

**MINISTRY FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTIONS FOR WRITTEN REPLY**

**QUESTION NUMBER 2017/736**

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**Ms P T van Damme (DA) to ask the Minister of Cooperative Governance and Traditional Affairs:**

Whether, with reference to the attached letter from the Acting Director-General of his department to the Municipal Manager of Bela-Bela Local Municipality, his department has received the KPMG report on 10 November 2016; if not, (a) why and (b) what action has his department taken to receive the report?

**Reply:**

In October 2016, the Department received correspondence from the Honourable Kevin Mileham, MP. The correspondence was with regard to a forensic report commissioned within the Bela Bela municipality by KPMG. The Honourable Member was requesting a copy of the forensic report for purposes of review and distribution to the Bela Bela Councillors.

According to the Honourable Member, the forensic report was finalised in May 2016. The report is alleged to be available at the Internal Audit department for Councillors to view although they are not allowed to take copies.

Following the request from Parliament, on 04 November 2016, the Department prepared a correspondence requesting the municipality to submit a copy of such a report with a view to assess the report and advise accordingly. The correspondence to the municipality was approved from the Acting Director-General’s office.

On 11 November 2016, the Department received a correspondence from the municipality as a response. The municipality indicated that Council processes are still underway to ensure that the recommendations emanating from the forensic report are implemented. In this regard, they requested to be granted space and time to finalise internal processes before releasing a copy of the report.

During its special meeting on the 15th September 2016, the Municipal Council, resolved, amongst others that:

* the report on investigation into various allegations of irregularities in the municipality be noted;
* legal advice sought with regard to the processing of the recommendations of the report to ensure that Council is insulated from any potential litigation;
* all the recommendations of the report which may necessarily not need legal opinion be implemented and subsequently referred to MPAC for processing and reporting to Council;
* the outcomes of the legal opinion on the recommendations of the forensic report be referred to MPAC for further processing and reporting to Council;
* the Manager for Planning and Economic Development, as the designated Acting Municipal Manager during the forensic investigation period, be authorised to handle all the processes of the report until its conclusion in accordance with Council’s Oversight and Governance Structures as outlined above.