**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER:** **110 [NW113E]**

**110. Mr C Brink (DA) to ask the Minister of Finance:**

(a) Whether the National Treasury collects and collates any information at its disposal pointing to the employment as (i) chief financial officers and/or (ii) any other financial official in a municipality of any persons who have been found guilty by a municipality or other organ of state of serious financial misconduct and/or who has been convicted of any offence or set of offences involving fraud, corruption or criminal financial misconduct in terms of section 173 of the Municipal Finance Management Act, Act 56 of 2003, (b) in which municipalities are such persons appointed and (c) in which positions are they appointed within such municipalities? NW113E

**REPLY**:

1. The National Treasury collates some information on the chief financial officers and other financial officials, however, not specifically regarding officials who were found guilty of serious financial misconduct or convicted of any offence or set of offences. The appointment practices and vetting of those appointed are the domain of the municipality. In terms of regulation 16(1) of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, municipalities and municipal entities must report any decision to institute or not to institute disciplinary proceedings against the person who allegedly committed a financial misconduct; the reasons for the decision; the outcome where disciplinary proceedings have been instituted; and whether a charge has been laid against the person concerned with the South African Police Service, if the alleged financial misconduct constitutes a financial offence in terms of section 173 of the Act. The above-mentioned reports must be sent to different stakeholders, including the MEC for local government in the province; the national department responsible for local government; the relevant provincial treasury; the National Treasury; and the Auditor-General. The municipalities must also report in their annual reports all suspensions, disciplinary or criminal proceedings instituted in cases of financial misconduct.

1. The National Treasury monitors the establishment of disciplinary boards as required in terms of the above-mentioned Regulations, the effectiveness of thedisciplinary boards as this is the instrument through which consequence management in relation to financial misconduct is implemented in municipalities and municipal entities. The National Treasury also monitors whether any municipal official has been charged with financial misconduct, including whether any disciplinary action has been implemented to address the financial misconduct.
2. The National Treasury also collates information on other financial officials within municipalities.

The National Treasury does not have information relating specifically to the appointment of CFOs or other financial officials falling within the category mentioned in the questions, however, the Honourable Member should note that the appointment of senior managers, including CFOs in municipalities requires that a process be followed that includes reporting to and seeking responses from provincial MECs responsible for Local Government, in terms of the regulations issued under the Municipal Systems Act. The table below provides information on instances where disciplinary processes have been instituted during 2020/21 financial year.

| 1. Name of Municipality | 1. Position held by officials |
| --- | --- |
| Alfred Nzo District Municipality | Debt Collection Officer; Revenue Officer and Senior Debtors Clerk |
| Dr Beyers Naude Local Municipality | Chief Financial Officer |
| Buffalo City Metropolitan Municipality | Head of Supply Chain Management |
| City of Johannesburg Metropolitan Municipality | Acting Group Executive Director (4) and Acting Director |
| Ekurhuleni Metropolitan Municipality | Cashiers (7), Sub-Accountant; Administrators (2) ; Administrative Assistant ; Senior Clerk; Executive Managers (2); Accountant; Admin Officer; Senior Manager (2); Senior Clerk; Clerk; Manager (6) and Admin Assistant |
| eThekwini Metropolitan Municipality | Senior Manager; Project Executives, a total of 29 officials have been charged and disciplined |
| Okhahlamba Local Municipality | Cashier |
| Alfred Duma Local Municipality | Chief Financial Officer; Debt Collector Legal |
| uPhongolo Local Municipality | Senior Managers (2) |
| Collins Chabane Local Municipality | Manager Revenue; Manager Supply Chain Management; Manager Planning and Development |
| Lepelle-Nkumpi Local Municipality | Executive Manager Technical Services; Manager: Supply Chain Manager; and Executive Manager: Community Services |
| Modimolle-Mookgophong Local Municipality | Divisional Managers (2) |
| Polokwane Local Municipality | Assistant |
| Thaba Chweu Local Municipality | Supply Chain Manager |
| George Municipality | Director: Corporate Services and Director: Community Services |

.