



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT ON VBS BY LIMPOPO PREMIER CHUPU MATHABATHA

For Immediate Release
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The Provincial Government is and will always be committed in the fight against corruption whenever and wherever it is found. In the State of the Province address earlier this year we said; “Provincial departments, the SOEs and municipalities are directed to ensure that all outstanding investigations related to corruption and maladministration are concluded without any further delay”.

It is therefore my pleasure this morning to report that the Provincial Government has taken the necessary steps to take action against those who have not complied with the necessary prescripts of the law.

Even before the ‘**Great Bank Heist**’ report by Advocate Terry Motau, the Provincial Government had initiated a Forensic Report through its Treasury Department. The final report should be available at the end of this month and will give us necessary direction with regard to further steps on this Venda Building Society (VBS), saga.

As you may know our initial report shows that 10 municipalities invested about 1,2 billion of rands in the VBS, and these are Polokwane, Makhuduthamaga, Elias Motsoaledi, Makhado, Ephraim Mogale, Collins Chabane, Vhembe District, Greater-Giyani, Lepelle-Nkumpi and Fetakgomo Tubatse.

Of the 10 above-mentioned municipalities, investments for 3 municipalities namely Polokwane, Makhuduthamaga and Elias Motsoaledi matured and both investments and interest paid to the municipalities. Elias Motsoaledi is still owed a certain amount.

As a Province we decided that remedial actions be taken against officials who may have acted outside the bounds and powers of the laws including the Municipal Finance Management Act and the Public Finance Management Act (PFMA)Forensic

report. We have even pre-empted actions and report from our So far remedial actions taken include;

- **Vhembe District Municipality**-----Municipal Manager Mr Reuben Rambado and CFO Mr Muchave have been suspended.
- **Fetakgomo Tubatse Local Municipality**----- to take decision to suspend Municipal Manager Busani Patience and CFO Frank Maredi at a special council sitting tomorrow.
- **Ephraim Mogale Local Municipality** ----- Intention to suspend soon. Municipal Manager Monica Matebele and CFO, Khabo Ramosibi
- **Lepelle-Nkumpi Local Municipality**----- Special Council sitting tomorrow to take decisions. Municipality Manager Thabo Motogwane and CFO Rosina Ngobeni.
- **Greater Giyani Local Municipality**-----CFO Mr Hitler Maluleke's contract was terminated with immediate effect.
- **Capricorn District Municipality**----- investigations are almost at a final stage.
- **Makhado Local Municipality** -----CFO has left, Acting Municipal Manager Mr Kanwendo was suspended.

The Provincial Government is working hard to provide support to the affected municipalities to strengthen their internal controls, reporting, and revenue raising measures, capacity building and service delivery. The MECs for CoGHTSTA and Limpopo Treasury are finalising a comprehensive Infrastructure Review to be presented in the coming EXCO meeting.

We will ensure that basic service provision continues unabated at local level. Recovery plans are being developed and implemented to ensure services are not compromised.

I have also instructed the MEC for Coghsta , Mr Jerry Ndou to present in the next EXCO, Municipalities that should be put under administration because of their inability to provide necessary services.

We therefore urge our communities to raise their concerns through legal and constitutional means. We are committed as a Provincial Government to provide a clear and concise information on what is being done to address the VBS matter.

I thank you.

End.

Issued by the Office of the Premier.

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