

E Cape MEC says he welcomes municipal forensic report

Eastern Cape Local Government and Traditional Affairs MEC, Mlibo Qoboshiyane, has welcomed a forensic report on the Ngqushwa Local Municipality, which sheds light on issues linked to procurement procedures in the municipality.

"We welcome this report as evidence of administrative wrongdoing and signs of collapse of procedural procurement in the municipality," said the MEC.

In May 2012, the Local Government and Traditional Affairs Department contracted Umnotho Business Consulting, a forensic investigation firm, to probe various claims of impropriety that allegedly took place in the municipality.

"As the department, we have an obligation, in terms of Section 106 of the Local Government: Municipal Systems Act, to conduct an investigation where there is reason to believe that there is maladministration, fraud, corruption or any form of malpractice in municipalities and in their entities," said the MEC while tabling the report on Tuesday.

The report confirms violation of the municipality's supply chain management policy, and violation of the Preferential Procurement Policy Framework Act (PPFA).

It also confirms the neglect of duty and/or negligent conduct, prejudicing the efficient administration of the municipality, among other things.

The team of investigators into the matter looked at travel and accommodation expenditure, including advances paid to Concorde Travel agency and compared these with actual usage.

It also established what must still be paid to or recovered from the agency. This includes the alleged use of a hired vehicle for the then acting municipal manager's wedding.

The investigation also looked into project expenditure for the period 2010 to 2011, and established the frequency with which particular contractors were granted projects and whether, if any, over-expenditure or under-expenditure occurred.

Among the recommendations of the report is that the accounting officer must determine the total cost of the contract with Concorde, and establish if the usage was for official purposes before taking the necessary action to deal with the matter.

Another recommendation is that an effective contract management system is introduced and sound contract management principles are applied within the municipality to ensure that contracts concluded are signed by both parties and the implementation thereof is monitored.

It also recommends that the municipality's effectiveness be strengthened by ensuring that internal control measures are implemented and effectively monitored.

"The municipality should consider taking appropriate action against all the implicated officials of the municipality for contravening policies and prescripts," said Qoboshiyane.

He said that having presented the report to the Municipal Council, the department has given the municipality 30 days to write to the department, indicating how they will implement the recommendations of the report.

"Any form of impropriety can never be tolerated nor condoned. Any form of mismanagement and maladministration is a step backwards in the realisation of our goal of creating a better life for all.

"The department is very committed to the 2014 target of clean audit, and any deviation from that goal can never be condoned," he said.

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