

Influence of Resources Adequacy on Effectiveness of Audit Committee's Among Water Authorities in Tanzania

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ABSTRACT

An audit committee is important in enhancing the objectivity of financial reporting and internal controls, thus providing further assurances of integrity in government spending. This study examined the influence of resource adequacy on the effectiveness of audit committees among water authorities in Tanzania. A survey research design through relationship testing between study variables was employed to generate the data required for the study. Primary data was used to fill the study gap, which was noted from the field through respondents. Primary data were gathered and analysed using the SPSS program to generate the statistics that are presented as the findings of the study. The 100 staff were employed from a population of 335 staff calculated from this study. In particular, both descriptive and inferential statistics were used in the analysis of data using a binary logistic regression model to show the relationship between independent and dependent variables of the study. Financial resources, access to information and frequency of meeting with P-values of 0.019, 0.049 and 0.231, respectively, show all variables are statistically significant except frequency of meeting, while coefficients of financial resources, access to information and frequency of meeting are 0.987, 2.867 and 4.184, respectively. The analysis revealed that there is a positive and statistically significant relationship between audit adequacy of financial and information resources and the effectiveness of the audit committee in compliance with responsibilities as the dependent variables with $P < 0.05$. The study recommends that resources needed be provided to enable them to perform their duties as required.

Keywords: Resources Adequacy, Effectiveness, Audit Committees, Water Authorities

INTRODUCTION

An audit committee is important in enhancing the objectivity of financial reporting and internal controls, thus providing further assurances of integrity in government spending (Komal et al., 2022). Also, it is an important tool of corporate governance and has gained wide attention across the world. International regulators, as well as public authorities, have considered an audit committee as a crucial instrument that increases reliability and transparency (Bananuka and Nkundabanyanga, 2023). The audit committee ensures accountability to the management of the organisation; a strengthened audit committee guarantees better financial reporting and practices, suitable action against misuse of public funds, and improved internal and external audit functions (Mbelwa and Munyangabi, 2024).

While good and effective financial management is a prerequisite for development, for a long time, inefficient systems of public financial management characterise developing countries. These have not only been hindering accountability but also affect good governance and effectiveness of succeeding government actions (Alshdaifat et al., 2024). It is observed that the public financial management challenge is more critical in Africa than in other regions of the world. This puts the countries in a vicious cycle of adverse effects. At all stages of the budget cycle; i.e. from preparation to implementation, reporting financial matters and internal auditing are affected, social services delivery is put at risk (Bananuka and Nkundabanyanga, 2023). Therefore, an audit committee is an important tool for strengthening good governance for countries. This is because it ensures that the available resources are used effectively and reducing the chance of financial scandals and; hence, reduce poverty in developing countries (Yahaya, 2026; Chindengwike, 2026).

Tanzania has seen this opportunity and significance of the audit committee as an important element to ensure the reliability of the financial reports and, thus, enhance good governance. With that remembrance, the Government of Tanzania has had different efforts to guarantee effective functioning of the audit committee including. In

so doing, it has provided different orders, like Order 12 (1) of the Local Authority Financial Memorandum- LAFM, 2009 which requires every council to establish an audit committee and provide terms of reference for discharging their functions. Further, formulation of different rules and regulations, such as the Public Finance Regulation, 2005 and Audit Committee Guide for the public sector, 2019 which make mandatory for accounting officers to institute effective governance structure and internal control, including the establishments of the audit committee as a way of enhancing good governance and accountability in the Ministries, Departments and Agencies (Afenya et al., 2022).

Resource adequacy is a critical systemic vulnerability in public utility authorities because these institutions are responsible for providing essential public services while facing financial, human, technological, and infrastructural constraints that directly impact their ability to carry out their mandates. Insufficient funding can cause infrastructure deterioration, service interruptions, poor maintenance, project delays, diminished operational efficiency, and weaker accountability, all of which undermine public trust and organisational sustainability. According to Agency Theory, insufficient resources can exacerbate principal-agent issues by restricting monitoring, increasing information asymmetry, and generating potential for inefficient use or misuse of public assets, all of which raise agency costs and reduce performance.

