**7. Report of the Ad-Hoc Committee on the Appointment of Auditor-General of South Africa, dated 20 October 2020**

**1. Background and Introduction**

On the 9th of June 2020, the National Assembly resolved to establish an Ad Hoc Committee on the appointment of the Auditor-General of South Africa (the Committee). The Committee was mandated to nominate a person in terms of section 193 of the Constitution for appointment as Auditor-General. It was further mandated to report to the House on the nomination of the Auditor-General by 31 August 2020.

Flowing from the above, the Committee held its first meeting on 24 July 2020, where subsequently, Honorable Sisisi Tolashe was elected as the Chairperson of the Committee. On the same day, the Committee further considered and adopted its programme aiming to achieve its mandate, that is, to nominate a person for the appointment of the Auditor-General. Moreover, a draft proposed job advert was given to Members for their consideration. Inputs and comments received from the Members were considered and adjusted accordingly. This culminated in a final draft of an advertisement signed by the Chairperson of the Committee and later placed in national newspapers and local radio stations.

Pursuant to the job advert, suitable candidates from the public, who met the stipulated requirements were invited to submit their applications. The advert was made to run for two weeks, starting from 3 July 2020 to 17 July 2020. After the closing date, the Committee received 71 applications. In line with its programme, the Committee support staff sorted the list of applications according to the requirements of the position as stipulated from the advert. Consequently, two (2) different lists of candidates were developed and marked A and B. The A list contained the list of the applications which met the requirements. On the other hand, B list was made up of applicants whom from their Curriculum Vitae (qualifications and experience) did not meet the requirements as stipulated.

The Committee shortlisted eight candidates, of which two withdrew their candidacy before the interviews. Therefore, the Committee only interviewed six candidates. The interview questions assessed the candidates in three competency areas, which were leadership, strategic and technical, and behavioral competency areas.

It is worth noting that all the shortlisted candidates were subjected to a vetting process from the State Security Agency (SSA). Further, their names were published for public comments, which were considered by the Committee. Due to delays in getting the outcomes of the vetting from the State Security Agency, the Committee, resolved to write to the Speaker of the National Assembly to request an extension date beyond the deadline date of 31 August 2020. By resolution of the National Assembly, the committee was granted an extension until 30 October 2020. The report from the SSA was received without any adverse outcome (s) on any of the candidates. On 20 October 2020, the Committee met and deliberated on the outcomes of the interviews. Based on its deliberations, a recommendation for the suitable candidate was drawn.

1. **Overview of the applications received by the Committee**

Applications were received from people of all walks of life, ranging from Stock Packers, Cashiers, Interns, no experience to Chief Executive Officers (CEOs) and Managing Directors. In terms of the qualifications they possess, these ranged from Grade 12, National Diplomas, and Bachelor ’s Degrees up to PhDs. Even though the majority of these qualifications were in the field of Commerce, there was a significant number of applicants who were in possession of qualifications from the fields of engineering, science, law and philosophy for instance.

Importantly, there was a significant number of applicants who possessed the required qualifications, but with no relevant experience as required for this position or vice versa. Further, there were some few applicants, who possessed the required qualifications, but difficult to track their knowledge of state finances and public administration. Such applicants, for instance, were qualified and registered Chartered Accountants or in possession of a Master’s degree in Accounting, and designated as CEOs of their Accounting and Auditing firms with no previous track of knowledge of the public sector. These were the applicants who worked in the private sector and later started their own businesses, of which claimed to have clients in the public sector.

Lastly, there is a small number of applicants, who were highly qualified with no trace of practical knowledge of state finances and public administration. They work in the academic field, but claimed to do consulting and advisory work in the public sector, in particular in the field of accounting and auditing.

1. **Summary of the key profiles of applicants**

**3.1 Applications in terms of Gender and age**

Out of 71 applications received, more than a half (54.9 percent) or 39 were from male applicants, while female applicants only accounted for (30.9 percent) or 22. In addition, there were applicants (14.1percent) or 10, who did not specify their gender in their Curriculum Vitae.

The majority of applicants who responded to the advert were very young applicants between the ages of 20-30 years. They were followed by the middle age applicants who are between the ages of 36-45 years. Importantly, both applicants between the ages of 20-30 years, and between 31-35 years constitute more than half (52.1 percent) of the total 71 applicants. This means that the majority of applicants who applied for the position of Auditor-General of South Africa were from the younger population.

**3.2. Applicants in terms of Qualifications in Accounting/Auditing**

An insignificant number of applicants of about 17 percent or 12, were in possession of Bachelor’s degrees in Accounting and/or Auditing. Importantly, one of the two applicants who possessed a Master’s degree and above, in Accounting and/or Auditing was also accounted under applicants who qualified as Chartered Accountants. Basically, applicants, who met the requirements in terms of qualifications, were those who possessed a Master’s degree and above, and those who were registered as Chartered Accountants, meaning that they were 10 or constituted 14.1 percent of the total 71 applicants. It is worth noting that out of these 10 applicants, 3 (three) of them could not meet the requirements in terms of experience, meaning that they only met requirements in terms of qualifications. Also, the majority of applicants (32 or 45 percent) were in possession of qualifications from other fields of study such as engineering, science, law, information technology, retail management, business administration, philosophy.

