



Government
of Ireland
International
Development
Programme



SEND
SIERRA LEONE

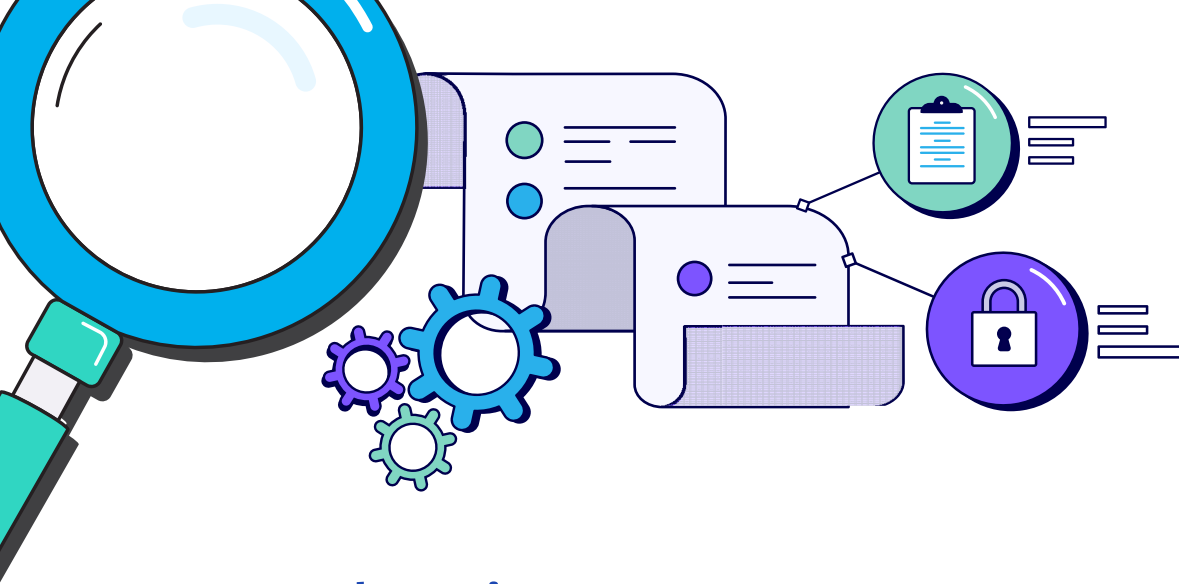


FIXING AUDIT

BECAUSE MONEY DOESN'T GROW ON TREES



POSITION PAPER ON STRENGTHENING AUDIT
ACCOUNTABILITY AT THE LOCAL GOVERNMENT
LEVEL IN SIERRA LEONE



Introduction

Local governments in Sierra Leone play a crucial role in delivering essential services and fostering community development. However, weak audit accountability mechanisms have led to inefficiencies, corruption, and the mismanagement of public funds. Despite enacting the 2022 Local Government Act, which contains provisions on financial oversight and auditing, significant challenges persist in ensuring transparency, fiscal discipline, and accountability. Addressing these challenges is critical for improving service delivery, restoring public trust, and fostering democratic participation at the local level.

Audit accountability ensures that public funds are managed effectively and ethically. Strong audit mechanisms help detect and prevent corruption, improve financial discipline, and enhance resource allocation. They also build public confidence in local government institutions, strengthen democratic governance through public participation and oversight, and promote service delivery and infrastructure development efficiency.

As part of efforts to strengthen financial accountability, SEND Sierra Leone and the Budget Advocacy Network (BAN), with support from Irish Aid, looked at the various audit transparency and accountability mechanisms in 13 local councils across the country districts: Kenema, Kailahun, Kono, Bonthe, Port Loko, Kambia, Moyamba, Karene, Tonkolili and Falaba and identified transparency and accountability issues with proposed actions to address them. While Sierra Leone’s legal and institutional frameworks provide a foundation for audit accountability, gaps in implementation undermine local governance. Legal inconsistencies and institutional weaknesses hinder the full realization of effective financial oversight, creating challenges that must be urgently addressed.

Legal and Institutional Frameworks for Audit Accountability

The 2022 Local Government Act (LGA) provides a comprehensive legal basis for audit accountability at the local government level. Specifically:

01

Section IX mandates financial oversight through local council audit mechanisms.

02

Section X establishes internal audit procedures.

03

Section 80(2)(d) requires local councils to establish audit committees to oversee financial management.