Al-Baidhani (2014), draw references from the European Union and argue that the effectiveness of the audit committee in its functions is enhanced when the committee is composed of members from outside the company or from the board of director. For that matter, the European Union, requires, at least one committee member, to be independent of the entity and competent (expert in auditing and accounting). In similar understanding, in the United States, consists of a member independent of management influence. New York Stock Exchange (NYSE), requires at least members of the committee be independent and not related to the company. Likewise, Securities and Exchange Commission issued rules that exclude any member whose independence can be impaired (i.e. who has been a staff of the company for the last 3 years, who is related with the company executives and those who get remuneration in other committees having a connection with audit committee).

RESEARCH METHOD

This study is informed by the Agency Theory founded by Stephen Rose and Barry Mitnick to explain the contract relationship in which one person (Principals) engage another person called Agent to carry on service, or profitable activity on their behalf. It means delegating important decision-making power to the agent/managers. The management of the entity are agents who serve the owners. Conflicts of interest occur because profits to be distributed to owners reduce resources to curter for manager's interest (Yahaya, 2026). Managers will not act to maximize shareholders' returns unless proper governance structures are established in large corporation to safeguard the shareholders' interests. Agency theory is relevant in this study as it supports to explain the potential conflicts of interest between the agent (government officials in the public sector) and principal/shareholders (the citizen that is tax payers) who need better services delivery. The principal relies on the audit to provide assurance on the effective use of resources in trusted to the agent (the stewardship of resources).

In contrast, Stewardship Theory sees managers as responsible stewards who want to act in the best interests of the business and the public, but whose capacity to fulfil strategic goals is limited when enough financial, human, and technical resources are unavailable. As a result, resource adequacy should be viewed not only as an operational matter, but also as a governance issue that affects whether public utility authorities can exercise effective leadership, maintain accountability, provide dependable services, and achieve long-term institutional resilience. Therefore, independent audit committee that effectively discharges its functions reduces risk inherent in principal-agent relationship. Therefore, it is important to ensure the effectiveness of auditing committee. According to Lutfi et al., (2022), a mere existence of audit committee does not guarantee the committee is effective in discharging its oversight role. However, the theory is predominantly set to explaining the role of an agent with very less explanation of the role of the principle. This weakness of the theory is addressed by the stakeholders' Theory, which is well explained in the subsection below.

Al-Ahdal et al., (2023), determined the factors influencing the effectiveness of Malaysian audit committees in performing their roles. The study highlighted that, for an audit committee to perform its roles, members need to have enough knowledge and expertise on financial matters. Also, independent of audit committee which provide objectivity of their judgment was found important factor.

Amoomo, (2018), examined the factors contributing to the effectiveness of audit committees at selected Namibian state owned enterprises. It was found that the performance appraisal of audit committee members, managing the activities of the audit committee, composition, the mandate and reporting of the audit committee if applied appropriately could enhance effectiveness of audit committee.

Akwenye *et al.* (2016) studied the establishment of audit committees in government ministries of developing countries and found the factors for effectiveness of audit committee are the existence of the mandate for establishment of audit committee. It was also found that the mandate should define the AC terms of reference that define the scope of duties and purpose of AC, the composition of members, interaction with internal and external assurance provider, meeting frequency and the reporting task responsibility of AC.

El-Deeb and Mohamed (2024), in the study concerned Greater business challenges, calls for stronger audit committees. It was reported that the issue of audit committee composition importance to be considered, especially where AC members should be outsourced because AC roles have been expanded increase business risk, cyber security and bribery. In addition to member's composition, recruitment of new talented personnel, financial literacy and auditing expertise, experience of member, expertise in technology, legal and compliance issues. Yahaya (2025), in his study on factors influencing audit committee meeting frequency in Indonesia, reported frequency of meeting as one of the factor for measuring ACs effectiveness

According to Jibril et al., (2024), research on the assessment of efficiency of audit committee in strengthening public finance management in local government authorities in Tanzania reported that the full independence of audit committee members enhances effectiveness of the committee. If the members are non-executives of the management will review the financial information in a more independent manner. They also pointed that accounting office should not appoint the committee members because he is audit client and will be supposed to respond to the committee's recommendations. Having financial resources of itself improves financial information quality and management controls than depending on resources from the management additionally relationship with internal auditor affect committee effectiveness (Al-Shaer et al., 2022).

