

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DUE IN PARLIAMENT: 17 JUNE 2022**

**2220. Mr D F Mthenjane (EFF) to ask the Minister of Small Business Development:**

**What time frames have been put in place for addressing the findings of the Auditor General with regard to the Small Enterprise Development Agency? NW2629E**

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

The following are time frames to address for each finding:

**1. Review of the Performance Information**

The new reporting system for Performance Information was procured. It is in the final stages of design and will be available for use from 01 August 2022.

**2. Two Irregular expenditures were reported**

Lease of office space in the KZN for R182 358 was condoned. The second expenditure of R84 281 was reported to National Treasury and there was additional information required by National Treasury. Management is busy with the National Treasury request and will resubmit to National Treasury, the process is anticipated to be completed by 31 July 2022.

**3. Vacancies of Executives**

Effective from June 2020, a moratorium was implemented on the recruitment and selection process due to the incorporation process between the Small Enterprise Development Agency (Seda), the Small Enterprise Finance Agency (**sefa)**, and the Co-operative Banks Development Agency (CBDA) that is underway and critical vacant positions were advertised for 12 months fixed term contract. The Executive Managers positions are re-advertised as the most suitable candidates could not be sourced. On 19 May 2022 the Minister uplifted the moratorium on filling of vacancies with immediate effect, but the fixed term contract should not exceed twenty-four (24) months to ensure that there are no duplicate positions post the integration of sefa and CBDA into Seda. All vacant Executive Manager positions were re-advertised on 03 June 2022.

**4. Provision for Bonus error on the notes to AFS**

Resolved during the audit.

**5. Revenue not collected**

The amounts totaling to R151 000 was written off in line with internal policies and procedures. Debts older than a year are provided for as bad debts and the process to recover them continues. The finding is resolved.

**6.** **ICT Controls and Cyber attack**

The organisation has sourced services of Sizwe IT to implement ICT security solutions in all Seda estate and the monitoring of the estate. An awareness across the whole of Seda staff regarding their roles and responsibilities and security awareness is underway through the ICT Governance project that resumed in July 2021. The finding is resolved.

**STELLA NDABENI-ABRAHAMS**

**MINISTER: SMALL BUSINESS DEVELOPMENT**