###### National Assembly

###### Question Number: 1490

**Mr I M Ollis (DA) to ask the Minister of Transport:**

(1) Whether, with reference to the reply of the President, Mr C M Ramaphosa, to the debate on the State of the Nation Address on 22 February 2018 to implement lifestyle audits, (a) he, (b) senior management service members in his department and/or (c) any of the heads of entities reporting to him have undergone a lifestyle audit in the past three financial years; if not, have any plans been put in place to perform such audits; if so, in each case, what are the details of the (i) date of the lifestyle audit, (ii) name of the person undergoing the audit, (iii) name of the auditing firm conducting the audit and (iv) outcome of the audit;

(2) Whether he will furnish Mr I M Ollis with copies of the lifestyle audit reports?

**NW1593E**

**REPLY:**

**Department**

The response is limited to part B of the question, which relate to SMS members in the department.

1. (a)(b)(c) The department has not conducted lifestyle audits in the past three financial years or any other period before.

(1)(i)(ii)(iii)(iv) However in 2016, the department initiated the process of carrying out this type of audit but could notconduct it due to legal limitation to access information in possession of third parties as it can only be accessed through law enforcement agencies.

Since the pronouncement by the State President, we are working on the modalities of ensuring that if, and when lifestyle audits are conducted, they are done in compliance with the laws of the Republic.

1. Not Applicable.

**Cross Border Road Transport Agency**

(c) No, the head of the **Cross-Border Road Transport Agency (CBRTA)** has not undergone any lifestyle audit as there is no information that has come to our attention necessitating such an audit.

(i) - (iv) Not applicable

1. Not applicable

**Road Accident Fund**

(1)(c) No, neither the Chief Executive Officer nor the rest of the sms of the **Road Accident Fund (RAF)** has undergone a lifestyle audit in the past three financial years; no plans have been put in place to perform such audits as the RAF, unlike the South African Revenue Services, in respect of declared income and suspicious accumulation of wealth, or the State Security Agency, when conducting security vetting, has no legislated mandate to conduct such lifestyle audits. Consequently, such audits would be unreliable, and potentially fruitless and wasteful, if necessary financial information is not considered as part of the audit. Furthermore, such audits would be unlawful if in absence of the necessary consent of the data subject, the financial information is accessed without such consent or court order. Notwithstanding the aforementioned, where suspicions of wrongdoing are identified such suspicions are investigated, and consequently

(i) - (iv) Not applicable

(2) Not applicable.

**Road Traffic Infringement Agency**

1. (c)Yes, the **Road Traffic Infringement Agency (RTIA)** has undertaken lifestyle audit of all nine (9) members of its EXCO and staff.
2. November 2017
3. List of EXCO members who undergone the lifestyle audit:
* Mr Japh Chuwe – Registrar
* Adv. Mncedisi Bilikwana – Company Sectary
* Ms Palesa Moalusi – CFO
* Mr Thabo Tsholetsane – COO
* Mr Leonard Masango – Snr Manager IT
* Ms Keobakile Pooe – Executive Internal Audit and Risk Management
* Mr Jacob Mmekoa – Head Strategy and Reporting
* Ms Zukiswa Nduneni – Snr Manager Communications
* Ms Lulekwa Ngcwabe – Snr Executive Corporate Affairs
* Mr Peter Baloyi – Act Snr Exc Information Management
1. Gobodo Forensic and Investigative Accounting (Pty) Ltd (GFIA)
2. No employee was found to be living beyond their means
3. Unfortunately, I cannot provide Mr Ollis with this lifestyle audit report it is highly confidential and private.

**Road Traffic Management Corporation**

(c) No the **Road Traffic Management Corporation (RTMC)** has not yet undertaken a lifestyle audit of its SMS.

However, all employees are duly required to complete a Disclosure of Interest each year. In this Disclosure of Interest all employees are required to disclose details of their financial standing including any potential instances where this conflict could arise and or be seen to arise. This process is subject to the Auditor General’s audit process annually and where transgression is found these are dealt with according to the Public Service Regulations polices and RTMC’s own policies.

A plan that identifies high risk employees has been developed to commence with the audits. These employees are: Executives including Senior Management

Supply Chain Management personnel

(i) – (iv) Not applicable.