Mousavi et al., (2022), in his study on the effect of audit committee characteristics on financial performance of companies listed at the Nairobi Securities Exchange, noted committee member, audit committee size in terms of its constituted members, diversity of gender (that is an increase in female members) bring broader experience and talent of independent members.

Yussuf et al., (2022), studied the impact of the presence of an audit committee on the stock market performance of Tunisian Banks and discovered that the size of the audit committee, financial and accounting expertise, frequency of meeting leads to performance of audit committee and performance of bank. The perceived study on effectiveness of audit committees of the South Africa public sector revealed that most of audit committees in public service are not perceived as ineffective in executing its responsibilities. However, audit committees are supposed to improve effectiveness in execution of important roles including oversight of organisations risk management, financial reporting, governance, internal control and dealing with external audit activities (Van der Nest, 2008).

According to Tarighi et al., (2023) an audit committee role in corporate governance noted regulatory bodies may require public organisation to institute independent audit committee so as to improve its effectiveness in performance of its functions hence integrity of the financial information's of the organisation.

Tarighi et al., (2023), examined the factors affecting the effectiveness of audit committee focusing Government ministries in Tanzania and conclude that audit committee meets 5 times a year. This makes them effective but they are less effective when it comes to reviewing and overseeing the financial reports of the ministry. The reason for inadequate performance of this role are that the committees are composed of only one member from each required specialization: (1) who is financial, accounting, and auditing experts (2) who is independent, other members come within the respective ministry.

Studies on the effectiveness of audit committees have been conducted in various countries by different scholars, whereby various determinant of an effective audit committee were identified (Yussuf et al., 2022; Tarighi et al., 2023). Most of these studies were done in Namibia, Tunisia, Kenya, Nigeria, Indonesia and Malaysia. However, these countries differ in terms of geographical, social economic development, and political setting hence the findings cannot be generalized in the context of Tanzania.

Further, most of these studies had their focus on the private sectors and outside Tanzania. Those studies conducted in Tanzania had their focus limited to local governments authorities and ministries which are fully controlled by the Central Government and their audit committees as established by chief executive officers to whom they report (Yussuf et al., 2022; Tarighi et al., 2023). There was, thus, a need for a study focused on water authorities in Tanzania, which are semi-autonomous, managed whose audit committees are established by the board of directors and report directly to the board.

Conceptual Framework

The conceptual framework was constructed through empirical reviews and theories. As Figure I shows, an audit committee has been considered important in public finance act 2001 and its regulation of 2005, the regulation stipulates that an audit committee should perform different responsibilities including insuring there is good governance, quality financial information's are produced, risk assessment, advisory role. Therefore, this study considered these roles important a basic dependent variable and which determine adequacy of resources affecting compliance with responsibilities toward effectiveness of audit committee.

