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**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2343**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 17 JUNE 2022**

**INTERNAL QUESTION PAPER NUMBER: 24 - 2022**

**2344. Mrs G Opperman (DA) to ask the Minister of Social Development:**

With reference to the report of the Auditor-General for the 2020-21 financial year, regarding investigations which have been outstanding since 2011, what total number of the specified investigations (a) were finalised and (b) are still outstanding? NW2766E

**REPLY:**

**Department of Social Development (DSD)**

**(a)(b)**

As at 31 March 2021, the Department of Social Development has recorded the following outstanding investigations:

|  |  |  |  |
| --- | --- | --- | --- |
| Category of cases | Total number of the specified investigations for the year 2020/21 | **(a)** were finalised as at 31 May 2022 | **(b)** are still outstanding |
| Irregular expenditure | 09 | **09** | **0** |
| Fruitless and wasteful expenditure | 69 | **61** | **8** |

* Irregular Expenditure (9 cases):

The investigations have been completed and has been referred Labour Relations to institute the disciplinary processes.

* Fruitless and Wasteful expenditure (69 cases):
* Sixty-one (61) cases have been investigated and finalised.
* Thirty-seven (37) cases have been recommended for recovery from the departmental officials
* Eight (8) cases have been recommended for recovery from the travel agency.
* Sixteen (16) cases were written-off
* Seven (7) out of the thirty-seven (37) cases for recovery were referred to Labour Relations to institute the disciplinary processes
* The remaining eight (8) cases has been investigated and will be presented at the next Loss Control Committee.

**South African Social Security Agency (SASSA)**

As at March 2021, the following are the financial misconduct cases which the investigations were not finalised:

|  |  |  |  |
| --- | --- | --- | --- |
| Category of cases | Total number of the specified investigations for the year 2020/21 | **(a)** were finalised as at 31 May 2022 | **(b)** are still outstanding |
| Irregular expenditure | 778 | **353** | **425** |
| Fruitless and wasteful expenditure | 38 | **25** | **13** |

* Of the Four Hundred and Twenty-Five (425) irregular expenditure cases in the table above under (b), SASSA has completed investigation and consequence management of the Two Hundred and Twenty- Six (246) cases which are currently with National Treasury for consideration and approval of condonation.
* Of the Fourteen (14) fruitless and wasteful expenditure cases in the table above (b), four (4) are going through civil or court process where SASSA is pursuing recovery against affected persons
* SASSA is focusing efforts in ensuring all the cases are finalised by the end of 2022/23.

**National Development Agency (NDA)**

**Background**

The National Treasury Irregular Expenditure Framework requires the investigation of expenditure incurred to determine whether any official is liable for losses. Disciplinary steps must be taken against officials who caused or permitted the irregular expenditure, and losses incurred as a result must be recovered from the person liable.

As at the 2020/2021 financial year, the NDA had a total of 195 cases made up of 166 Irregular Expenditure cases and 29 Fruitless and Wasteful Expenditure cases.

1. A total number of 71 cases have been finalised. These cases are made up of 64 Irregular Expenditure cases and 7 Fruitless and Wasteful Expenditure cases. The finalisation of these cases resulted in the condonation of Irregular Expenditure to the value of R96,115,315.51 for the 2015/2016 to 2019/2020 financial years. The officials responsible for Fruitless and Wasteful Expenditure have been issued with written warnings following disciplinary proceedings.
2. A total number of 124 cases are outstanding. These cases are made up of 102 Irregular Expenditure cases amounting to R 78,752,277.99 and 22 Fruitless and Wasteful Expenditure cases amounting to R168 239.84. These cases have since been referred to the Loss Control Committee for further investigation. The Loss Control Committee was established in line with the National Treasury Irregular Expenditure Framework and assumed duty on 01 July 2022.

Below is a table of the total number of cases finalised and outstanding as at 2020/21 financial year:

|  |  |  |  |
| --- | --- | --- | --- |
| Category of cases | Total number of the specified investigations for the year 2020/21 | **(a)** Cases Finalised  | **(b)** Cases outstanding |
| Irregular expenditure | **166** | **64** | **102** |
| Fruitless and wasteful expenditure | **29** | **7** | **22** |
| Total | **195** | **71** | **124** |