**MEDIA STATEMENT**

**COMMITTEE ON COGTA SENDS MUNICIPALITIES PACKING TO GET THEIR HOUSES IN ORDER BEFORE THEY COME TO THE COMMITTEE**

**Parliament, Wednesday, 21 April 2021 –**The Portfolio Committee on Cooperative Governance and Traditional Affairs (CoGTA) yesterday held a follow-up meeting with the Fetakgomo-Tubatse Local Municipality and the Ephraim Mogale Local Municipality.

As the meeting dealt with two matters which are sub judice, the committee was guided by Section 17(2) (d) of the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act, which says that it is a crime to produce false or untrue information if it was done “with intent to deceive the House or committee”.

Furthermore, the burden of proof is on the committee or House to prove beyond reasonable doubt that such intent was present. Therefore, the committee called the responsible individuals again to interrogate them before seeking criminal charges. The Chairperson of the committee, Ms Faith Muthambi, in her opening remarks said “these individuals must be made aware of the seriousness of the matter and its criminal implications, which involve two years imprisonment or a fine or both”.

In the first matter, the committee had received correspondence from the former Municipal Manager of Ephraim Mogale Local Municipality (Ms Monica Mathebela) who wished to bring to the attention of the committee that the Mayor, Councillor Molaudi Mothogwe did not respond truthfully to the Committee’s questions around the settlement agreement between her and the municipality.
Ms Mathebela was suspended and disciplined by the municipality for the investment of R80 million in the VBS bank, of which she claims she was not responsible for as it was the former mayor who was persistent in telling the chief financial officer to invest in the VBS bank.

The committee thought it was rational to provide the former municipal manager the opportunity to state her case, and for the Mayor of Ephraim Mogale Municipality to be given an opportunity to respond before the committee, which will then make a determination on whether Parliament has been misled. If  necessary,  the committee will  explore its options in terms of legal recourse as provided for in the Powers, Privileges and Immunities of Parliament and Provincial Legislatures Act of 2004.

The committee resolved that the Mayor of Ephraim Mogale Municipality must provide a report to the committee by the 30th of April 2021, and further advise on what action was taken on the current municipal manager who had absconded from the meeting.

The committee dealt with the second matter between Mphaphuli Consulting and Fetakgomo-Tubatse Local Municipality. Following the engagement of 17 March 2021 with the Sekhukhune District and the municipalities under its jurisdiction, the committee received correspondence dated 20 March 2021 from Mphaphuli Consulting (Pty) Ltd.  The correspondent sought for the committee to provide an opportunity for a right of reply on matters raised in relation to Mphaphuli Consulting by the Fetakgomo-Tubatse Local Municipality. The submission by the municipality is alleged to have been incorrect and non-factual, and risked harming the company’s reputation and those associated with it.

The committee heard from Mr Lufuno Mphaphuli of Mphaphuli Consulting that he had written to the Public Protector, the Presidency, the Minister of CoGTA,  and the National Treasury for assistance in resolving the issue of non-payment by the municipality to his company for work rendered and invoiced. However, he did not receive any assistance and therefore he approached the committee directly. He said that only now, three years later, his complaint was receiving attention.

Ms Muthambi said the main interest of this Portfolio Committee is to see a sound and harmonious working relationship between municipalities and the business community. Without this, it is impossible to facilitate an environment that is conducive to local economic development, as envisaged in Section 152 of the Constitution. To this end, as municipalities and contractors squabble and go to court over payments, it is the communities that are delayed in getting services.

In this instance, over 14 000 households in nine villages are without electrification and this municipality must share their plan to provide electricity to these households as this matter started during the term of the previous council and is still ongoing. The Chairperson said to the municipality: “This council started in 2016 and we are left with six months to finish the term and we are not responsive to the needs of our people.”

The committee resolved to refer the matter to the provincial Department of Cooperative Governance, Human Settlements and Traditional Affairs and Treasury to review and report to the Portfolio Committee in a month’s time. The national CoGTA must support the two provincial departments.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, MS FAITH MUTHAMBI.**