

Media Release - 30 March 2022

## **Premier Mathabatha calls for innovative ways to assist municipalities in economic recovery**

The Premier of Limpopo Province, Mr Chupu Stanley Mathabatha, has implored municipalities to look for creative ways to deal with economic recovery as the province is getting back on its feet after two years of COVID-19 pandemic. Premier Mathabatha was addressing the Inter-Governmental Forum held at Bolivia Lodge, Polokwane today.

“As we speak, poverty levels in our communities are increasing, unemployment rate is growing, delivery of basic services is poor, local economies are stagnant. I want to call upon you to be innovative and start championing programmes that will bring economic relief to our people,” said Premier Mathabatha.

Premier Mathabatha further said: “I want to challenge this collective that municipalities should creatively join hands with the Limpopo Economic Development, Environment and Tourism (LEDET) to establish big cooperatives, that is, chain production cooperatives that will sustain local economies. By so doing you will be able to improve the economic outlook of the municipality. This can be done when there is leadership that is not afraid to take decisions. In so doing we can decisively deal with the triple challenges of poverty, unemployment and inequality.”

Premier Mathabatha also used the opportunity to address the meeting on the recent audit outcomes of the municipalities wherein out of the 27 municipalities in Limpopo, one (1) received a clean audit, fifteen (15) received unqualified audit opinion, ten received (10) qualified audit opinion and one (1) disclaimer.

Whilst there was improvement from the previous financial year in four of the municipalities, Waterberg, Mogalakwena, Elias Motsoaledi and Fetakgomo-Tubatse, Premier Mathabatha was not pleased that there was regression in Mopani District Municipality.

Said Premier Mathabatha: “I am more disturbed that Mopani District Municipality has taken us back to the world of disclaimer. We have said that we are a disclaimer-free province, we can’t be taken back. A disclaimer would mean that there is something that you are hiding, or that you disrespect people that we are supposed to serve - those are the reasons you can get disclaimer opinion. That’s why I have asked the MEC for Treasury and MEC for COGHSTA to urgently commence with a rapid assessment on this disclaimer in line with relevant regulations, it is not acceptable.”

The envisaged Rapid Assessment shall look at the root causes of the mal-administration and financial mismanagement and provide concrete recommendations to ensure appropriate interventions.

The Auditor General South Africa (AGSA)’s Limpopo Business Unit Leader, Mr Stephen Kheleli, also pointed that the regression in some areas require management effort to further improve. “Improvement in the Limpopo audit outcomes is noted; however, it is still largely driven by over-reliance on consultants and audit

adjustments, with little to no improvement in the control environment. Capacitation of officials in key positions is required for sustainable improvements. Let us not tire putting in place control measures and interventions that will benefit the communities,” he said.

The Forum, attended by Executive Mayors, Mayors and MECs for Treasury and COGHSTA, considered and adopted the local government strategic plan for the current term of administration. The plan informs strategic priorities on providing quality municipal services, good governance, and mainstreaming public participation, amongst others.

Premier Mathabatha concluded by encouraging Mayors and administrators to continue making greater input into changing the lives of communities in Limpopo.

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