

## MEC Maile welcomes VBS Mutual Bank arrests

26 June 2020

MEC for Human Settlements, Urban Planning and CoGTA Lebogang Maile has welcomed the arrest of Mr Mattheys Gerhardus Wienekus, who was employed at the Merafong Local Municipality as the Manager: Budget and Treasury until his retirement, for his role in the R50m that was unlawfully invested with VBS Mutual Bank.

This arrest is very important in our fight against mismanagement and abuse of public funds. It will be recalled that when I assumed office in 2019, one of the most pressing issues we dealt with first, was the forensic investigative reports by Deloitte, which was commissioned by the Provincial Treasury, to conduct an investigation into the investments made by the West Rand District Municipality and the Merafong Local Municipality.

We went on record and said that heads must roll on this matter. As government, we are happy that the long arm of the law is beginning to catch up with those municipal officials who deliberately disregarded the provisions of the Municipal Finance Management Act. We note that the Hawks has indicated "that the investigations (into) the municipalities are at an advanced stage. This is the beginning and all the other cases are receiving the necessary attention."

We are in full agreement with this statement as it is well known that, apart from Mr Wienekus, there are other current and former senior municipal officials at both the Merafong Local Municipality and West Rand District Municipality that was found by the Deloitte investigation of grossly violating the MFMA and other applicable prescripts in respect of the investments made with VBS.

As Provincial Government, we are looking forward to the completion of the said investigations and ultimately the successful prosecution of those municipal officials.

The people of Merafong and the West Rand have been wronged as a result of the unlawful conduct of the implicated senior municipal officials who was entrusted with the responsibility to at all times act in the best interest of the inhabitants of the said municipalities. The finances of both municipalities are not in a good state and we firmly believe the action now being taken by our law enforcement agencies, will go a long way to act as a deterrent to anyone who thinks he or she can misuse public funds at will and not suffer any concomitant consequences.

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