

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2151 [NW2463E]
DATE OF PUBLICATION: 5 JUNE 2015

2151. Mr C H H Hunsinger (DA) to ask the Minister of Finance:

With reference to the reply of the Minister of Cooperative Governance and Traditional Affairs to question 1629 on 25 May 2015, (a) on what date did the National Treasury's forensic investigation into the Nelson Mandela Bay Metro Integrated Public Transport system commence, (b) at what stage is the investigation, (c) when is the final report due to be released, (d) who is on the investigation team and (e) what (i) is the objective and (ii) are the terms of reference of this investigation?

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REPLY:

- (a) National Treasury's forensic investigation into the Nelson Mandela Bay Metropolitan Municipality on the Integrated Public Transport system commenced on the 12th of November 2014. The Investigation is being conducted in phases as follows:
- **Phase 1:** Establish the total amount paid on the projects since its inception in 1 July 2004, obtain and secure all available documentation; conduct preliminary investigation to verify the reasonableness of allegations. This phase was completed in March 2015.
 - **Phase 2:** An In-depth forensic investigation that is informed by the results of Phase 1, which commenced on 9 April 2015.
 - **Other Phases** This will be informed by the results of Phase 2 and might include criminal, civil or disciplinary action depending on the findings of the investigation.
- (b) The investigation is still in progress for Phase 2, which is focusing on an in-depth investigation of all the alleged implicated service providers, officials and other parties.
- (c) The final report on Phase 2 is estimated to be completed by the 15 August 2015, but subject to cooperation by the relevant parties to provide the required information to reach an informed conclusion.
- (d) The Investigation Team is composed of National Treasury Special Audit Services officials and its co-sourced forensic investigation firm, Deloitte & Touche.
- (e) (i) **The objective** is to conduct comprehensive investigation that will assist the Municipality to implement the appropriate corrective action.
- (ii) The **terms of reference** include, but is not limited to the following:
- Conduct a comprehensive investigation of IPTS since its inception.