**NATIONAL ASSEMBLY**

**QUESTION NO. 1171-2021**

**WRITTEN REPLY**

**INTERNAL QUESTION PAPER NO. 12 –2021, DATE OF PUBLICATION 07 MAY 2021:**

**Mr T W Mhlongo (DA) to ask the Minister of Sport, Arts and Culture:**

(1). In light of the alleged mismanagement of the funding from the Presidential Employment Stimulus Programme by the National Art Council (NAC), (a) what steps is he taking regarding the mismanagement of funds at National Arts Council and (b) who will be accountable;

 (2) whether his department has taken any legal steps against persons who are involved in the mismanagement of funding at the NAC; if not, why not; if so, what are the relevant details;

 (3) whether the NAC paid close to R600 000 to foot the legal bills relating to the internal disciplinary hearing of the Chief Executive Officer (CEO); if not, why not; if so, (a) what are the reasons that the NAC paid the legal bills of the CEO, (b) what total amount did the NAC pay in this regard;

 (4) on what date is it envisaged that the (a) suspension and (b) disciplinary action relating to the (i) CEO and (ii) Chief Financial Officer will be finalised? **NW1360E**

**REPLY**:

1. (a). A forensic investigation into the handling of the Presidential Employment Stimulus Programme (PESP) is being instituted by the Council of NAC. The findings of the report will be analysed and implemented in line with the governing legislation. If there is/are individual/s that may have transgressed in the management of the PESP rollout, consequence management will apply.

 (b). The recommendations coming out of the Forensic investigation will determine further steps to be taken.

2. The Department has not taken any steps against any individual as the findings of Forensic investigation will determine the scale of the problem and what steps to take; and this will be done by the Council. My duty will be to play an oversight in ensuring that recommendations coming out of the Report are implemented and consequence management where applicable. However; also note that a legal opinion was sought on the matter of alleged conflict of interest by some Council members; to which it stated that there was no conflict of interest as adjudication was done under the previous Council.

3. The NAC did pay the legal bill relating to the internal disciplinary hearing of the Chief Executive Officer.

1. This was the re-imbursement paid to the CEO as she won the disciplinary hearing and Council agreed to settle her legal costs.
2. The amount paid was R594 500. The NAC Council approved the payment in 2020.

4. The National Arts Council has since instituted a Forensic investigation into the handling of the Presidential Employment Stimulus Programme (PESP) by management. Once that process is finalised the Council will work with speed to adequately and swiftly act on the implementation of the recommendations of the Forensic Report including disciplinary hearing if that is part of the recommendations.