

There should be no getaway for municipal VBS looters

By Cilliers Brink MP - DA Shadow Deputy Minister of Cooperative Governance and Traditional Affairs

Madam Speaker, as the Democratic Alliance (DA) said in the first meeting of the portfolio committee of Cooperative Governance and Traditional Affairs, we have not forgotten about the municipalities which channeled about R1.2 billion in taxpayers' money to VBS mutual bank.

The people who live in those municipalities have worked hard to pay for the rates, tariff, and charges that were misappropriated. They should not have to wait until the 2021 local government election for justice to be done in their communities.

The DA is particularly worried that months after the great VBS heist was revealed, another chapter to the story is quietly being written. It might well be called the great VBS escape. It is about how only a few implicated politicians and municipal officials are facing real accountability for their part in the VBS saga.

Some of the mayors have not in fact resigned. They have been redeployed. That is not accountability. It is a quick getaway. The same can be said about the resignation, suspension, and sacking of implicated municipal managers and CFOs. What happens to them, and the municipalities they have helped to destroy, after they leave?

The former CFO of Moretele Municipality in the North West still has questions to answer about deposits made by that municipality into VBS. Instead she has made a quick get-away, and is now the Municipal Manager of the Makhuduthamaga Municipality in Limpopo.

But if you want to escape accountability for the VBS raid on municipal coffers, the best place to be is Gauteng. Two of the province's municipalities deposited funds in VBS: Merafong Municipality deposited R51 million, and the West Rand Municipality deposited R77 million.

Residents of the West Rand not only read about VBS in the newspapers, they live with the consequences of the looting every day. Municipal salaries are paid off and on. Services like firefighting and emergency services have completely broken down. Projects have had to be stopped, even as service infrastructure is crumbling. But to this day not a single senior official has been suspended.

At the time the VBS deposits were made Romeo Mohaudi was the Chief Financial Officer of Merafong and the acting Municipal Manager of the West Rand District. Romeo Mohaudi should have been placed on precautionary suspension. As should all other senior officials who exercised delegated powers in transferring municipal funds to VBS.

Municipal laws might be complicated and sometimes contradictory, but on two counts they are fairly clear: first, the municipal manager bears a heavy fiduciary burden, and second, once allegations of serious misconduct arise against the municipal manager and his direct reports, the council must take action.

Gauteng's forensic investigation into these municipalities was completed some time ago, but has still not been made public. Neither have councillors in these two municipalities had sight of the full, unabridged version of the report, which further undermines effective action against implicated officials.

The fate of Merafong now depends on a financial recovery plan to repair the damage caused by the VBS deposits. Who is preparing this plan in collaboration with National Treasury? Who will be responsible for implementing this plan? The disturbing answer to both these questions is: Romeo Mhahodi, and the other municipal officials under whose watch the VBS deposits were made.

David Makhura, the Premier of Gauteng, has admitted that he has a lot to learn from the DA-led Western Cape government. He can start by acceding to the DA's PAIA application and releasing the full forensic report into two Gauteng municipalities that deposited funds in VBS, so that the implicated officials can be removed from office.

The DA also wants the new Minister of Cooperative Governance to confirm that she will keep the commitment made by her predecessor late last year, namely that legal action can now commence against politicians and officials implicated in the VBS heist.

It is high time that South Africa's stringent municipal laws are applied against careless and corrupt officials.