**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 1321**

**INTERNAL QUESTION PAPER [No 23-2020 SIXTH PARLIAMENT]
DATE OF PUBLICATION: 26 JUNE 2020**

**1321. Mrs A Steyn (DA) to ask the Minister of Agriculture, Land Reform and Rural Development:**

1. What is the total outstanding amount for all invoices not paid by her department (a) within 30 days and/or (b) within 60 days or longer;
2. What steps has her department taken to ensure that it will be able to meet the target of paying all invoices within 30 days?  **NW1689E**

**THE MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT:**

(1)(a),(b) As at 31 March 2020, please refer to the table below.

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| --- |
| **(a)** |
| **No. of days** | **Quantity** | **Value** |
| 30-60 |  98  |  5 615 867.06  |
| **(b)** |
| 61-90 | 9 | 1 807 241.98 |
| 91-180 | 24 | 1 496 044.94 |
| >180 | 5 | 1. 09.60
 |

(2) Please refer to the table below.

|  |  |
| --- | --- |
| **Reason for non-compliance** | **Mitigation** |
| The main contributor to the late payment of service providers is lack of proper internal controls which relate to the tracing of the status of a particular invoice and supporting documents as they are processed through the various verification channels within the Department including from provinces to national office. | * The Department implemented the invoice tracking system which allows for more effective tracing of the status of invoices as they are processed through verification channels. The system requires that the Department has one central point for receiving invoices; this makes invoice tracking more effective and efficient.
* Each official on the chain is allocated a timeframe to perform the relevant function pertaining to that invoice. If there is non-compliance to timeframes, the system escalates the matter to the next level of authority.
* Change management sessions with all internal stakeholders will be conducted through the Corporate Services Branch.
* Officials’ performance agreements include the payment of invoices within 30 days as a key performance area on which performance is assessed.
* Officials found to be non-compliant are issued with letters of non-compliance as a punitive measure and to alert officials of their responsibility in ensuring compliance to the 30 days’ requirement.
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