

**MINISTRY**

**PUBLIC WORKS AND INFRASTRUCTURE REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY WRITTEN REPLY**

**QUESTIONNUMBER: 2160[NW2725E]**

**INTERNAL QUESTIONPAPERNO.: 35**

**DATEOFPUBLICATION: 04 SEPTEMBER 2020 DATEOFREPLY: 26 NOVEMBER2020**

**2160. Ms S J Graham (DA) asked the Minister of Public Works and Infrastructure:**

1. With reference to the imminent closure of the Independent Development Trust (IDT), what is the total number of (a) legal matters which are still ongoing relating to the IDT and (b) members who are still part of the IDTBoard;
2. whether an exit strategy document has been prepared; if not, on what basis is the closure being managed; if so, will she furnish Ms S J Graham with a copy of an exit strategy document;
3. what (a) is the total number of staff who are still employed by the IDT, (b) measures are being taken to reassign the staff within her department and (c) additional monies are being allocated to the IDT following the allocation of R84 million over four months? **NW2725E**

**REPLY:**

**The Minister of Public Works and Infrastructure:**

1. (a) The total number of legal matters which are still ongoing relating to the IDT are 86 broken down asfollows:

|  |  |  |
| --- | --- | --- |
| **Litigations** | **No.** | **Amount** |
| By the IDT | 16 | R89,711,689.55 |
| Against the IDT | 45 | R314,273,931.48 |
| Dormant\* | 25 | R22,592,395.04 |

\* Dormant cases are those that were registered long ago for which there has not been any movement by the litigants but have not necessary been withdrawn or struck off.

* 1. The members who are still part of the IDT Board as confirmed by the Master of the High Court confirmedare:
     1. Dr LulamaZitha
     2. Mr ZakheleZitha
     3. MrSiyadumaBiniza
     4. Ms PhelisaNkomo
     5. Mr RashidPatel
     6. DrGcwalisile CynthiaKabanyane-Zulu

1. Yes, an IDT Exit Strategy Implementation Plan (IESIP) has been developed, but is not yet finalised pending the conclusion of all IDT client and stakeholder consultations on the future of the IDT. The IESIP gives an account of the portfolio of the IDT in terms of staff complement, committed and projected projects/programmes, assets and liabilities, litigations, and projectedrevenue.

The assessment depicts a bleak picture on the going concern status of the entity given its poor state of finance and weak balance sheet, where challenges have been mainly attributed to the gradual decrease in the IDT’s project portfolio due to a lack of client confidence, declining revenue that cannot cover its operational costs and corporate governance collapse, resulting in continued reliance on Government for funding.

1. (a) The IDT has **220** employees broken down asfollows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Staff** | **Term** | | **Total** |
|  | **Fixed**  **Term** | **Permanent** | **220** |
| Core Technical and Social | **56** | **40** | **96** |
| Non-core / Support | **43** | **61** | **104** |
| Temp Support (finance) | **10** | **0** | **10** |
| Graduate trainees  (technical) | **10** | **0** | **10** |

* 1. Subject to the final decision on the future of the IDT, options on the potential transfer and/or retention of existing staff are currently being examined and will be done in compliance with the Public Service Act, the Labour Relations Act and other and associatedlegislation.
  2. The 84 million referred to was not allocated, but identified as the total operational requirement for four months based on a calculation that the IDT’s total operational expenses amounted to R21 million permonth.

A total of R128 million has been confirmed and approved by National Treasury for reclassification in the Department’s baseline (following the identification of savings in certain economic classifications) and transfer to

the IDT subject to sections 38 and 29 of the Public Finance Management Act (PFMA). Of this, a total of R72 million has already been transferred for 2020/21 where the balance of R56 committed for the remainder of the Financial Year, will be done in monthly tranches subject to the IDT submitting its operational shortfalls (on a monthly basis) and approval by the Accounting Officer.