

Gauteng spends most on its residents, Stats SA data shows

Gauteng, SA's economic and financial hub, recorded the highest level of municipal spending per resident in 2022, Stats SA data shows.

The country's 257 municipalities spent a total of R532bn in 2022 on operational and capital expenditures. With SA's population at 62-million, "this equates to an average municipal expenditure of R8,572 per resident", Stats SA said.

At a more granular level, the municipalities of Gauteng recorded the highest level of municipal spending per resident, at R12,060. Eastern Cape, Mpumalanga and Limpopo registered the lowest values, it said.

According to the data, the DA-run Western Cape spent R10,411 per resident during the period under review and was followed by Free State (R9,702) and North West (R7,702) In Limpopo R4,429 was spent per resident.

The Gamagara local municipality in the Northern Cape led the local and metro municipalities, spending R23,201 per resident, while Midvaal local municipality spent R14,749 and Nelson Mandela Metropolitan Municipality R12,980.

The data comes on the backdrop of a report by the National Treasury in March, in which it sounded the alarm over SA's 257 municipalities, saying their underperformance in spending billions of rand in allocated budgets and conditional grants was a "source of concern", as residents grappled with poor service delivery.

Some of the takeaways from the report were that from December 31 2023, aggregate municipal spending for both operating and capital budgets was R283.5bn, or 46.3% of the total adopted expenditure budget of R612bn.

In February, the Treasury notified the Tshwane and Johannesburg metros of its intention to cut a combined R1.83bn for grants due to underperformance.

Auditor-general Tsakani Maluleke announced in May 2023 that of the country's 257 municipalities, only 38 received a clean audit during the 2021/22 financial year, highlighting the effect of instability in local government blighted by inadequate skills, cash flow challenges, governance failures and a lack of accountability and consequence management.

Maluleke said the municipalities racked up R4.74bn in fruitless and wasteful expenditure during the period under review.

Source: Luyolo Mkentane - <https://www.businesslive.co.za/bd/national/2024-07-15-gauteng-spends-most-on-its-residents-stats-sa-data-shows/>

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