

Steve Tshwete gets unqualified audit report

The municipality has had R10 million irregular expenditure

The Steve Tshwete local municipality has received an unqualified audit from the Auditor General for the 2017/18 financial year. The municipality was found to have had an irregular expenditure of R10 million.

However, the municipality's political head-honcho Tsietsi Bagidi Tolo said that receiving an unqualified audit does not mean there is money lost but there are processes that were not followed. "The municipality is delivering good services to the people," he said on the SABC's Morning Live programme on Tuesday.

"There were only a few glitches that the Auditor General found. That does not mean the municipality is spending money unnecessary. Some of the mistakes reflects from the supply chain management. He said when we advertise our tenders we should include local content. We are still using the old manual way and our financial system is not talking to each other but there is no financial misuse," he said.

Mayor Tolo further said that the municipality has 98% revenue collection rate. "There are no defaulters. That helps to keep our town afloat. Our economy is encored by the local mining business and we need to change from that. When the mining businesses close one day we don't want Middelburg to become a ghosttown," he said.

The "no-nonsense" mayor said that serious actions will be taken on the officials involved. "Those officials involved will be reprimanded and will be given final notices," he said.

The "number one" municipality in the province is going to spend a total budget R2.2-billion for the 2019/20 financial year. "Of this amount," the mayor said during the state of the municipality's address a fortnight ago. "R483-million will be spent on capital projects."

"This is very tight budget aimed at ensuring that levels of revenue are maintained to ensure continuation of current basic services in line with the guidelines issued by the National Treasury in the 2019/2020 Budget Circular."

"This Medium Term Budget is linked

to the IDP and indicates the direction we are navigating to, in achieving the following goals:

- Provision of sustainable and accessible basic services to all.
- Provision of a safe and healthy environment.
- Promotion of economic growth and job creation.
- Promotion of good governance, organisational development and sustainability.
- The following constitute the key budget focus areas:
 - Cost reductions to ensure affordable tariff.
 - Social support to those residents who cannot afford to pay for services.
 - Continuous infrastructure development to upgrade ageing networks as well as the maintenance thereof.
 - Intensification of job creation activities through the implementation of capital projects, the expanded public works programme and the launch of the township economy strategy;
 - Good governance and clean administration;
 - Continuous efforts to ensure high collection rates. Our revenue base remains under pressure and needs to be expanded over the medium term to sustain the financial position of the Municipality.

We once more call upon our residents to continue showing their support by prioritising payment of Municipal services to build a better future and improve the living conditions of all residents.

Thank you very much to the residents of Steve Tshwete Local Municipality, if you continue to pay for the services that you receive we commit to giving you further quality services.

We are pleased to announce that the budget is balanced and fully funded," he said.