

## **MEDIA RELEASE: Garden Route Corruption Busters**

Date: Monday 10 April 2023

DA and Freedom Front Plus refuse to investigate Garden Route Municipal Manager who paid himself R850 000 more than the President

In the 2021/2022 financial year Monde Stratu, the Municipal Manager of the Garden Route District Municipality, earned a whopping R3 833 731. During the same year President Ramaphosa earned R2 989 845.00. Ministers earned R2 473 682 while the leader of the opposition earned R1 646 481.

The municipality is run by a coalition of the DA and the Freedom Front Plus.

In April 2022 it was reported that Stratu had received a "gratuity" of just under R1 million. A member of the Garden Route Corruption Busters ("GRCB"), Susan Campbell, who is also a Knysna Municipal Councillor (Knysna Independent Movement ("KIM")), realised that the gratuity was illegal under the regulations that cap the all-inclusive pay of municipal managers and senior managers (Local Government: Municipal Systems Act: Upper Limit of Total Remuneration Packages Payable to Municipal Managers Regulations). She then examined the Annual Financial Statements of the municipality and discovered that in addition to the gratuity, Stratu had illegally paid himself R3.8 million more than the upper limits between April 2017 and April 2022.

Any payments above the upper limits are considered to be irregular expenditure and Stratu has a legal duty to take all reasonable steps to prevent irregular expenditure, failing which he may be guilty of financial misconduct and/or a financial offence. By paying himself, or allowing himself to be paid, more than the upper limits, Stratu therefore prima facie committed financial misconduct. We mandated Susan Campbell to prepare a complaint, which was submitted by our Secretary, Renette Kumm, to the Mayor, Memory Booysen, on the 17th of May 2022.

In terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings 2014, Booysen was required to submit our allegations to council, which should have referred them to the Disciplinary Board for a preliminary investigation.

Despite our queries, we heard nothing from Booysen regarding our complaint. In October 2022 we were alerted to an article in the George Herald quoting Booysen as follows:

"They were presented to the GRDM Council and were unanimously (all parties agreed) dismissed as malicious and without substance. The outcome of the GRDM Council was also communicated to all the relevant structures, including the MEC for Local Government (Western Cape). The MM was exonerated on all the allegations based on the evidence presented to Council. The GRDM Council considers this matter as closed."

We then wrote to Booysen and asked what had happened. On the 8th of November 2022 we received correspondence from Booysen confirming that the council had summarily dismissed the allegations without referring the matter to the Disciplinary Board for a preliminary investigation.

'Booyesen said the first allegation was of financial misconduct against municipal manager Monde Stratu, from a movement known as the Garden Route Corruption Busters. "These allegations were dealt with in terms of the Municipal Financial Misconduct Regulations," said Booysen.

In early 2023, the municipality published their annual financial statements for the 2021/2022 financial year. They showed that Stratu had paid himself an exit gratuity of R1 073 389 (and not R979 000, as had been previously reported). We also determined that in addition to the illegal exit gratuity, Stratu had illegally earned an additional R900 000 more than the permitted upper limits. At the time, we did not see the point of submitting a complaint, since council had unlawfully dismissed our previous complaints without any investigation.

On the 30th of March 2023 we learned from an article in the George Herald that MEC for Local Government Anton Bredell had issued a "section 106 notice" to the municipality because, after an objective assessment had been conducted, he believed that maladministration and other serious malpractice had occurred. The investigation included our complaints. We accordingly decided to submit a complaint relating to the additional illegal payments for the 2021/2022 financial year, including the illegal exit gratuity.

Our second complaint was submitted to Booysen on the 26th of March 2023. We have heard nothing from Booysen since then. On the 29th of March 2023 we received a media enquiry in which we were requested to respond to allegations from Booysen that we were a front organisation. The media statement accused us of "astroturfing" (!!???) and being a "front group" that is backed by "a handful of politically affiliated individuals" and alleged that our allegations were the same as the previous allegations, and were frivolous.

The truth is that Campbell, who is the only politician in our group, belongs to a number of organisations. The Garden Route Corruption Busters is not a "front group" for any organisation or group. It is exactly what its name says. Every citizen or organisation has a right to report unlawful conduct. And the council had a duty to investigate our complaint, regardless of the identity of the complainants.

Booyesen's misleading statements about our organisation are simply an attempt to distract from his contempt for the Constitution and the laws of the land.

More importantly, Booysen stated that "The allegations were again dismissed by the GRDM Council", thereby confirming that the council had again unlawfully dismissed the allegations without any referral to the Disciplinary Board for a preliminary investigation. This is particularly concerning in light of the finding by MEC Bredell that our first complaint warranted an enquiry into maladministration.

We have since established that the DA and Freedom Front councillors voted to dismiss the allegations without any investigation. Their vote was unlawful because they did not act in compliance with the Financial Misconduct Regulations, and have therefore prima facie breached the Code of Conduct for councillors.

The people of the Garden Route have been failed by the Garden Route District Council, the Auditor General and the Audit Committee, which should have identified and stopped the illegal payments to Stratu in 2017, when they were first disclosed in the financial statements. By doing nothing, they have allowed Stratu to pay himself almost R6 million more than he should have earned over the last six years.

We trust that MEC Bredell will ensure that the matter is investigated as a matter of urgency, and that all appropriate steps are taken.

Garden Route Corruption Busters

Secretary: R Kumm

(For and on behalf of the Garden Route Corruption Busters)

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