

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DUE TO PARLIAMENT: FRIDAY, 3 SEPTEMBER 2021**

**“1924. Mr S N August (Good) to ask the Minister of Small Business Development:**

1. **Who owns the legal right to operate a Braai Café and post National Youth Development Agency business and financial support;**

**(2) what total amount of taxpayers’ money in its entirety was funnelled to the Braai Café business model;**

**(3) whether external service providers were contracted for the implementation period; if so, (a)(i) who are the service providers and (ii) what services were they contracted for, (b) what was the contractual period for services rendered and (c) what were the payment terms linked to the service agreements?”**

**NW2158E**

**REPLY: I have been advised by the department as follows:**

1. The DSBD is the custodian of the Braai Café in partnership with the National Youth Development Agency (NYDA) as the implementation agency through a Memorandum of Understanding.
2. The DSBD budgeted funds totalling R8 400, 000.00 through the Cooperatives Incentives Scheme (CIS) to roll out the programme. A total of R1 800 000.00 was advanced to the NYDA. Of the advanced amount, R514 175.90 was spent and R1 285 824.10 was returned to DSBD and paid back to the National Treasury at the end of the 2020/21 Financial year as per Treasury Regulations.
3. YOU TURN - Consultant services and TABBS Group, as outlined in the budget breakdown below, are the service providers that were contracted by the NYDA. Payment terms were linked to the following key deliverables: project inception, store roll-out, and post implementation support as stipulated in the agreement. The payment services are also outlined in the table below.

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| **Date** | **Amount Paid** | **Items paid/allocated for:** |
| ***27/03/2018*** | ***R865,000.00*** | ***Amount approved by NYDA*** |
| **20/04/2018** | R240,000.00 | TABBS GROUP - Technical support |
|  | R50,000.00 | TABBS GROUP - Business Plans |
|  | R50,000.00 | TABBS GROUP - Roll-out Delft store |
|  | R13,168.31 | Rental deposit - Delft |
|  | R2,698.00 | Game/Dion - |
|  | **R355,866.31** | Total payments by NYDA |
|  |  | SBD Investment - equipment |
|  |  | SBD Investment - consultant services |
| ***20/04/2018*** | ***R509,133.69*** | ***Balance (NYDA approval)*** |
| **30/04/2018** | **R8,400,000.00** | Funds from DSBD |
|  | **R6,600,000.00** | Adjustment of funds from DSBD |
|  | **R1,800,000.00** | Balance of funds from DSBD |
| **Nov-19** | **R13,168.31** | Rental refund |
| **Nov-19** | ***R522,302.00*** | Balance (NYDA approval) |
| **07/11/2019** | R345,000.00 | YOU TURN - Consultant services |
| **18/03/2020** | R7,547.00 | Point of sale system |
|  | R12,000.00 | Architect |
|  | R5,439.04 | Uniforms |
|  | R21,046.80 | Health safety and hygiene |
|  | **R391,032.84** | **Total payments** |
| **21/08/2020** | R6,184.16 | Security |
|  | R27,645.00 | Building improvements |
|  | R25,673.90 | Kitchen utilities |
|  | R2,737.00 | Additional kitchen equipment (grease trap) |
|  | R17,297.50 | Kitchen equipment (Gas) & installation |
|  | R41,805.50 | Scooters |
|  | R1,800.00 | Working capital |
|  | **R123,143.06** | **Total payments** |
| **21/08/2020** | **R1 285 824.10** | Balance from DSBD funds |

**MS STELLA NDABENI-ABRAHAMS, MP**

**MINISTER OF SMALL BUSINESS DEVELOPMENT**