**NATIONAL ASSEMBLY
QUESTIONS FOR WRITTEN REPLY
QUESTION NUMBER 2016 / 6
DATE OF PUBLICATION: 12/02/2016**

**Mr A M Shaik Emam (NFP) to ask the Minister of Cooperative Governance and Traditional Affairs:**What measures does he intend to put in place to curb ( a ) noncompliance with the Public Finance Management Act, Act 1 of 1999, ( b ) wasteful expenditure, ( c ) irregular expenditure, fraud and ( d ) corruption (details furnished) in the local government sector?

**Reply:**(a) The Public Finance Management Act (PFMA) is./ legislation that falls within the mandate of the National Treasury. It is applicable to national and provincial spheres of government; therefore, the Act does not apply to local government. The applicable legislation is the Municipal Finance Management Act (MFMA) which has similar provisions on wasteful and irregular expenditure as in in the PFMA. Furthermore, it must be noted that the implementation of the MFMA also falls within the mandate of the National Treasury.

(b), (c) and (d)

A number of interventions are being put in place to address challenges pertaining to wasteful expenditure, irregular expenditure, fraud and corruption. Currently, we have the following measures in place:

• The Department is finalising the review of the 2006 Local Government Anti-Corruption Strategy.

• Draft Local Government Integrity Management Framework which sets out the responsibility of municipalities when implementing Local Government Anti-Corruption Strategy.

• We have a draft Implementation plan which provides for practical actions that will be undertaken to implement the strategy.

The additional measures that we have put in place are the following :

• The Department requested Provinces and municipalities to submit copies of forensic reports commissioned between April 2009 and October 2014.

• Of the 115 copies of forensic reports received , 106 have been assessed.

• We are collaborating with law enforcement agencies like the Special Investigating Unit (SIU), Asset Forfeiture Unit (AFU), Hawks, and the National Prosecuting Authority (NPA) to accelerate investigations and prosecution.

• Most of the forensic reports commissioned by Provinces and municipalities made recommendations that certain remedial or other corrective measures should be taken