions are less common. Close to 6 in 10 respondents stated that recommendations made by councilors on mistakes/errors reported by the district auditors were implemented by the concerned staff. Some reasons for not taking them into account include poor follow-up by some members of the executive committees, too much workload for some district staff members, cases of complicity in management mistakes which sometimes hinder the consideration of councils' recommendations, negative solidarity among some district staff, etc.

In addition, the study explored the role of district councilors in analyzing and following-up on the recommendation made by the Auditor General to the district. It turned out that district councils also examine the Auditor General's reports on respective districts and take a number of actions. Such actions include the provision of advisory assistance to executive committees and reminding them to implement the Auditor General's recommendations. Advisory action proves

the most common measure given that the role of councils in relation to the Auditor General's recommendations consists in facilitating their implementation rather than reacting or providing comments on them. In addition, explanations are requested from implicated staff.

The study also suggested that around half of the respondents who examined the Auditor General's statements and reported mistakes/errors in the management of district resources, stated that the Auditor General's recommendations were taken into account. However, close to 4 in 10 respondents in this category contended that only some of them were implemented, while 7.4% said they were not taken into account at all. Reasons for the failure to take into account some of the auditor general's recommendations include the feeling that some recommendations are in contradiction with the law, poor capacity for some executive staff, negligence, etc.

Concerning the councilors' perception of the effectiveness of district councils in fulfilling their duties related to the effective management and use of budget and other district resources, the study suggested very high levels of perceived effectiveness of district councils in appointing members of the audit committee (87.3%), and examining and approving the district budget (81.8%). This finding proves somewhat surprising if one considers the relatively low level of awareness of councilors about the audit committee (responsibilities, term duration, requirements for appointment, etc.) As far as other selected duties are concerned, levels of effectiveness stand high.

It is worth emphasizing that the study also captured a series of challenges to effective involvement of councils in ensuring the proper management of district resources. Major challenges identified include the following.

- Poor ability/knowledge of some councilors in reviewing financial reports;
- Insufficient time for councilors to thoroughly review the reports (some reports are submitted in the morning the same day of the meeting or one day before);
- some cases of misunderstanding/conflicts between district executive committees and councils;
- some councilors who, initially work under mayor's direct or indirect supervision (working in local government sectors such as education, health, etc.) do therefore not feel comfortable to challenge the financial report if need be;
- poor knowledge among some councilors) of laws and instructions governing local governments, especially those related to councils and executive committees;
- They mainly include the fact that some councilors work in institutions that are under the district/mayor's supervision and that they therefore find themselves powerless when it comes for example to challenge members of the executive committees or some staff of the district;
- poor intellectual abilities of some council members with regard to financial management and audit issues;

- poor knowledge of some councilors in relation to laws/instructions governing the management of district resources, budgeting and audit process;
- Audit reports submitted late to councilors compared to the councils' meeting date;
- Complicity with or sentiments of some councilors vis-à-vis some members of the executive committees or some district staff;
- Some councilors reside far away from their respective districts and sometimes do not attend councils' meetings and do not have time to learn about priorities of the population they represent.

Based on the above findings, the following recommendations were formulated in an attempt to address major challenges identified.

- The study revealed important proportions of councilors who are not aware of the content of some laws/instructions governing their work. Key local government stakeholders including the MINALOC, RALGA, RGB and other interested civil society organizations should take the lead in providing such capacity building.
- Despite the fact that councilors are volunteers, the provision of some incentives would increase their motivation. Such incentives would consist of transportation and communication fee, training, etc.
- In order to grant councilors enough time to examine the district budget, not only the latter budget should not only be sent with the invitation letter at least 1 week before the meeting date, but also no other points should be on the meeting agenda for that meeting. This will assumingly increase councilor's participation in examining the budget.
- The district executive committee should abide by the provision that grants 1 week for Councils to receive the invitation and related documents in order to leave enough time for councilors to go through the documents to be examined in the meeting.
- Working documents including budgets, financial and audit reports should provide all the necessary information/data to allow the council to provide clear guidance and make clear and useful decisions
- The executive committees should make all endeavors to share the Auditor General's Reports with councilors before the councils' meetings aimed at analyzing those reports and ensuring that Auditor General's recommendations are catered for;
- Where possible, district councilors should not reside out of their respective district in order to ease their participation in councils meetings and be able to know priorities and wishes of people they are meant to represent
- Where possible, district councilors should not be elected from people whose professional responsibilities put them under the supervision of any member of the executive committee. This would reduce the complexity and fear of some councilors who fall in this category.

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