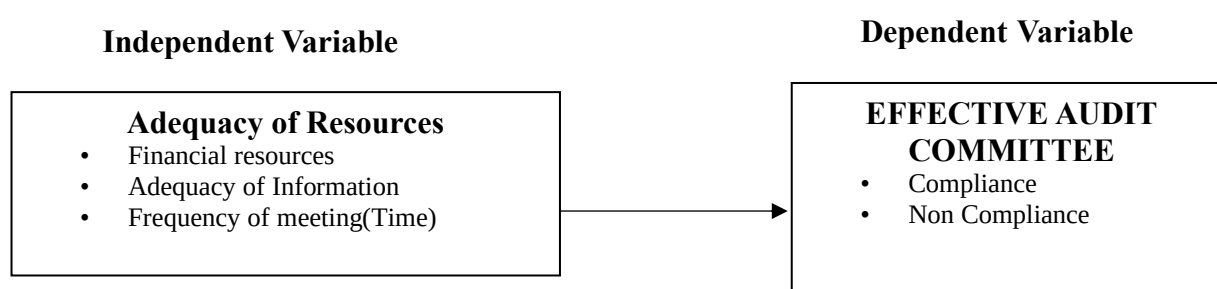


Figure 1: Conceptual Framework
Source: Literature review

Methodology

A survey research design through relationship testing between study variables was employed to generate the data required for the study. Primary data was used to fill the study gap, which noted from the field through respondents. Primary data were gathered and analysed using the SPSS programme to generate the statistics that are presented as the findings of the study.

A total of 100 respondents equivalent to 65% of the targeted population were selected to serve the purpose of this study basing on criteria that these employees have adequate knowledge of how audit committee is working. Purposive and random sampling assisted in obtain the respondents who assisted in answering research questions and meeting research objectives. Table3.1 illustrates the study targeted population sample selected.

Table 1. Categories, Targeted Population, Sample Size and Sampling Procedures

Number	Respondents	Target population	Sample size	Sampling procedure
1	External auditors	20	10	Random
2	Internal auditors	20	5	Random
3	Accountants	45	5	Random
4	Finance officers	25	10	Random
5	Audit committee members	25	25	Purposive

Number	Respondents	Target population	Sample size	Sampling procedure
6	Board of directors (members) excluding AC members	30	10	Random
7	Directors	25	16	Random
8	Managers	37	5	Random
9	Legal officers	10	3	Random
10	Risk compliance officers	8	3	Random
11	Procurement officers	40	4	Random
12	Human Resources Officers	25	2	Random
13	Public Relations officers	10	2	Random
	Total	335	100	

Source: Researcher's field information (2026)

3.1 Model Specification

In the binary logistic regression study, the qualitative idea of committee effectiveness is translated into a binary result using a composite effectiveness rating based on measurable governance indicators. A committee is coded 1 (Effective) if it meets predefined criteria such as holding regular meetings, having high member attendance and participation, implementing decisions and recommendations on time, complying with statutory and organisational requirements, producing timely and quality reports, and making meaningful contributions to oversight and organisational decision-making. In particular, both descriptive and inferential statistics were used in analysis of data using binary logistic regression model to show the relationship between independent and dependent variables of the study. Since that is the case, the study is clearly justified by the following model which is displayed as follows

$$\text{Logit } Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \dots \dots \dots (i)$$

Whereby Y =Effective Audit Committee, X_1 =Financial resources, X_2 =Adequacy of Information, X_3 = *Frequency of meeting(Time)*, e =Error Term

Table 2. Measurement of Variables

S/N	Variables	Measurement	Measurement Scale
1	Adequacy of resources	Financial resources	Descriptive analysis and Five-Likert Scale
		Information resources	
		Sufficiency time	

Source: Researcher's own construction (2020)

RESULTS AND DISCUSSION

1. Profile of the Respondents

The demographic statistics suggest that the majority of respondents were male (64%), with females accounting for 36%, demonstrating a gender imbalance in participation. In terms of age distribution, the majority of respondents (47.7%) were between the ages of 41 and 50, followed by those aged 51 to 60 (27.7%) and 31 to 40 (24.6%), implying that the survey was mostly conducted among middle-aged and experienced persons.

Regarding educational attainment, a significant percentage of respondents held higher credentials, with 38% having master's degrees, 30% holding first degrees, 27% holding diplomas, and only 5% holding certificates, suggesting a well-educated sample. Furthermore, employment experience statistics reveal that the bulk of respondents (45%) had 11-15 years of experience, followed by those with more than 15 years (30%), while fewer respondents had 6-10 years (15%) and 3-5 years (10%). Overall, these data indicate that the study was performed mostly with experienced and highly educated individuals, which may have boosted the reliability and depth of the responses provided.

