**MEDIA STATEMENT**

**COMMITTEE ON COGTA TELLS DEPARTMENT TO IMPLEMENT ITS PLANS**

**Parliament, Wednesday, 2 December 2020** – Yesterday, the Portfolio Committee on Cooperative Governance and Traditional Affairs (Cogta) received a briefing from the Office of the Auditor-General on the Department of Cooperative Governance’s audit outcome.

Cogta reminded the Department of Cooperative Governance that during an earlier meeting with the department and the Municipal Infrastructure Support Agent (Misa) on 20 October 2020, during which the committee considered their quarterly performance reports, it had noted that almost 100 percent of the allocated budgets on the majority of the department’s programmes had been spent and yet the department did not achieve 100 percent of the pre-determined objectives on those programmes.

Cogta was also briefed on the Department of Cooperative Governance’s and Misa’s 2019/20 annual reports. The committee said the reports were inclusive of the four quarters of the financial year ending on 31 March 2020. The annual reports indicate that overall programme expenditure amounted to 96.2 percent, but overall service delivery performance is 62 percent. Therefore, service delivery performance does not match budget spending.

The three programmes contributing to underperformance are the Administration Programme, which achieved zero percent but spent 98.6 percent of its allocated budget; the Regional and Urban Development and Support Programme, which achieved 33 percent of targets and spent 99.8 percent of the budget; and the Community Work Programme, which achieved 40 percent of targets and spent 98.5 percent of its budget.

The Chairperson of the committee, Ms Faith Muthambi, said: “The department by now knows the strong exception the committee has taken against the gross wastage of public funds through the Community Work Programme (CWP) and against the lack of consequences for the perpetrators. This also came out strongly in the meeting of last Friday where we undertook to find space in today’s agenda to follow up on the matters raised in that meeting.”

Ms Muthambi said the committee has heard enough about plans to improve the work of the CWP; it is now calling for decisive action to correct the problem. Furthermore, in the meeting of 20 October there was a robust discussion regarding the R3.3bn under-expenditure in respect of the Local Government Share under the Institutional Development Programme. “At the time, the department’s answers on how it intended to capacitate municipalities to comply with the conditions of the Division of Revenue Act were not satisfactory,” said Ms Muthambi.

The committee congratulated Misa for attaining a clean audit for the second consecutive year. However, a good audit report must translate into a good impact on its mandate. The committee called upon the entity to begin making an impact on the ground.

The committee also expressed its appreciation for the department’s qualified audit report for the 2018/19 financial year compared to the disclaimer of the previous financial. It also called for an improvement in performance from the department.

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

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