

North West Legislature Portfolio Committee on Local Government Instructs JB Marks MPAC to Investigate Incomplete Sarafina Stadium Project

The North West Provincial Legislature's Portfolio Committee on Local Government and Human Settlement has instructed the Municipal Public Accounts Committee (MPAC) of the JB Marks Local Municipality to thoroughly conduct an investigation into the construction project of the Sarafina Stadium in Ikageng near Potchefstroom which was approved for R45, 5million.

This follows an oversight meeting with the municipality over matters pertaining to Back to Back principles in line with the following; Putting People First; governance; delivery of services; sound financial management; institutional capacity; bulk infrastructure; corruption; and successes and challenges. The Municipal Mayor, Cllr. Kgotso Khumalo admitted in the meeting that service providers were paid R30,2 million for an incomplete Sarafina Stadium project.

The Portfolio Committee had a paid an oversight visit to the stadium two days before the meeting. According to the Technical Director at the municipality, Mr. Benji Zungu, the multi-year tender was for the upgrading of the Sarafina Stadium which included the construction of a guard house; gym; courts (tennis, basketball, netball and volleyball); ablution block; pedestrian lane; swimming pool; caretaker accommodation and irrigation system.

"In the 2016/17 municipal financial year and after several engagements with the initial service provider, Dolly Construction/Kemisetso (J/V), the contract was terminated after slow progress and non-performance and the companies were paid R9,9m. Khoisan Roads CC was then appointed to finish the project and it was completed in September 2017 and paid R17,2 million. There has always been a confusion among some members of the community regarding the naming of the project 'The upgrading of Sarafina Stadium' which should be named 'The upgrading of Sarafina Sports Facilities,'" said Mr. Zungu.

Committee Chairperson, Hon. Motlalepula Rosho said the Committee discovered that the project is far from completion and facilities mentioned on the municipal report are not available except one toilet. "The sports facility is completely vandalised and there is no value for money hence we want MPAC to urgently conduct an investigation into this project. Monies were paid to service providers for shoddy work especially Dolly construction. The investigation must reveal the exact amount paid for the project and whether

there is value for money. We need to know which procurement processes were followed when appointing these service providers,” said Hon. Rosho.

Amongst others, the municipality has a high wage bill; faced reduction of Municipal infrastructure grant (MIG) due to underspending on projects; limited service delivery vehicles and machinery; slow rollout of electricity smart meters in Ventersdorp due to community resistance and lack of commitment from staff members after the merger of Ventersdorp and Tlokwe municipalities.

Cllr. Khumalo said the most of the senior management’s positions are vacant including the municipal manager position. “After the merger, our organogram showed double positions and it has affected staff morale. There has been delays on certain projects such as Ikageng Extension 11 water reticulation and other roads and storm water projects. He further said the municipality faces litigation worth over R150 million and some are from the former Ventersdorp municipality where certain service providers claimed to having entered into long term contracts during the erstwhile Ventersdorp.

The Chairperson raise sharply the issue of ghost payments; the Chair of Chairs Hon Mosala raised his concern about the Choppies Supermarket case which has allegedly linked the Municipality; and there seem to be no reaction to protect the integrity of the Municipality in this incriminating case.

“We have also discovered some ghost payments to service providers in the supply chain unit worth less than R30 000 although service was never rendered. These service providers are also threatening our chief financial officer and acting municipal manager,” said Cllr. Khumalo.

The Chairperson of the Committee requested that before the officials of the Legislature departs, they should be given the invoices that the CFO has confirmed in a meeting to be of ghost payments and has refused to pay. There is silent resistance by the Municipality to give the documents to the Committee. “I have spoken the Mayor when he tried to indicate after the meeting that there we no documents. I told him it’s on record the CFO did report there are such documents and that the Mayor did not dispute such documents. Well, this raise eyebrows; where there is smoke there will always be fire. The Committee and SCOPA will reflect on this conduct by the Municipality and resolve decisively. Hon Rosho Said.

She further emphasized that the municipality should also investigate the matter of the ghost payments and present a report before Council and to the Committee. "We also want a detailed report on the incomplete road construction projects such a Appledraai road, and other roads that were allegedly reported to have been paid while there was no prove of work done, this must also cover projects in Ventersdorp. We want a summary of how the municipality will fix these projects that compromise service delivery," said Hon. Rosho.

She said the municipality should also compile a comprehensive report on how the funds were spent special programs namely women; youth and freedom days commemorations. The report must further indicate which funds were diverted to reconciliation, healing and renewal event.