**MEDIA STATEMENT**

**KWAZULU-NATAL SECTION 139 INTERVENTIONS SHOW A MIXED BAG OF RESULTS**

**Parliament, Wednesday, 10 June 2020 –**The Select Committee on Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements has urged the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs (Cogta) to offer improved support mechanisms to municipalities that continue to struggle, despite the invocation of Section 139 (1)(b) of the Constitution.

The committee welcomed the information that of the eight municipalities under Section 139 (1)(b), three have achieved an unqualified audit opinion for the 2018/2019 financial year. Furthermore, six of the eight municipalities are operating with a funded budget for the 2019/2020 financial year. “This signifies commendable progress towards making municipalities functional, which will translate into improved service delivery to the people of KwaZulu-Natal. The improvements can be used as best practice to guide us in ensuring Section 139 interventions bear fruit,” said Mr China Dodovu, the Chairperson of the committee.

The reduction of Eskom debt is also commendable in the context of the financial challenges faced by the entity and the threat to our economy if it fails. For example, it is commendable that Inkosi Langalibalele Local Municipality was able to reduce its debt by 67% while Abaqulusi Local Municipality reduced its debt by 34%.

Meanwhile, the committee acknowledged the decision by the Executive Council to retain all eight interventions for a period ending 31 October 2020. It welcomes the assurance that the interventions might be lifted earlier in some municipalities that have shown improvement under the intervention. Although the committee welcomes this, it is concerned by the decision by Abaqulusi Local Municipality to mount a legal challenge against the decision by the Executive Council. The legal challenge undermines the prescript of the intergovernmental relations framework, which advocates for cooperation rather than confrontation.

Despite some improvements, the committee has raised concerns regarding municipalities that continue to face challenges irrespective of the intervention. Of major concern is the adverse audit opinion at UMzinyathi District Municipality, disclaimer audit opinion at Mpofana Local Municipality and qualified audit opinions at Inkosi Langalibalele Local Municipality, Uthukela District Municipality and Msunduzi Local Municipality. The committee has called for the development and urgent implementation of audit action plans to reverse these worrying trends.

Furthermore, the low expenditure on Municipal Infrastructure Grants in Richmond, Inkosi Langalibalele, Uhtukela, Abaqulusi and Msunduzi is worrying in the context of the economic impact those grants can unlock if spent adequately and effectively.

The committee has also called for the filling of vacant positions by qualified individuals to strategic positions in all eight municipalities. “The appointment of qualified Municipal Managers, Director: Technical Services and Chief Financial Officers will give municipalities the necessary stability and skills to drive change. Until those positions are filled municipalities will continue to struggle,” Mr Dodovu emphasised.

The committee has called on the MEC of Cogta to urgently complete all Section 106 (of the Municipal Systems Act) reports into maladministration, fraud, corruption and any other serious malpractice in identified municipalities, to ensure consequence management against those in the wrong. The committee will monitor the completion and implementation of the recommendations made by these reports.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE SELECT COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, WATER, SANITATION AND HUMAN SETTLEMENTS, MR CHINA DODOVU.**