

**MINISTRY**

**PUBLIC WORKS**

**REPUBLIC OF SOUTH AFRICA**

Department of Public Works l Central Government Offices l 256 Madiba Street l Pretoria l Contact: +27 (0)12 406 2034 l +27 (0)12 406 1224

Private Bag X9155 l CAPE TOWN, 8001 l RSA 4th Floor Parliament Building l 120 Plain Street l CAPE TOWN l Tel: +27 21 468 6900 Fax: +27 21 462 4592

[www.publicworks.gov.za](http://www.publicworks.gov.za)

NATIONAL ASSEMBLY

WRITTEN REPLY

QUESTION NUMBER: 2331 [NW2576E]

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DATE OF REPLY: 22 AUGUST 2017

2331. Dr M J Figg (DA) asked the Minister of Public Works:

(1) Whether there are any outstanding monies owed to the department; if so, (a) what is the total amount owed, (b) by whom and (c) since what date has it been outstanding?

NW2576E

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The Minister of Public Works:

REPLY:

The Department of Public works manages accommodation requirements of national departments through the Property Management Trading Entity (PMTE). Included in this mandate is the provision of accommodation through state owned and leased properties, construction of new accommodation, major refurbishment of existing properties and management of municipal services.

State-owned accommodation charges are billed quarterly in advance in line with the devolution framework principles adopted effective 1 April 2006. The process that is followed to recover monies relating to private leases, municipal services, client infrastructure spending (Capital allocation) and other recoverable infrastructure projects (referred to as PACE and CA) is as follows:

* PMTE pays lessors, contractors and municipalities on behalf of user departments;
* At the end of the month, the recoverable costs are consolidated per client;
* Invoices are then issued to clients in arrears;
* User departments have 30 days to settle debts in terms of the PFMA;
* However, in practice clients take an average of 60 days to settle the PMTE claims.

As at 22 August 2017, R3.814billion was outstanding from national departments and other organs of state (Annexure: A).

In line with established inter-governmental cooperation principles, the PMTE has regular interactions with user departments for the recovery of outstanding debts and is assisted by the National Treasury.