



MEDIA RELEASE

Thursday 10 December 2015
EMBARGO: Immediate

Executive Mayor responds to ISDF tender queries.

The bid for the development of our Integrated Strategic Development Framework (ISDF) has come under some scrutiny since it was awarded to the Knysna Creative Heads Consortium (KCHC) in March 2013. Please allow me to dispel any discrepancies regarding this tender and the processes involved in awarding the contract.

The authority on matters of this kind, the Auditor-General (AG) of South Africa, raised no issues regarding this tender or the awarded contract when it formed part of the 2013/2014 municipal audit. An organisation established in terms of Chapter 9 of the South African Constitution to defend democracy, the AG has the sole function to audit and report on the accounts, financial statements and financial arrangements of all spheres of government, as well as municipalities. The AG audits all tenders, which includes assessing if all supply chain management (SCM) prescripts and relevant legislation were adhered to. In the year that this tender formed part of the AG's audit, Knysna Municipality was awarded its second consecutive clean audit.

That said, this matter was raised with the office of Mr Bredell, the Minister of Local Government, Environmental Affairs and Development Planning of the Western Cape Provincial Government (WCPG). We received a letter from his office on 1 April this year which erroneously alleged "procedural deficiencies in adherence to the SCM prescripts and regulations".

Of the ten issues raised in this letter, one had been dealt with in the process with no prejudice and one had already been corrected. The administration of Knysna Municipality has sufficient proof to refute all other eight findings of the WCPG. This evidence, as pertaining to each of its findings, were sent to the Minister's office in a letter from my office dated 5 May 2015.

One of the main concerns raised by those who objected to the tender being awarded to KCHC, was the perceived potential conflict of interests of KCHC subsidiary CMAI Architecture, Development Planning & Urban Design. The Bid Evaluation Committee did draw the attention of the Bid Adjudication Committee to this potential conflict of interest. The Bid Adjudication Committee duly considered this matter when adjudicating on the award of the tender.

This perceived conflict of interest relates to one member of a consortium consisting of nine professionals from diverse fields of expertise. Furthermore, the entire ISDF process has been undertaken very publicly and in conjunction with a management team of the Knysna Municipality and external stakeholders. These include the WCPG Planning Department, Cape Nature, SANParks and officials from the Department of Rural Developments and Land Reform. The draft ISDF report will be sent out for public comment and should there be any inclination that CMAI 'manipulated' the development boundaries so as to favour future development by this firm, this will be easily identified.

I would like to remind the WCPG, residents and all stakeholders that the final approval of the ISDF vests in Council and not the service provider.

My letter to the office of Minister Bredell, constituting our administration's response to the findings of the WCPG, contains 95 (ninety-five) pages' worth of annexures as proof that these findings are incorrect.

The letter from the WCPG, my letter in response and all 95 pages of proof contradicting the letter's findings were distributed to members of the media on Monday 7 December. We now consider this matter closed and look forward to working with the residents of Knysna on an ISDF that serves all residents of Knysna.

The ISDF is all about working together to find workable solutions to fill the empty shops, revitalise the industrial area and create jobs for our people. One of its main objectives is to ensure that new money enters and stays in our economy, enabling us to lighten the burden on our domestic and international ratepayers. We also want it to provide solutions to ongoing issues, such as infrastructure and service standards, affordable housing and sustainable jobs.

While we are continuously exploring new ways to build on our exceptional tourism offerings, the greater Knysna municipal area needs new sources of income that are not dependent on a seasonal influx of visitors. With input from the community and other stakeholders we are exploring certain big ideas. But big ideas often require big funding and so we are already embarking on identifying every possible source of government funding, potential international funding, considering public/private partnerships and considering sponsors and corporate marketing opportunities. The ISDF – and your involvement with it – will consider all suggestions for backing future projects. It also allows for potential national and international investment in projects to the betterment of Knysna and all her people.

And the entire ISDF process is designed to include all of greater Knysna. The first community interaction phase began in September 2013 – only six months after the contract was awarded. The next public participation session will begin early in 2016, when the draft ISDF will be open for public comment.

In short, the ISDF is being put together based on your ideas, with your continuous input. At its core, its main objective is to make it easier for us to work together towards a town where people and nature prosper. After all due procedures had been followed and the relevant legislation had been adhered to, we are confident in KCHC's capability to put together this document.

The letter from the WCPG, this municipality's official response thereto and all 95 pages of accompanying documentation are available for viewing at the office of the Executive Mayor in Clyde Street, Knysna.

We pride ourselves on having received three consecutive clean audits from the AG, having been placed among the top ten local municipalities in South Africa and having been recognised and honoured for good governance and service delivery by the President of the Republic of South Africa.

GEORLENE WOLMARANS
EXECUTIVE MAYOR