

Municipality receives Public Protector report on Knysna Tourism

Knysna Executive Mayor Elrick van Aswegen confirmed that the municipality had received a report from the Public Protector of South Africa regarding a complaint received in 2017. “We note the contents of the report however we had already taken the relevant, legal and appropriate steps to solve this matter in 2017.”

The report addresses a complaint lodged by a member of the public on 3 July 2017, relating to the procurement of services from the then Knysna Tourism. “At the time the municipality consulted with legal advisories regarding this matter,” said van Aswegen. “Knysna Tourism received funding through the Grant-In-Aid fund between 2002 and 2017 and, taking the advice of our legal counsel, we changed the procurement process. Adhering to all applicable provisions of relevant legislation, we then entered into a service level agreement (SLA) with Wesgro.”

At the time of the agreement the municipality did not have the internal capacity to manage the tourism function and Council resolved that it should be outsourced. “With its extensive expertise in the tourism industry and as the drivers behind the successful Knysna Oyster Festival, entering into an SLA with Knysna Tourism was the best option at the time,” he explained. “The Municipal Manager, Director: Finance and a duly elected councillor served as members of the Knysna Tourism board throughout the period of the SLA.”

“I must emphasise that no party or individual had benefit illegally during the process of procuring services from Knysna Tourism,” he stressed. “I maintain that no wasteful or fruitless expenditure occurred and the funding was used expressly for the marketing and development of tourism in the greater Knysna area. Knysna Tourism was contracted for 15 years and the funding was never questioned by the Auditor General, and we received unqualified audit reports during this time.”

“Yes, R58 million was paid to Knysna Tourism for services rendered from 2002 to 2017,” he said. “This equates to R4 million per year as specified by the SLA. Every Rand was utilised in marketing the greater Knysna area as a preferred tourism destination and developing and supporting this industry – the industry that undoubtedly carries the area’s local economy. Knysna Tourism submitted regular expenditure reports that illustrated how these funds were used in promoting the area, its industry members and events; and developing emerging tourism products.”

“As we approach the local government elections of 1 November, Knysna Council is in recess,” he says. “The report, its findings and remedial instructions will be tabled to the newly elected Council, and all required procedures followed. Our Supply Chain Management staff received additional training and we are proud of our dedication to following transparent and proper procurement procedures.”

“Tourism has long been the driving force of the local economy, as well as the biggest local employer second only to the municipality,” van Aswegen said. “We will always be dedicated to supporting and developing this industry within the legal parameters. That is why we ultimately ended the SLA with Knysna Tourism, and why we have entrusted this function to Wesgro.”

“Thank you to those individuals and organisations who endeavour to work with the municipality in building a stronger, united Knysna,” he concluded. “We must work together today to ensure a better tomorrow for all.”

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