

Media Statement

For immediate release

Thursday, 04 May 2017

SALGA meets with Minister of CoGTA, Des Van Rooyen to discuss key issues affecting local government

PRETORIA - The South African Local Government Association (SALGA) met with the Minister of Cooperative Governance and Traditional Affairs (CoGTA) Mr Des Van Rooyen at SALGA Headquarters, Menlyn Corporate Park, to discuss key issues affecting local government as a sector, service delivery, municipal matters and the welfare of municipal councillors.

The meeting was convened at the request of SALGA and comes as a follow up meeting following previous interactions earlier in the year. SALGA's National Executive Committee (NEC) has requested regular engagements between SALGA and the CoGTA Minister to process several issues concerning local government to improve the performance of the sector.

The CoGTA delegation included Deputy Minister Andries Nel and senior officials of the department, while SALGA was represented by its President Parks Tau, Deputy President Sebenzile Ngangelizwe and SALGA Executives.

SALGA used the meeting as an opportunity to table issues that are of concern to its municipalities, some of which are in the public domain and related to recent developments in the country. These include; the impasse between ESKOM and municipalities pertaining

outstanding debt; issues relating to councillor welfare and support; proposed amendments to Organised Local Government Act; update on Competition Commission Tribunal on Bid Rigging.

The meeting adopted a proposal that quarterly meetings be held between SALGA and CoGTA to deal with key activities in the local government sector and the meetings will be aligned with important annual local and national events in the government calendar.

On Eskom, it is SALGA's mission to deal with the root causes and challenges which have led to the Eskom municipal debt. The meeting discussed systematic and structural challenges underlying the debt owed to Eskom, as well as Constitutional challenges in terms of executive authority for electricity distribution and related operational challenges between Eskom and municipalities. An inter-ministerial task team (IMTT) has been established and will be led by CoGTA to deal with the above matters.

Furthermore, SALGA and CoGTA agreed that the once-off gratuity payments to non-returning councillors be re-looked to address any outstanding issues that may have been encountered during disbursing. CoGTA Minister announced that his department will be sending out explanatory disbursement letters to all recipients on how the payments were calculated.

The Minister was also briefed on the latest developments regarding the Construction Bid Rigging investigation by the Competition Commission. The Competition Commission has concluded consent agreements with the implicated companies and the agreed penalties amounted to R1.46billion. These consent agreements were confirmed by the Competition Tribunal. The Minister expressed support for SALGA in its planned engagements with the Ministry of Economic Development regarding the six municipalities that have been negatively affected by the Construction Bid Rigging. The Minister committed to escalate the matter in an appropriate forum to ensure that interests of the affected municipalities are not compromised.

END

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