



EASTERN CAPE PROVINCIAL LEGISLATURE

MEMBER OF PROVINCIAL LEGISLATURE

Office of the Democratic Alliance

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To: Hon. Zolile Williams
MEC for Cooperative Governance and Traditional Affairs.

Re: **Requesting immediate intervention and accountability following unauthorised expenditure in Enoch Mgijima Local Municipality.**

Honourable MEC. Williams, I write to you formally regarding the unauthorised expenditure incurred by the Enoch Mgijima Local Municipality through the procurement of a luxury mayoral vehicle valued at R1.2 million, R500 000 above National Treasury's prescribed cost limit of R700 000.

As you are aware, you issued a formal letter to the municipality on 26 June 2025 requesting written reasons for the clear violation of the Municipal Finance Management Act (MFMA). In its response dated 2 July 2025, the municipality argued that the threshold set by National Treasury in 2019 had not been adjusted for inflation or market conditions and thus deemed its purchase "above board".

This justification is both incorrect and legally unsound. Treasury frameworks remain binding until officially amended and municipalities have no authority to override them based on their own interpretation.

The municipality has since disclosed the transaction as unauthorised expenditure in its Annual Financial Statements and referred the matter to the Municipal Public Accounts Committee (MPAC). While this procedure is procedurally required it does not absolve officials or political office bearers from accountability.

This conduct is particularly alarming given that Enoch Mgijima Local Municipality is under a National Government Financial Recovery Plan due to its severe financial distress and its staggering R1.6 billion debt to Eskom.

In these circumstances, approving the purchase of a luxury vehicle is fiscally irresponsible and directly undermines efforts to stabilise the municipality.

Given the seriousness of the matter and the municipality's deteriorating financial position, I hereby request that your office takes steps without delay to invoke Section 32 of the MFMA to ensure consequence management against all officials and political office bearers responsible for approving the unauthorised expenditure.

I further request that your office formally request the Auditor-General to assess whether this constitutes a material irregularity and to issue legally binding action (certificate of debt) if required.

Considering the municipality's ongoing financial collapse, residents of Enoch Mgijima Local Municipality cannot continue to suffer the consequences of severe financial mismanagement while leadership prioritise luxury purchases.

Your immediate intervention is crucial to restoring governance, enforcing accountability and ensuring proper stewardship of public funds.

I will await your confirmation of steps to be taken in addressing this matter.

Yours in good governance.

Hon. Chantel King

A handwritten signature in black ink, appearing to read 'King', enclosed within a light gray rectangular border.