Table 3. Profile of the Respondents

Gender	Frequency	Percentages
Male	64	64%
Female	36	36%
Total	100	100%
Age	Frequency	Percentages
31-40	16	24.6%
41-50	31	47.7%
51-60	18	27.7%
Total	65	100%
Education	Frequency	Percentages
Certificate	5	5%
Diploma	27	27%
First degree	30	30%
Master degree	38	38%
Total	100	100%
Work Experience	Frequency	Percentages
3 - 5 Years	10	10%
6 -10 Years	15	15%
11 – 15 Years	45	45%
Above 15 Years	30	30%
Total	100	100%

Source: Field data, 2026

2. The Effect of Adequacy of Resources on the Effectiveness of Audit Committee toward Performance of its Responsibilities

1 Reliability Test for Adequacy of Resources

Nine items were used to describe audit committee adequacy of resources. These items in summary are budget allocation for audit for committee activities, enough financial resources, committee access to information from the management to perform its duties, and availability of time for frequency of holding of committee meeting, enough time duration of meeting for the committee decisions and consulting services. The nine items are explained in Table 2.

Table 4. The Overall Reliability Test for Adequacy of Resources

Cronbach's Alpha	N of Items
0.834	9

Source: Field data, 2026

Table 4 illustrate that the overall Cronbach's Alpha coefficients for reliability test is 0.834, which is above 0.7. This suggests that the items used to define audit committee knowledge in terms of training have reliable data that can produce consistency and stable research results. This ensures the pursuit of the inferential analysis because the variable is reliable and consistent.

1.a Reliability Test for all Items Included in the Assessment of the Adequacy of Resources

Table 2 in shows the nine items included in the reliability test have Cronbach's Alpha coefficient above 0.7 and closer to 1.0 with a minimum of 0.744 and a maximum of 0.951 suggesting that, there is internal consistency of data across all items included in adequacy of resources for audit committee. Hair et al. (2010) factor loading (correlation coefficient) of 0.7 or greater than 0.7 is considered reliable, the table indicates in most cases the Cronbach's alpha values are on average alternating to 0.87, which are considered as reliable data.

1.b. Descriptive Statistics for the Adequacy of Resources

The findings in the Table 3 indicates that for all items of adequacy of resources included in the study and responded by the study participants got an average mean score of 2.63 and a (SD=1.31). This means that most of the respondents agreed, adequacy of resources for audit committee in terms of financial resources, access of information and frequency of committee meetings influence audit committee compliance with responsibilities and hence its effectiveness.

Table 5. Descriptive Statistics for the Adequacy of Resources

Adequacy of resources	Mean Statistic	Std. Deviation Statistic	Skewness Statistic	Kurtosis Statistic
There is enough budget allocation for audit committee activities	2.05	1.490	1.065	-.508
There is sufficient budget for audit committee to perform activities	2.45	1.557	.500	-1.410
Financial resources ensures that the committee has enough money for the things you need and the things that are important to you.	2.77	1.264	.329	-1.204
The audit committee have access to information	3.34	1.319	-.336	-1.197
There is adequacy of information for managerial decision-making	2.85	1.313	.185	-1.299
The adequacy of information reduces biasness	2.99	1.119	.316	-1.366
There is a frequency of holding audit committee meetings	2.66	1.179	.649	-.805
The frequency of holding audit committee meeting is appropriate enough	2.40	1.281	.699	-.682
The duration of audit committee meeting is enough for the decisions of financial issues	2.14	1.288	.921	-.482
Valid N (list wise)	2.63	1.31		

Source: Field data, 2026

3 Inferential Statistics for the Adequacy of Resources

Table 6. Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	65.499 ^a	0.495	0.750

Source: Field data, 2026

The findings of the study show the whole influence of the measurements towards adequacy of resources as the predicting variable to the dependent variable with reference to the R² test. In that case, the results show that adequacy of resources as the predicting variable is strongly influenced with financial resources, adequacy of information and frequency of meeting by 75%. This implies that the measurements towards the predicting variable are positive though the remaining 25% influence of the predicting variable is attributed by other variables besides the three measurements.

