

ADDRESS BY THE PREMIER OF LIMPOPO MR. CHUPU MATHABATHA ON THE OCCASION OF THE SALGA LIMPOPO PROVINCIAL AUDIT AWARDS, MEROPA CASINO POLOKWANE.

19 February 2019

Programme Facilitator;
SALGA NEC representatives;
Provincial Chairperson of SALGA;
MEC for CoGHSTA, Ambassador Jerry Ndou;
Executive Mayors and Mayors present here today, Representatives from the Office of the AG;
Ladies and gentlemen:

Let me start by expressing my appreciations on behalf of the Provincial Government for the invitation to this important award ceremony. Let me also wish to thank the leadership of SALGA in the Province for conceptualising and hosting these awards.

I cannot even begin to emphasise the significance of these awards. Awards are by their own nature an important motivator for excellence. I am therefore truly confident that these awards will go a long way in achieving the objectives of:

Inspiring good governance and sound financial management of our public resources;
Inspiring a healthy competition amongst municipalities with regard to prudent management of allocated resources, and
Strengthening compliance with legislation applicable within the municipal sphere of governance.

I know that we would all agree that these important and sacrosanct objectives cannot be met without municipalities strengthening their governance structures. Achieving these objectives would also require that municipalities start to appoint the right people to do the job that must be done.

The issues of good governance and sound financial management are not just cosmetic issues –these are real issues of substance.

The task of ensuring good governance and prudent utilisation of allocated resources goes at the heart of what municipalities are about.

Ensuring good governance is also directly linked to need to for government to win the confidence of our people. If we cannot be trusted by the people we lead then

we cannot justify our leadership of such people.

If people have confidence in our structures they will be the first to understand when we are unable to satisfy their specific needs at a particular time.

The people cannot read about millions in wasteful and fruitless expenditure and still understand why they can be provided with clean drinking water.

Municipalities cannot be seen wasting resources yet expect the people to understand why services are not provided in their communities.

Take example of the multi-millions drained in the VBS saga –these are the resources which were supposed to have assisted in taking services to our communities, instead, monies went down the drain.

It is these types of realities that make our people angry and dismissive of our explanations about why they can't get services as and when they require such services.

On this issue of VBS for an example, I have heard so many voices. I have heard the voices from political parties; voices from the National and provincial government; I have even heard the voices of the trade unions. BUT, I can't remember hearing the voice of SALGA.

It could be that your voice was there but not loud enough –I simply cannot accept that SALGA's voice was literally absent.

It is important for SALGA to amplify its voice against such things as the VBS saga. It is important because our people must never doubt your commitment to good and clean governance.

Your commitment to rooting out corruption in the municipal sphere should be visible all the time.

We are saying this because to a greater extent, it is corruption and maladministration which undermines the ability of municipalities to take services to the people.

Corruption undermines your muscles to make significant advances in terms of meeting the basic needs of our people;

We can only succeed to transform the local government into effective and efficient machinery reliable to deliver services only if we fight corruption from the sector.

Corruption is the enemy of service delivery.

I am saying this because as an association of municipalities, you carry the mandate to ensure that municipalities take basic services to the people. We must always ensure that the local government space is democratised, allowing the voices of our people to guide development in their own communities.

It is also your responsibility as SALGA to ensure that our municipalities are well-oiled machines for effective and efficient delivery of services to our communities.

Programme Director;

It is my conviction that SALGA cannot afford to be a sideline spectator about the challenges that faces our municipalities.

SALGA, through working together with CoGHSTA should find creative way to overcome some of the following challenges:

The challenge of poor accountability and relationship with communities

Problems with the political administrative interface

Poor compliance with the legislative and regulatory frameworks

Corruption and fraud

Lack of proper planning and poor project management,

Lack of forward and integrated planning on current and capital projects,

At times lack of suitably qualified and skilled personnel and, above all,

None and under-expenditure of the Municipal Infrastructure Grant.

All these challenges deserves our immediate attention and action, however, we need much tenacity when it comes to the issue of inability to spend on conditional infrastructure grants.

The issue of MIG has been a problem for most of our municipalities.

This meeting would have betrayed its purpose if it can't sufficiently deal with this matter. Whatever the problems are, there should be a solution, and that solution should be found in this meeting.

This point is related to the issue of those municipalities which are classified as dysfunctional.

I think it is a very serious indictment on all of us that we should have even a single municipality classified as dysfunctional. It is even a serious indictment on Mayors and councillors who preside over such municipalities.

As you know, dysfunctionality in most municipalities is as a result of poor governance, political instability; poor audit outcomes, high vacancy rate at senior management level, and poor spending on MIG.

Our Back-to-Basics Programme was aimed specifically at addressing some of these challenges. The question we have to answer in this meeting is why some municipalities are failing to respond to this prescription. What is it that we need to do in order to rescue these municipalities from total collapse?

The strangest thing is that Councilors from such dysfunctional municipalities would fight tooth and nail to remain in such dysfunctional councils.

They are even reluctant to welcome necessary intervention from national or provincial government. For as long as they get their salaries and are referred to with decorated titles, they are happy.

Programme Director;

As we celebrate with those who have excelled in their audit findings, we must remember that the road ahead is still too long.

There is simply too many of our municipalities which are not doing things the right way.

The fact that no single municipality managed to receive clean audit is worrisome.

In the past, the AG had categorised the provincial audit outcomes into the following three classes:

Complacent auditees consistently receiving unqualified opinions with findings,

These are municipalities without any improvement in internal controls to address shortcomings in the areas of performance reporting and compliance. These municipalities lacked the will to move to a clean audit status

Underperformance that continue to receive qualified outcomes because of their failure to deal with repeat qualifications, and

Consistent poor performers with high level of transgressions and no consequences.

In simple terms, the Auditor General had said that there is no motivation to do things the right way. He went on to say that there are no consequences for doing things the wrong way.

It is precisely because of this lack of consequences that R1.5 billion of municipal resources was lost through VBS investment.

You would know that in this specific case, municipalities were warned, long ago, that such investments are in violation of the law, and no one cared to listen. This is the type of attitude that is taking us backward.

Programme Director; let me conclude by taking this opportunity to once again congratulate those municipalities which have done well in their audit opinions. We are looking forward to these municipalities improving on their current audit opinion.

Your generation of Councillors must usher in an era of clean audit opinions. This is not a far-fetched dream –it is doable and it must be done.

We also invite municipal councils to start cracking the whip –we need to see action against those who ignore clear prescripts of the law and do things their own way.

Lastly, to those who will be announced as winners, we congratulate you in advance.

We congratulate you and look forward to your improved performance next year.

Let's go to the May elections with confidence and urge our communities and South Africans to participate actively because elections are a compass of democracy

I thank you!

Sent from IBM Verse