

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2473 [NW2842E]
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2473. Mr T R Majola (DA) to ask the Minister of Finance:

- (1) Whether he is aware that a certain official (name and details furnished) from the Ekurhuleni Metropolitan Municipality was requested by the Municipal Public Accounts Committee (MPAC) to provide information on all contracts above R10 million awarded by the bid adjudication committee, whereupon the specified official only disclosed four such contracts, when there were dozens more (details furnished);
- (2) whether he is aware that the MPAC recommended that an external forensic investigation must be conducted on all tenders awarded for amounts above R10 million without the approval of the accounting officer (details furnished); if not, (a) why was no such external forensic investigation conducted, (b) what steps does he intend to take and (c) what laws and regulations have been transgressed by not having an external forensic investigation; if so, (i) who was responsible for ensuring that such an external forensic investigation took place, (ii) has the external forensic investigation been concluded and (iii) what were the findings and recommendations;
- (3) what action will he take in order to ensure that said forensic investigation includes all the tenders totalling the R7,2 billion?

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REPLY:

- (1) The National Treasury was not aware of the recommendations of MPAC and the extent of the disclosure by the Accounting Officer. This information is only available at institutional level, namely the Ekurhuleni Metropolitan Municipality.
- (2) Section 79 of the Municipal Structures Act permits a municipal council to establish committees which is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. The Municipal Public Accounts Committee (MPAC) is one such committee which assists the municipal council with its oversight function. Being a council committee, it will be accountable to the municipal council, who will then take a decision on recommendations made by MPAC. Council decisions or resolutions are not reported to the National Treasury. Since the MPAC is a council committee, the final decisions taken on its recommendations vests with the municipal council.
- (3) The National Treasury will not be conducting any forensic audit at the municipality at this stage as the information at hand indicate that the Office of the Public Protector is in the process of conducting an investigation at the municipality. We will await the outcome thereof.