Table 7. Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	9.487	8	0.893

Source: Field data, 2026

The findings in the test shows that the value of Chi-square test of 9.487, which implies the measurements of the predicting variable, constitutes positive relationship for that matter. This is the case with the fact that as they possess the influence within the degree of confidence though the $p > 0.05$ but the variables with the fact that they possess Chi-square coefficient greater than 9.444; it is certain that the measurements on the variable possess positive influence to the predicting variable.

Table 8. Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
								Lower	Upper
Step 1 ^a	Financial resources	0.987	0.458	0.235	1	0.019	1.415	0.453	1.235
	Access to information	2.867	0.765	1.649	1	0.049	1.567	0.534	2.123
	Frequency of meeting	4.184	0.386	1.124	1	0.231	1.458	0.468	1.563
	Constant	1.867	1.024	2.256	1	0.045	4.853		

Variable(s) entered on step 1: Financial resources, adequacy of information and frequency of meeting.

Source: Field data, 2026

As presented in Table 8, the findings of the study revealed that the two variables depicted in the test are positive with significant effect on effectiveness of audit committee. This entails that financial resources regression coefficient of $\beta=0.987$ and odd ration ($\text{Exp}\beta$) =1.415 with a significant influence on audit committee effectiveness having p value of 0.19. Access to information as well have a positive regression; however, the frequency of meeting has insignificance influence with ($p=0.231$), i.e. p value is greater than 0.05 ($p > 0.05$).

3.1 Financial Resources

The finding in Table 8 revealed financial resource has observed to have a positive regression coefficient of $\beta=0.987$ and odd ration of ($\text{Exp}\beta$) =1.415. Additionally, it has a significant influence on audit committee effectiveness towards compliance with responsibilities with (p value=0.019). This has the implication that a unit increase in financial resources will increase audit committee effectiveness by 1.415 times (41.5%). The result from analysis is also supported by Sullivan *et al.* (2007) who reported audit committee should have financial resource sufficient to support accomplishment of the planned activities. Financial resource is crucial for the expanding role of audit committee that demands need for a stronger audit committee that can perform assessment of entity's risk environment which have become complex like Cybersecurity being most persistent risk face companies (EY Global Limited, 2013).

3.2 Access to Information

The findings in the Table 8 indicate access to information has a positive regression coefficient of $\beta=2.867$ and odd ration of ($\text{Exp}\beta$) =1.567. The result from analysis also shows that there is significant influence with (p value=0.049) on the effectiveness of audit committee. Access of management information is an importance measure of audit committee performance of its functions as without information accomplishment its oversight responsibility become difficult for the committee. It further implies there is possibility of increasing audit committee effectiveness by a factor (1.567) 56.7%. It also suggested that information should be provided with information whenever it requires without any limitation (Yahaya, 2026). The information required are like management reports, internal and external audit reports so that it can make informed decisions out of it. Different kinds of literatures have suggested for audit committee to be able to comply with execution of its responsibilities management should provide required information and cooperation to the committee (Yahaya, 2025).

3.3 Frequency of Meetings

The analysis results from indicates frequency of meeting have beta coefficient of $\beta=4.184$, p value =.231 and odd ratio ($\text{Exp}\beta$) of 1.458. It has implication that a unit change in frequency of committee meeting will increase committee effectiveness by 41.84% and odd ratio of 1.458 times to the audit committee effectiveness. It also implies means frequency of audit committee meeting has a positive but with no statistical significant influence on the audit committees' effectiveness towards accomplishment of its responsibilities. In real practice, audit committee must meet to accomplish its responsibilities, and the more the committee get time for meeting the more they perform committee tasks. Regulation 30 of Public Finance Act, 2001 revised 2004 also stipulated that the audit committee be supposed to meet at least quarterly in a year. This means that the finance regulation realized the importance of committees to conduct meeting regularly. This is why it states at least by giving a minimum number of meeting which the committee has to sit quarterly in a financial year. If it happens that, the committee has special meeting apart from the regular one they can meet hence increase the frequency of meeting, accomplish more duties, and hence increase its effectiveness.

