**MEDIA STATEMENT**

**DYSFUNCTIONAL NORTH WEST MUNICIPALITIES TO APPEAR BEFORE COGTA COMMITTEE**

**Parliament, Tuesday, 20 September 2022 –** The Portfolio Committee on Cooperative Governance and Traditional Affairs (COGTA) today heard from the North West provincial government’s MECs for Finance and for Cooperative Governance, Human Settlements and Traditional Affairs, as well as the South African Local Government (SALGA) that the situation has deteriorated in the municipalities the committee visited in 2021.

The MECs and SALGA provided an update on issues raised during the 2021 oversight visit. They mentioned the political and administrative instability in Ditsobotla, Mamusa, Moses Kotane, Maquassi Hills, Mahikeng, Tswaing, Kagiso Molopo local municipalities and now also the JB Marks local municipality. These municipalities are also experiencing financial distress. The province has invoked section 139 to Ditsobotla and Kagiso Molopo municipalities.

The MECs also said that the government has begun status quo assessments in 10 municipalities in the province, including Mamusa and Maquassi Hills local municipalities. These reports will be used to prepare mandatory and financial recovery intervention plans.

The committee heard that 15 municipalities in the province have adopted unfunded budgets in the 2022/23 financial year, which reflects their poor financial situation. As part of a strategy to strengthen municipalities, the North West provincial treasury has initiated strategies to assist financially distressed municipalities, including monitoring contract registers and providing training on supply chain and contract management.

During the engagement with the MECs, the committee expressed its disappointment about the lack of improvement in the affairs of the municipalities it visited previously, particularly as the dysfunctionality will affect service delivery while officials continue to receive a salary.

SALGA said that instability in these municipalities is a result of a lack of accountability, little or no service delivery management, weak controls, unbilled revenue and debt not recovered, a lack of proper record keeping, continued dependence on consultants, deteriorating financial health, non compliance with procurement processes, Eskom, water boards and lenders not paid on time, among other problems.

The Chairperson of the committee, Mr Fikile Xasa, said the committee will engage with the municipalities individually through their political and administrative leaders. The committee will also invite the national and provincial departments of Cooperative Governance and Traditional Affairs, National and Provincial Treasury, SALGA and other key role-players. Mr Xasa said guidance on how to make municipalities work is to be found within the implementation of legislation and the Constitution.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, MR FIKILE XASA.**

For media enquiries or interviews with the Chairperson, please contact the committee’s Media Officer:
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**Parliamentary Communication Services**