

# Team formed to recover debt

Municipalities will be assisted by dedicated debt recovery team

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COOPERATIVE governance and traditional affairs has established a team to assist municipalities to recover the R117bn debt owed to them.

The Financial and Fiscal Commission revealed the ballooning debt in December.

The recovery plan will be among the priority topics when President Jacob Zuma opens the third Presidential Local Government Summit to discuss challenges and interventions facing the country's municipalities.

The two day summit will be held at Gallagher Convention Centre in Midrand this morning and will be attended by more than 2000 delegates.

It will be convened under the theme of Transforming Municipal Spaces for Radical Social and Economic Development.

Cooperative Governance Minister Des van Rooyen said the debt recovery team was led by the Department of Public Works which was working on verifying some of the money owed to municipalities.

"There are some government departments who owe municipalities," Van Rooyen said. "The team is making good progress since some municipalities received payments as a result of the intervention."

He said the team had identified municipalities that were struggling in terms of financial management capacity and they would focus on assisting them jointly with national and provincial treasuries.

Van Rooyen said the summit also intended to agree on ways to further strengthen the system of local government in the second phase of the programme.



Des van Rooyen PICTURE: ROBERT TLAPU

He said this would be done through addressing spatial injustice and spatial dislocation, building resilient communities to avoid and reducing the impact of climate change and disasters to name but a few.

Today will see interactive panel discussions. Panel one will discuss inter-governmental and stakeholder roles and responsibilities for radical social and economic transformation at the local level.

Panel two will discuss intergovernmental and stakeholder cooperation and collaboration to ensure resilient municipalities through a focus on disaster risk reduction strategies.

Panel three will discuss transforming the economy of space and intergovern-

mental commitments to radical socio-economic transformation.

The B2B was launched at the second summit in 2014. It emphasised the need for municipalities to deliver basic services.

Van Rooyen said the second phase of B2B was meant to take local government to a higher developmental trajectory in pursuit of national priorities and realisation of the NDP goals.

"The summit will review progress in strengthening our system of local government based on reflections of the successes and challenges of the Back2Basics approach and concomitantly function as the formal launch of the B2B programme's second phase.

"The programme has only completed one full financial year of implementation. As part of implementation of the B2B we have intervened and supported a number of municipalities," he said.

Van Rooyen said some of the lessons learnt in the first phase were that political instability and weaknesses in governance were two of the primary causes of poor service delivery at the municipal level.

He also said a lack of citizen engagement was also found to be a common factor in those municipalities that were performing poorly.

"In the next phase, a focus on the Integrated Urban Development Framework (IUDF) and its implementation is essential.

"Planning and a focus on the local economic development to stimulate local economies and improve planning capability at municipal level will also form an important component of the second phase of the B2B programme," Van Rooyen said.

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