



The Editor  
Knysna Plett Herald

Tuesday 24 March 2015  
EMBARGO: Immediate

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## SETTING THE RECORD STRAIGHT

Your article "ISDF - ONE OF EIGHT QUESTIONABLE TENDERS" in your edition of March 19<sup>th</sup> refers.

Your headline 'ISDF - one of eight questionable tenders' and accompanying article represents probably the lowest the Knysna-Plett Herald has gone in its bias against the Supply Chain Management processes of Knysna Municipality.

For a newspaper whose Editor used to work for the Municipality, you really need to get your facts correct before publishing un-substantiated and unfounded allegations, with no investigation whatsoever into attempting to ascertain the facts that could have been easily verified .

Here are the facts:

### **Fact 1:**

None of the tenders mentioned are "questionable". They are perfectly legal and they all followed process. Not one award has been challenged in any Court by any of the unsuccessful tenderers.

### **Fact 2:**

The Auditor-General raised the issue of local preference, i.e. awarding tenders to local business rather than businesses out of the area. The Knysna Municipality disagreed with the interpretation of the Auditor-General and the wording in the Auditor-General's report is a joint wording. Knysna Municipality referred the matter to Provincial Treasury for advice and to National Treasury for a ruling as Province has no authority in the matter whatsoever. The request to National Treasury asked that they resolve this and declare the expenditure irregular, in which case it gets referred back to Council for deliberation **or**, for Council to condone it. Our request to National Treasury was that if they did not respond by 9 March, the Municipality would assume that they have condoned the expenditure. National Treasury has not responded.

The Auditor-General has now been informed of the above in writing, with a view to the correcting of the Financial Statements in the 2014/15 financial year, i.e. by removing these as irregular.

### **Fact 3:**

Your article is deliberately misleading. It is based on an erroneous finding of Province which the Municipality has pointed out to them already. The Municipal Public Accounts Committee (MPAC) documentation clearly indicates this and your newspaper representative on 12 March 2015, one Ms Susan Campbell, could have ascertained this.

### **Fact 4:**

The comments of Ms Campbell on your article are simply just that - comments. They reflect her personal opinion and your newspaper should state that and certainly not repeat them as fact.

**Fact 5:**

The issue of the tender of R 1 133 234-00 is correct in that Mr Easton indicated 'it was a breakdown in corporate governance'. However, your newspaper omits to mention that it has been referred to Province and National for clarity and clear guidelines to be issued by the National Department on certain technical procedural matters which will benefit all municipalities. You are trying to show the matter in an entirely different light and deliberately skewing it to insinuate that something is amiss.

As I have said at the outset, your editor used to work for the Municipality. A Municipality operates under many laws, and if you wish to question, report or comment on decisions which are 'functus officio', you and your reporters need to have your facts correct.

**GRANT EASTON  
ACTING MUNICIPAL MANAGER**

**ENDS**

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