



Date:	10 January 2025
To:	The President of the Republic of South Africa Mr Cyril Ramaphosa The Minister of Cooperative Governance and Traditional Affairs Mr Velenkosini Hlabisa The Minister of Finance Mr Enoch Godongwana
From:	CJ Steyl MPL
Subject:	Section 139(7) intervention in the Ditsobotla Local Municipality

Dear Sirs,

We request your urgent consideration to place the Ditsobotla Local Municipality under Section 139(7) administration for failure to comply with Section 152 of the Constitution and the provisions of the Municipal Finance Management Act in its entirety.

Residents of the Ditsobotla Local Municipality have now endured decades of avoidable misery because of the complete collapse of basic service delivery and the lack of any semblance of governance or administration.

All previous provincial government interventions, both voluntary and under Section 139 have failed to bring stability and restore service delivery.

Since the year 2000, there has been more than 30 provincial government interventions in the Ditsobotla Local Municipality, all of which have failed.

Communities in Lichtenburg, Itsoseng, Burgersdorp and Coligny constantly face extended periods without access to water and electricity supply.

Basic service delivery is non-existent. Infrastructure has collapsed. Municipal officials lack the requisite resources to respond to service delivery needs.

This place an additional financial burden of residents having to source other avenues to access these services while the business sector is left unable to produce goods and or deliver services further contributing to negative economic growth in the region, disinvestment and increasing unemployment.

It negatively affects not only the quality of life of residents, but also their wellbeing, unable to process food or attend to basic hygiene needs in a depressed economic environment that leaves little prospect towards accessing economic and employment opportunities.



The financial health of the municipality is dire and good governance is constantly being undermined due to party-political factionalism and a stand-off between officials and public office bearers within the municipality and with the provincial government.

Most recently, the Council was dissolved in October 2022, where new elections were held on 14 December 2022. The new Council has been unable to restore governance and service delivery despite the efforts of the North West Provincial Department of Cooperative Governance.

It is our position that the only mechanism available to stabilise the Ditsobotla Local Municipality is through a national intervention under Section 139(7).

The unfortunate fact is that the Ditsobotla Local Municipality cannot operate as a going concern.

1. Bulk Eskom Debt exceeds R1 billion;
2. Other creditors exceed R200 million;
3. A deficit exceeds R171 million for the 2024/25 financial year on an unfunded budget of R543 million;
4. Household debt exceed R1,2 billion
5. The municipality is unable to pay municipal salaries or process third party payments or service its creditors;
6. Over the last five audit cycles the municipality obtained three disclaimer with finding audit outcomes and failed to submit for audit over the last two audit cycles.

The administration itself is fraught with irregular appointments. The total staff component is about 752 employees, of which about 533 individuals are directly related to either appointed officials or serving public representatives.

Although a substantive Municipal Manager has been appointed in May/June 2024, the position of Chief Financial Officer and all other senior director positions are staffed in an acting capacity.

There is an absence of any semblance of discipline and consequence management within the administration and a general apathy towards establishing a Disciplinary Board as required by legislation.

Council meetings are chaotic, regularly disrupted and committees are completely dysfunctional. The Ditsobotla Local Municipality is unable to even begin to implement its Service Delivery and Budget Implementation Plan (SDBIP).

This situation is untenable and the anger and frustration of disaffected communities is evident in regular violent protest action that results in further damage to ageing infrastructure, road closures, and stoning of vehicles of passing motorists.

The Ditsobotla Local Municipality remains a central to the economic prosperity of the North West. It hosts the headquarters of the Red Meat Producers Organisation and AgriNW. It hosts Senwes and Bayer, amongst other agri-sector stakeholders like Agrico.

In addition, the municipality also hosts big companies like Afrisam Cement, Lafarge Cement, PPC Cement and Sephaku Cement, making it one of the biggest lime and cement producing centres on the continent.

But more importantly, the situation negatively impacts local economic development through the municipality's inability to deliver basic services in support of small and medium enterprises, a key sector for job creation, which cannot afford the additional financial costs to support their operations.



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The residents of Ditsobotla deserve decisive action, now.

Through Section 139(7), the Government of National Unity can take control of the situation and conduct an independent financial assessment of the municipality, craft a funded and implementable recovery plan to stabilise the municipality and administer its affairs towards servicing residents while an independent skills audit of all senior and middle management officials as well as a forensic financial audit is conducted.

All Municipal officials who are identified to either lack the necessary skills, qualifications, and experience to perform their functions must be removed from service, likewise with individuals that were appointed through irregular processes.

Municipal officials and political office bearers who are identified and implicated in any corrupt financial activities must be prosecuted and the necessary asset forfeiture processes initiated.

These are the only interventions that can offer real hope for positive change in Ditsobotla until the local government elections in 2026. These interventions will also bear fruit that will allow a new administration to immediately govern from a stable and sound foundation.

I look forward to your positive consideration of our request in the interest of the residents of the Ditsobotla Local Municipality.

CJ Steyl MPL
North West Provincial Legislature