



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

Minister Mokonyane terminates term of office of Overberg Water Board

27 June 2017

The Minister of Water and Sanitation, Ms. Nomvula Mokonyane, has with immediate effect terminated the term of office of the Board of Overberg Water.

The termination follows a process wherein the department appointed a forensic investigation in March 2016 to investigate allegations of possible financial irregularities by Board members at Overberg Water.

A report in this regard was received and amongst others found that the Board as the Accounting Authority may have failed to comply with its fiduciary duties to exercise utmost care to ensure reasonable protection of the assets and records of the entity and to act with fidelity, honesty, integrity and in the best interest of the public entity in managing its financial affairs.

On 29 April 2017, the Minister issued a notice to terminate the term of office of the Board in line with Sections 35(5) of the Water Services Act (Act 108 of 1997) and provided the Board with 14 days to provide written reasons as to why their appointment should not be terminated.

"After considering the Boards collective response, we are convinced that terminating the term of office is the correct and reasonable action to take given the outcomes of the forensic investigation, subsequent failures to exercise their fiduciary duties accordingly and a failure to comply with Public Finance Management Act by failing to submit the annual financial statements of Overberg Water to National Treasury by 30 September 2016" said Minister Mokonyane.

The current Acting-Chief Executive Officer of Overberg Water, Ms. Nthabiseng Fundakubi, has also been recalled from her position.

The Minister has since moved to appoint Mr. Phakamani Buthelezi, the current Chief Executive Officer (CEO) of the Breede-Gouritz Catchment Management Agency in the



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Western Cape, as the Acting-CEO and Accounting Authority of Overberg Water in line with Section 49(2)(b) of the Public Finance Management Act (Act No.1 of 1999).

A process to appoint a new Board and permanent CEO will be expedited to strengthen governance and normalize the administrative situation at Overberg Water.

Issued by the Department of Water & Sanitation

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