



KWAZULU-NATAL PROVINCE

TREASURY
REPUBLIC OF SOUTH AFRICA

**KZN TREASURY AND KZN COGTA TO CONTINUE TO ASSIST
EMADLANGENI LOCAL MUNICIPALITY FOLLOWING A ROBUST BY
CONSTRUCTIVE ENGAGEMENT**

THURSDAY, 3 AUGUST 2021



MS. NOMUSA DUBE-NCUBE

MEC: FINANCE

FOR IMMEDIATE RELEASE

THE Provincial Government led by KZN Treasury and KZN Co-Operative Governance and Traditional Affairs will step up its efforts to assist Emadlangeni Local Municipality with its financial and governance challenges as mandated by the Provincial Executive Council in its special meeting last week.

Finance MEC Nomusa Dube-Ncube and KZN CoGTA MEC Siphon Hlomuka met, in Pietermaritzburg on Tuesday, with the council of Utrecht-based Emadlangeni Local Municipality led by its Mayor Cllr YL Mhlungu to communicate last week's Cabinet decision.

Emadlangeni Local Municipality has been confronted with serious governance, financial and service delivery challenges. One of these has been the municipality's failure to convene successfully and legally to pass and approve its Annual Budgets. This is despite protracted efforts by both KZN COGTA initially and later KZN TREASURY aimed at assisting the municipality to resolve their financial and administrative challenges in line with the prescripts of the Municipal Finance Management Act (MFMA) and the Municipal Structures Act.

Dube-Ncube said the Provincial Government has a constitutional obligation and duty to assist the eMadlangeni, one of three municipalities under AmaJuba District Municipality.

"The decision of the Executive Council is that we will have to continue to reinforce our support to the municipality by increasing our efforts to resolve the challenges they are facing. The municipality is already under administration but we now have to strengthen that intervention. We will also be appointing financial experts so that we can help them to at least pass an interim budget to allow the municipality to operate. We are prepared to support them and ensure they succeed in closing this chapter," said Dube-Ncube.

Both Dube-Ncube and Hlomuka expressed regret at the decision of the municipality to pay salaries without the approval and authorisation of KZN Treasury. The MEC said such an illegal decision is viewed as a serious breach and corrective measures will have to be implemented urgently. The municipality used funds to pay salaries of the staff and councillors thus violating sections of the MFMA.

“The municipality spent the money they didn’t have instead of seeking guidance, approval and authorisation from KZN Treasury. This has left us with no choice but to institute an investigation, open a case and devise measures to recoup this money,” she said.

Said MEC Hlomuka: “Going forward, we humbly appeal to councillors to adhere to the rule of law. There are always consequences and serious implications when law is broken. Having said that, I must reiterate that we shall continue to support the municipality with everything we have without prejudice and regardless of political allegiance but we will deal with the issue on governance basis,” he said.

The councillors thanked the MECs and committed to working with the Provincial Government for a last solution to the challenges besetting the municipality.

Issued jointly by KZN Treasury and KZN CoGTA

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