04

Section 88(5) mandates that audit reports be publicly displayed.

05

Sections 88(6) and 91(2) require presenting financial reports to council meetings for scrutiny.

The 2016 Public Financial Management (PFM) Act also provides a framework for financial accountability across government institutions including local council. However, misinterpretation between the two laws specifically on the audit committees has created challenges in audit oversight at the local level.



Key Challenges in Audit Accountability

01 Failure to Establish Audit Committees in all 13 Councils (Kenema, Kailahun, Kono, Bonthe, Port Loko, Kambia, Karene, Tonkolili, Moyamba and Falaba)

Section 80(2)d of the 2022 LGA mandates the formation of audit committees, which should be composed of Councillors to oversee financial reporting and ensure compliance on audit issues. However, the councils targeted have not yet constituted these committees, limiting the Councillors oversight capacity over Council resources.

Recommendation:

- The Ministry of Local Government and Community Affairs and the Fiscal Decentralization Division of the Ministry of Finance should enforce the immediate formation of audit committees consisting of councillors in all councils as required by the 2022 LGA.
- Local councils should prioritize the establishment of these committees to ensure proper financial monitoring and governance.

02 Audit committees under the 2016 Public Financial Management (PFM) Act overshadowed audit committees under the 2022 Local Government”

Establishing audit committees under the 2016 PFM Act by the Ministry of Finance has led to confusion and weakened the effectiveness of local council audit committees under the 2022 LGA. In most cases, Councils prioritize the external audit committees formed under the 2016 PFM Act, neglecting the statutory committees required under the 2022 LGA.

Recommendation:

- The Ministry of Finance should ensure that the two committees complement each other in providing audit oversight.
- The 2022 LGA audit committees should take precedence in council audit matters, while technical expertise from PFM Act audit committees should be used to strengthen the work of the local council audit committees rather than replace council-led oversight.

03

Lack of Public Access to Audit Reports

Although Section 88(5) of the 2022 LGA mandates councils to publicly display audit reports on notice boards, this practice is not being implemented. Limited public access to audit reports reduces transparency and prevents citizens, particularly marginalized groups such as women and persons with disabilities, from holding their leaders accountable.

Recommendation:

- Local councils should comply with the law by publicly displaying audit reports immediately after submission and making copies of the report available to council audit committee members.
- The Anti-Corruption Commission (ACC) and civil society organizations (CSOs) should monitor compliance and engage the council to comply with the 2022 LGA
- The Anti-Corruption Commission (ACC) and civil society organizations (CSOs) should monitor compliance and engage the council to comply with the 2022 LGA

04

Failure to Present Audit Reports in Council Meetings

Under Sections 88(6) and 91(2) of the 2022 LGA, councils must present internal audit reports, annual financial statements, and the Auditor General's reports to the council, which should be given during council meetings. However, 10 of 13 councils have failed to implement this requirement, limiting elected representatives' ability to scrutinize council expenditures and provide proper oversight over audit issues.

Recommendation:

- Local councils must institutionalize the practice of formally presenting audit reports during council meetings to enhance transparency.
- Councilors should advocate including audit reports as a standing agenda item in council meetings.
- The Fiscal Decentralization Division of the MoF should require audit reports to be presented at council meetings before funds are disbursed to local councils.



Weak Oversight by the Media and Civil Society Organizations (CSOs)

The media and CSOs play a crucial role in ensuring government accountability. However, there is limited follow-up on whether councils implement audit recommendations, leading to persistent financial mismanagement.

Recommendation:

- The media and CSOs should actively monitor and report on implementing audit recommendations.
- CSOs should engage local communities in budget tracking and financial oversight initiatives to increase accountability.
- The government should strengthen partnerships with independent watchdog organizations to promote transparency at the local level.



Conclusion

The Government's "Big Five" in Sierra Leone—often referring to its core priorities in budget monitoring, audit accountability, and broader public-sector reform—are built on good governance, transparency, and efficient service delivery. When local councils fall short in areas such as establishing functional audit committees, enforcing existing legal provisions, and providing citizens with timely financial information, these lapses directly undercut the integrity of the Big Five agenda in several ways:

1. Eroded Public Trust:

- The lack of audit committees and weak oversight means that potential misuse of funds or procedural breaches may go unchecked for prolonged periods, breeding mistrust among citizens who expect transparency and accountability in managing local resources.
-
- Reduced confidence in the government's ability to safeguard public resources weakens the social contract between the state and the people, undermining efforts to mobilize and effectively use public funds.