1. Not applicable

**South African National Road Agency Limited**

(1(c) No the **South African National Road Agency Limited SOC Ltd (SANRAL)** has not undertaken a lifestyle audit of its SMS.

The Accounting Authority of the SANRAL reviewed its existing internal controls with regard to conduct by employees, delegations of powers, supply chain approvals, declarations of interest including the implementation of a no gifts policy and concluded that these instruments are adequate to set a desired tone on ethical behavior within the company. In addition, the Board Charter and Board Code of Conduct are reviewed annually to govern the conduct of directors. As a result, lifestyle audits are deemed unnecessary at SANRAL at this stage. Should a need arise to conduct such audits as a consequence of audit findings or forensic investigations, they will be duly considered and conducted.

1. – (iv) Not applicable.
2. Not applicable

**Airports Company South Africa SOC Limited (ACSA)**

1. The Airports Company South Africa is in the process of considering the integration of Lifestyle audits as part of its company policy. Whilst consideration is given to this, it can be confirmed that ACSA is focused on the management of integrity and ethical behavior, through amongst others the following:
2. Conducting credit, criminal, qualifications and reference checks prior to employment;
3. The contract of employment makes provision for the company to conduct security vetting, therefore being part of the employment relationship between the company and the employee;
4. Psychometric assessments, including integrity assessments are conducted as part of the employment process;
5. The company designed and implemented a code of ethics, also supporting this by implementing employee training and awareness interventions.
6. Not applicable.

**Airports Company South Africa SOC Limited (ATNS)**

 ATNS has not undergone a lifestyle audit in the past three financial years. There are plans made by Internal Audit to conduct lifestyle audits.

(i) The lifestyle audit will be performed in July 2018.

(ii) The following persons will undergo the lifestyle audit:

1. Mr. Thabani Mthiyane: Chief Executive Officer

2. Mr. Matome Moholola: Acting Chief Financial Officer

3. Dr Sandile Malinga: Chief Operations Officer

4. Mr. Philip Boshielo: Chief Technology Officer

5. Mr. Thabani Myeza: Executive Commercial Services

6. Ms. Tendani Ndou: Principal: Aviation Training Academy

7. Mr. Hennie Marais: Chief Air Traffic Services

8. Mr. Dumisani Sangweni: Executive Strategy & Optimisation

9. Mr. Jeoffery Matshoba: Executive Air Traffic Management

10. Ms. Thandeka Mdebuka: Legal Counsel

 (iii) The lifestyle audit will be performed by the Internal Audit Department through its Co- Source partnership arrangement.

 (iv) The outcome of the audit will be communicated accordingly.

(2) Yes, the lifestyle audit reports will be made available.

**South African Civil Aviation Authority (SACAA)**

1. (a) Not applicable, and (b) No senior member c) head of the entity underwent a lifestyle audit in the past three years and there are no plans to conduct the lifestyle audit, as the need has not been identified.
2. Not applicable.

**Passenger Rail Agency of South Africa (PRASA):**

1. PRASA has not instituted lifestyle audits on the Group CEO and Executive Management in the past three financial years.
2. As per paragraph (1) above, PRASA has not conducted lifestyle audits.

**Railway Safety Regulator (RSR):**

1. The RSR has not conducted lifestyle audits in the past three financial years.
2. As per paragraph (1) above, RSR has not conducted lifestyle audits.

**South African Maritime Safety Authority (SAMSA)**

There was never a situation presented to the Board to warrant them to commission a lifestyle audit for its employees and no such a directive was received from the Shareholder.

**Ports Regulator of South Africa (PRSA)**

1. (c) The head of the Ports Regulator was not subjected to a lifestyle audit in the past three financial years. There has been no explicit instruction from the executive authority, fiscal authorities, Parliament or the Auditor General to conduct such an audit, or any guidance given on what the nature of the audit should be and what the nature of the audit should be. There has been no guidance given as to who should appoint and who would conduct such an audit as the entity is not expected to audit itself. Therefore, currently there are no plans in place to conduct such a lifestyle audits. It must be noted that the Ports Regulator has received clean audit opinions from Auditor General in the past three financial years.