**NATIONAL ASSEMBLY**

**QUESTION NO. 1650-2016**

**WRITTEN REPLY**

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**(INTERNAL QUESTION PAPER No. 20- 2016)**

**DR G A GROOTBOOM (DA) TO ASK THE MINISTER OF ARTS AND CULTURE:**

(1). What steps he has taken in respect of high levels of fruitless and wasteful expenditure by (a) pan south african language board (b) performing arts centre of the free state in the i) 2013-2014 ii) 2014-2015 iii) 2015-16 financial years.

(2). whether any officials in any of the specified entities have faced disciplinary processes in this regard; if not, why not? if so what are the relevant details in each case. NW1862E

**REPLY**

1. **(A) PAN SOUTH AFRICAN LANGUAGES BOARD ( PANSALB)**
2. 2013/14 financial year

The Department requested the National Treasury to conduct an investigation into the allegations of financial mismanagement for the period 15 June 2012 until 30 September 2014. The investigation was finalised on 31 July 2015. The investigation scope focussed on the overall governance of PanSALB and the Supply Chain Management processes; and covered only transactions that related to the period of Mr Zwane’s acting as Caretaker Chief Executive Officer of PanSALB.

1. 2014/15 financial year

The investigation conducted by the National Treasury covered two quarters of the 2014/15 financial year until 30 September 2014. The remainder of the period is not covered as the Board of PanSALB was appointed in June 2014 to deal with challenges at the Pan South African Language Board

1. 2015/16 financial year.

No steps have been taken. The Audit report for the 2015/16 financial year has just been completed and its findings will be dealt with during the current financial year.

2.No disciplinary measures have been taken against any official of the Pan South African Language Board. The investigation report did not recommend disciplinary measures against any official of the Pan South African Language Board. The report recommended that an in-depth investigation be conducted to establish the validity of the appointments, validity of payments made to the service providers and verification of value for money to the institution, during the period under review. The report further recommended that PanSALB should refer the possible contravention of sections 38, 39 and 40 read with section 86 of the Public Finance Management Act by Mr Zwane (former Caretaker CEO), in relation to the appointment of service provider, for criminal investigation by the South African Police Service (SAPS).

**1 (b) PERFORMING ARTS CENTRE OF THE FREE STATE ( PACOFS)**

1. 2013/14

No steps were taken

1. 2014/15

No steps were taken

1. 2015/16

The Department of Arts and Culture conducted an Adhoc Audit investigation based on the Audit findings of 2013/14 and 2014/15. These findings were on the Capital Expenditure Project Allocation at the Performing Arts Centre of the Free State (PACOFS). The investigation started in February 2016 which was extended to cover the financial years from April 2009/10 to 31 March 2014/15. The Audit was completed in May 2015/16 and its recommendations were that a forensic investigation needs to be conducted. The National Treasury Forensic Investigation Unit is currently undergoing the investigation which will cover through the years 2013/14 to 2015/16 including the Audit findings of 2015/16.

2. Consequent to the results and recommendations of the Internal Adhoc Audit investigation conducted by the DAC, the Council of the PACOFS took an action to suspend the CEO of PACOFS and Disciplinary Hearings are underway.