**3.3 Applicants in terms of experience as required in terms of this position**

Of the 71 applications received by the Committee, only 10 applications met the required experience. 3 of the 10 applicants could not meet the requirement for qualifications because, they possessed an Honors degree. About 61 applications received, fell below the minimum requirements in terms of experience, some possessed irrelevant experience or no experience at all. This included amongst others, applicants who have an experience in law, internships, cashiers, stock packers, boilermakers, driver/general worker financial managers in the private sector, quantity surveyor.

1. **Preparations for shortlisting**

With the expert guidance from Parliament Human Resources, a criteria was agreed upon to sort applications according to the requirements of the position as stipulated in the job advert, which are;

* The applicant must be a registered Chartered Accountant or possess equivalent qualifications, with a specialized knowledge of or experience in Auditing, State Finances and Public Administration.

The applications were then placed in two categories. The first category was termed the “A List”, which constituted applicants who met all the requirements of the position. The second category, which was termed as the “B List”, included applicants who could not meet the requirements of this position**.** There were various reasons, which led to applicants to be included in “B list’. The reasons varied from no experience at all, coupled with irrelevant qualifications, or qualifications which are below the requirements; relevant qualifications coupled with irrelevant experience and vice versa.

1. **Shortlisting of candidates**

On 29 July 2020, the Committee held a shortlisting meeting, whereby it agreed to shortlist eight (8) names of applicants. However, the day after the meeting, one of the shortlisted candidates withdrew his candidacy citing personal reasons. The Committee was left with only 7 (seven) shortlisted candidates to be interviewed.

In line with the principle of transparency, the Committee resolved to publish the names of the shortlisted candidates in order to invite the public to submit written comments on or before 14 August 2020. It was further resolved that the names of shortlisted candidates should be submitted to the State Security Agency for vetting.

1. **Public Comments**

The Committee received submissions from all occupations, including individuals, civil society organizations, non-profit organizations, professional bodies and political parties. Members of the public were invited to send their submissions from 04 – 14 August 2020.

In light of the above, 41 (forty-one) written comments were received from the public by the cut-off date, which made unique and crucial comments with regard to the shortlisted candidates. Their comments covered a wide range of aspects, which included the support of certain candidates, allegations of maladministration against and incompetency of certain candidates. Importantly, the majority of public comments were motivations in support of certain candidates, except the six (6) which raised some substantive issues with regard to 2 (two) shortlisted candidates.

It is worth noting that apart from the issues, which were specifically directed to shortlisted candidates, there were also other general issues which emanated from the public comments, which were as follows:

Firstly, there was a complaint with regard to the period, which the committee gave public to comment. One of the comments was that there was no adequate time given to public to submit their comments, and further advised that in future, more time should be given for public comments.

Secondly, lack of transparency of the process and decisions made to select only eight candidates. There was no further explanation to substantiate this comment, other than suggesting that in future, there is a need for complete transparency in the whole process from the start.

Lastly, a wide range of possible questions was proposed, that could be asked to the candidates. Those questions covered areas of leadership and strategic and technical know-how.

The Committee deliberated and considered comments from the public in its processes. In line with that, the Committee resolved to afford an opportunity for those candidates, whom comments were made against to respond to those comments. Indeed, during the interview those affected candidates were given the opportunity to respond to all those comments, which were raised against their names. The Committee was satisfied with the responses received from the candidates.

1. **Interviewing process**

On 20 August 2020, interviews were conducted in-person with only 6 candidates, after the withdrawal of another shortlisted candidate, a day before the interviews. These were held in Johannesburg, Gauteng.

The Committee started its work by firstly, considering questions, which were going to be used to assess candidates. The interview questions assessed three main competency areas, which were on leadership, strategic and technical areas and the personal behavioral domain of the candidates in relation to the position.

Under the leadership competency area, four broad and open-ended questions were presented to candidates, which assessed the broad understanding of the institution, the vision a candidate has on how he or she espoused in order to take the AGSA forward and fulfill its constitutional mandate. This competency area weighted 40 percent of the interview.

For the strategic and technical competency area, six broad and open-ended questions were posed to the candidates, assessing amongst others the understanding of the broader functioning of AGSA, better applications of necessary and relevant prescripts and regulations to conduct the work of AG and strategy to ensure that AGSA will continue producing outcomes which are reliable, of high quality and integrity. This competency area weighted 50 percent of the interview. Thus, both leadership, and strategic and technical competency areas, constituted 90 percent of the interview questions.

All six candidates were interviewed on the same day, and therefore, the interviews were completed on 20 August 2020. A few days after the interview, one of the candidates who was requested to submit in writing responses to the matters raised against him in the public comments, decided to withdraw his candidacy.

1. **Deliberations**

On 20 October 2020, the Committee met to deliberate on the candidates who were interviewed, with the purpose of nominating the name of a suitable candidate. The Committee agreed on the process to deliberate on this matter. It was agreed that each Member will only be allowed to nominate and motivate for only one choice of candidate. Members contributed as agreed and all nominated and motivated for the name of Ms Tsakani Maluleke as the best suitable candidate for the position of Auditor-General of South Africa. Amongst the reasons given were here excellent responses to questions on the day which demonstrated her ability, experience and suitability for the office. In particular, her experience as the current Deputy Auditor-General serves as an added advantage, especially at a time when that institution continues to work through the ‘new normal’, and will put her in good stead for the position.

1. **Recommendations**

Based on the Committee deliberations, the Committee unanimously agreed to recommend the name of Ms Tsakani Maluleke as the best suitable candidate for the position of Auditor-General of South Africa.

**Report to be considered.**