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Financial and information sufficiency are significant predictors of committee effectiveness because they allow for independent scrutiny, informed decision-making, and accountability within Tanzanian water authority. Severe state budget constraints frequently limit funds for committee meetings, monitoring activities, technical investigations, capacity building, and independent audits, forcing committees to rely heavily on executive management for operational support, reducing their autonomy and ability to challenge management decisions objectively. At the same time, informational asymmetry in which managers control access to critical financial, operational, and performance data prevents committee members from fully assessing risks, identifying inefficiencies, or detecting irregularities, resulting in inadequate oversight and delayed corrective actions (Chindengwike, 2024).

Under Agency Theory, these situations worsen principal-agent difficulties by widening knowledge gaps and reducing accountability, but under Stewardship Theory, they limit committed committee members' capacity to properly carry out their governance tasks. As a result, weak financial resources and restricted access to trustworthy information immediately erode committee independence, degrade governance quality, and lower overall performance of Tanzanian water authority (Chindengwike, 2024).

The findings are largely consistent with current empirical evidence from Tanzania and the larger East African area, suggesting that public organisations do not depart greatly from prevalent regional governance patterns but rather face comparable institutional restrictions. Studies on Tanzanian water utilities and local government institutions repeatedly reveal that enough financial resources, reliable information, and solid governance procedures lead to increased organisational performance, accountability, and service delivery. Similarly, research in East Africa has identified persistent financial constraints, insufficient oversight ability, and information gaps as significant challenges to efficient committee functioning and public sector governance. Recent evidence from Tanzania's water sector governance indicates inadequacies in regulatory supervision, institutional capacity, and access to performance data, emphasising the necessity of resource sufficiency and openness for effective oversight. As a result, the observed relationship between financial and information adequacy and committee effectiveness is consistent with regional empirical patterns rather than being a uniquely Tanzanian phenomenon, though the reliance on government financing and administrative controls may exacerbate these challenges within Tanzanian public utility authorities.

However, the Tanzanian context may be more reliant on central government funding and administrative controls, making public institutions more vulnerable to fiscal constraints and delays in resource allocation than their regional counterparts who have implemented more decentralised financing arrangements. As a result, while the positive relationship between financial and information adequacy and committee effectiveness is consistent across East Africa, the severity of these constraints in Tanzanian public utility authorities emphasises the need for stronger institutional autonomy, greater transparency, and more sustainable resource mobilisation strategies to improve governance outcomes.

This is also supported by Mousavi et al., (2022); Chindengwike (2025), who reported that the committee's frequency of meeting directly influences audit committee compliance with responsibilities and hence its effectiveness. However, Mbelwa and Munyangabi, (2024), Chindengwike (2024), signified that companies which have a high rate of committees' frequency of meeting usually are likely to have less financial misstatements and less subjective to frauds and malpractices.

CONCLUSION

The study concluded that there is a positive and statistically significant relationship between audit adequacy of financial and information resources and the effectiveness of the audit committee in compliance with responsibilities as the dependent variables. The study recommends that resources needed should be provided to enable them perform their duties as required. The government should also compel committee members to get yearly competency certification in public finance management, risk governance, and regulatory compliance, which should be managed by recognised public sector training institutes. Finally, performance contracts for chief executives of water authorities should include measurable indicators such as timely disclosure of information to oversight committees and implementation of committee recommendations, with sector regulators monitoring compliance and linking it to institutional performance evaluations to reinforce accountability and governance effectiveness.

To increase the effectiveness and independence of Tanzania's public utility oversight committees, particularly in the water sector, structural reforms should go beyond broad calls for extra funds and instead establish enforceable governance mechanisms. The Ministry of Water should enact a policy mandating all public water authorities to allocate a minimum proportion of their yearly operational budget to audit committee operations such as member training, independent technical assistance, field inspections, and external assurance services. Furthermore, the National Audit Office of Tanzania (NAOT) should require audit committees to have direct, unrestricted access to financial management systems, internal audit reports, procurement records, and performance dashboards via secure digital platforms that are independent of executive management control, thereby reducing information asymmetry and improving oversight.

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