

**THE FINANCIAL CONTROL OF LOCAL GOVERNMENT: THE CASE STUDY OF
SHAH ALAM CITY COUNCIL**

By

Nafeesah Shaheera bt Mohammad Seberi (2006885016)

Nik Nor Mazneen bt Nik Mustapa (2005762461)

Nurhaslinda bt Abdullah (2006885048)

Submitted in Partial Fulfillment of the Requirements
for the Bachelor in Legal Studies (Hons)

**Universiti Teknologi MARA
Faculty of Law**

October 2008

The students/authors confirm that the works submitted is their own and that appropriate credit has been given where reference has been made to the work of others.

ACKNOWLEDGMENT

Completing this research was a challenging project for us. However, fortunately we had the help of many parties that made this project less difficult. Prof. Shad kept us motivated and on course during all those moments things were not going as planned. We were delayed and the questionnaires were not returned as expected. We thank him from the bottom of our hearts for being there in our moments of need.

Our supervisor, Madam Irini bt Haji Ibrahim deserves a special mention here. She was insistent on the meetings and dateline which we did not quite appreciate then. But looking back, her toughness make us work harder and for that we will always be grateful. Furthermore, her kindness and consideration act as a motivation to us.

I would like to thank the lecturer who taught us many things about research but did not tell us that it would be this difficult. We learn a valuable lesson about research in action. Things do not go as expected or planned. We have to make adjustments but these adjustments must be justified or qualified.

We would like thank Allah The Almighty without his blessings we will not have successfully completed this study.

Nafeesah Shaheera bt Mohammed Seberi
Nik Nor Mazneen bt Nik Mustapa
Nurhaslinda bt Abdullah
Bachelor of Legal Studies (Honours)
Faculty of Law
Universiti Teknologi MARA, Shah Alam

ABSTRACT

As Federal Government has to handle not only internal affairs of our country but also internal affairs. This means that they will be too occupied to focus on welfare and facilities in a particular jurisdiction. Thus, delegate of this matter to other body which can carry out these duties, seems to be the best alternatives. The body that we are referring to among others is the local government.

Local Government acts as a link between federal government and the people. It is impossible for our Federal Government to see through each and every city or town. To ensure that the people's welfare and the facilities are in good condition, it is important to have a body to manage the responsibilities.

Federal Government spends millions for the allocation for Local Government's expenditure. This fund will be used to ensure that all plans and projects for the benefit of the people can be implemented.

The aim of this project is to go through the existing laws in Malaysia, such as Federal Constitution and Local Government Act 1976, regarding the financial control of a Local Government and to come out with recommendations on how to use the fund effectively and efficiently.

It is hoped that the research will be able to provide a better understanding and awareness regarding the Local Governments and the laws in Malaysia.

TABLE OF CONTENTS

Acknowledgement	ii
Abstract	iii
Contents	iv

CHAPTER ONE : INTRODUCTION

1.0	Introduction	1
1.1	Introduction to Shah Alam	
	1.1.1 Historical Background of Shah Alam	6
	1.1.2 Demographic of Shah Alam	6
1.2	Problem Statement	7
1.3	Objectives of the Study	7
1.4	Significance of the Research	8
1.5	Limitation	9
1.6	Methodology	9

CHAPTER TWO : LITERATURE REVIEW

2.0	Literature Review	10
-----	-------------------	----

CHAPTER THREE : EXISTING LAWS AND TERMINOLOGY

3.0	Introduction	18
3.1	Terminology	
	3.1.1 By-laws	18
	3.1.2 Sanitation	18
	3.1.3 Facilities	19
3.2	Existing Laws	19
3.3	Effectiveness of Existing Laws	20

CHAPTER FOUR : RESEARCH FINDINGS

4.0	Research Findings	21
-----	-------------------	----

CHAPTER FIVE : RECOMMENDATIONS AND CONCLUSIONS

5.0	Recommendations	23
5.2	Conclusion	25

Bibliography	26
Appendices	
Appendix 1: Interview Question for Respondents	28
Appendix 2: Interview Question for Shah Alam City Council	31
Appendix 3: (Shah Alam City Council) By-laws 2007	32