2. Limited Transparency and Citizen Engagement:

- Inadequate public access to financial information makes it difficult for local communities to track expenditures and hold authorities accountable. The absence of a transparent, accessible disclosure process prevents community members from actively participating in governance and providing constructive feedback.
-
- This opacity contradicts the goal of open government, which is critical for ensuring that public resources are directed toward development priorities rather than lost to inefficiency or corruption.

3. Ineffective Legal Framework Implementation:

- Weak enforcement of legal provisions such as financial regulations, procurement guidelines, and audit requirements renders these mechanisms ineffective. A strong legal and regulatory framework is only as good as its implementation; without robust follow-through, even well-designed laws do little to advance accountability.
-
- This fosters a culture of impunity, where breaches in financial management can become habitual rather than exceptional.
-

4. Hampered Service Delivery and Development Outcomes:

- Ultimately, service delivery suffers when oversight is weak. Poor financial management often leads to misallocation of resources, delayed project implementation, or outright project failures directly impacting the quality and accessibility of public services (e.g., healthcare, education, and infrastructure).
- As a result, the government's efforts to demonstrate tangible development impacts—one of the Big Five agenda's pillars are compromised.

5. Missed Opportunity for Sustainability and Growth:

- Strengthening local governance structures through well-functioning audit committees and broader participation ensures fiduciary integrity and creates a stable environment for sustainable development and investment.
- In contrast, unmanaged gaps in oversight dissuade potential investors and development partners who prioritize strong governance and transparent financial operations.

Addressing the identified gaps in local councils from establishing well-functioning audit committees to enforcing legal provisions and improving public access to financial information—is essential for upholding Sierra Leone's "Big Five" principles. By strengthening audit mechanisms and fostering greater citizen engagement, the country can reinforce transparency, accountability, and efficient service delivery at the local level. Ultimately, these reforms will restore public trust, ensure resources are managed responsibly, and bolster Sierra Leone's broader commitment to good governance and inclusive development.



About the Organizations



The Budget Advocacy Network (BAN)

The BAN is a coalition of civil society organizations in Sierra Leone dedicated to advocating for effective budget policies that promote sustainable and equitable development. Established in 2006, BAN influences policy-making and implementation through research, public engagement, and strategic partnerships. The network includes both local and international organizations, such as the Campaign for Good Governance (CGG), Network Movement for Justice and Development (NMJD), Western Area Budget Education Network (WABEAN), ActionAid Sierra Leone (AASL), Talking Drum Studio (TDS), Christian Aid (CA), and Transparency International Sierra Leone (TISL). In collaboration with the 50/50 Group and Talking Drum Studios Sierra Leone (TDS SL), BAN is implementing a 24-month project across seven districts- Port Loko, Kambia, Karene, and Moyamba- funded by Irish Aid. This initiative aims to increase women's participation in democratic governance while promoting accountability and inclusivity in decision-making processes.



SEND
SIERRA LEONE
Working to promote good governance and
equality of men and women in Sierra Leone



Social Enterprise Development (SEND) Sierra Leone

SEND Sierra Leone is a prominent, award-winning non-governmental organization dedicated to advancing good governance, gender equality, and sustainable development. Over the years, SEND has played a crucial role in improving livelihoods, enhancing healthcare and sanitation, increasing access to education particularly for girls and fostering women's leadership and political participation. The organization operates under five key strategic priorities: Sustainable Growth (addressing poverty, unemployment, and livelihoods), Health, Nutrition, and WASH (improving healthcare, sanitation, and nutrition), Education (ensuring equitable access to quality learning), Gender Equality (empowering women economically and politically), and Climate and Disaster Resilience (aiding communities in adapting to climate change). SEND Sierra Leone is firmly committed to transparency, accountability, and citizen participation, collaborating closely with communities and government institutions to strengthen local governance and financial oversight, ensuring resources are effectively allocated to benefit those most in need.

BAN

abkamara@ban-sl.org

68 Regent Road -

Hill Station Freetown

www.ban-sl.org

SEND Sierra Leone

HEAD OFFICE

3 AmieJay Drive

RESERVATION ROAD, KENEMA

+232 78 206 853

info@sendsierraleone.com

Disclaimer Notice

The information shared in the above research document does not represent the views and opinions of the Embassy of Ireland in Sierra Leone.