

## HON. VICKY KNOETZE MPL EASTERN CAPE PROVINCIAL LEGISLATURE

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22 November 2023

Attention: Hon. Premier O. Mabuyane

## RE: MAKANA MUNICIPALITY MUST BE DISOLVED IN TERMS OF SECTION 139(5)(b) OF THE CONSTITUTION

The Democratic Alliance in the Eastern Cape is requesting that the Makana Municipality be dissolved in terms of section 139(5)(b) of the Constitution of South Africa which states that:

*"If a municipality, as a result of a crisis in its financial affairs, is in serious or persistent material breach of its obligations to provide basic services or to meet its financial commitments, or admits that it is unable to meet its obligations or financial commitments, the relevant provincial executive must –* 

- (a) Impose a recovery plan aimed at securing the municipality's ability to meet its obligations to provide basic services or its financial commitments.
- (b) Dissolve the municipal Council, if the municipality cannot or does not approve legislative measures, including a budget or any revenueraising measures".

In terms of section 139(5)(a), the Makana Municipality already has a financial recovery plan which it has failed to implement for an extended time period.

The municipality has been in financial distress for a number of years and remains unable to effectively deliver even the most basic of services to its residents. The dire financial position is evidenced by its continuous disclaimer audit opinions. The situation is further exacerbated by the fact that there is a complete lack of consequence management and that officials that are not competent or have been implicated are not being held to account. The latest blow is the letter from National Treasury, dated 8 November 2023 which states that the unspent conditional grants in excess of R 60 million must be repaid to National Treasury by the Makana Municipality. This will undoubtedly be the final nail in the coffin for any hope that the financial situation of the municipality will improve or that the people of Makana can expect that there will be a higher standard of basic service delivery.

I am sure the Honourable Premier will agree that Makana Municipality has not only run out of funds, but has run out of time and out of options to effectively remedy the situation without urgent and decisive provincial intervention.

Please respond to this urgent request by Wednesday, 29 November 2023.

Regards,

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