



## water affairs

Department:  
Water Affairs  
REPUBLIC OF SOUTH AFRICA

Enquiries: Ms ONV Fundakubi  
Telephone: 012-336-7485  
Reference: 3/5/10

### MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

### NATIONAL ASSEMBLY: QUESTION 953 FOR WRITTEN REPLY

A draft reply to the above mentioned question asked by Mr M J Ellis (DA) is attached for your consideration.

Attached is a letter for your signature to the Member and a memo for more information.

ACTING DIRECTOR-GENERAL

DATE:

DRAFT REPLY APPROVED<sup>95</sup>/AMENDED

*Enrol, please amend line 5 under 2: and line 2 under point 3, and send over the response as amended, to Parliament*

  
MRS B E E MOLEWA, MP  
MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

DATE: 18/06/2011

*(Copy me the final version)*

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO 953

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 18 MARCH 2011  
(INTERNAL QUESTION PAPER NO. 08)

**953. Mr M J Ellis (DA) to ask the Minister of Water and Environmental Affairs:**

- (1) Whether an external consultant to her department gained access to the financial management system of the department during or about June 2010 and processed a payment from the department to his/her personal bank account; if so, how much money did the consultant pay him/herself;
- (2) whether any investigation has been conducted into this incident; if not, why not; if so, what are the relevant details;
- (3) whether (a) the external consultant has been (i) arrested and (ii) charged with misappropriating money from the department and (b) any departmental official has been (i) arrested and (ii) charged for aiding the consultant in gaining access to the department's financial management system; if not, why not; if so, what are the relevant details;
- (4) whether her department is currently writing off the stolen funds on a monthly basis; if not, (a) how and (b) when will these funds be recovered; if so, how can this be justified?

NW1071E

---0000---

**REPLY:**

- (1) Yes, an external consultant (details furnished) fraudulently attempted to transfer R12 802,118.43 from the Department's account. An amount of 9, 958,419.10 was however rejected by the Departments safety web system and the payment of R2, 843 699.33 was successfully transferred. The consultant was employed as a SAP Plant Maintenance Consultant to perform the following functions on the system; all system development and enhancements in the Plant Maintenance module (Construction) and offer transactional support to the construction users in their daily activities, however he gained an access to all functionality (SAP ALL) which enabled him to perform those functions that were outside his ambit of duties.
- (2) Yes, the internal audit (IA) in the Department conducted investigation that revealed that the consultant requested the access to the system given the tasks he needed to perform and he was therefore granted administrators rights access necessitating him to perform such tasks. However, he abused those rights and transferred funds from one account to the other account as a beneficiary. The IA therefore given the outcome of the investigation report recommended that the department open the police case against the consultant. In addition the department has instituted a civil claim against the consultant and the company that employed the consultant on the basis of vicarious liability for the recovery of the money stolen by the consultant during the course of his employment. In response to the department's civil claim, he has made an offer which the department is still discussing.

- (3) Criminal charges were laid with the SAPS, CAS 445/06/2010 on 09 June 2010. The external consultant was arrested and he is currently out on bail. The court case sat on 9 June 2011; however the court case was postponed until the 28 July 2011 for further investigations.
- (4) The Department does not write off any stolen funds.

---0000---