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**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO: 340**

**340. Mrs V van Dyk (DA) to ask the Minister of Communications:**

(1) Whether (a) each artist who receives any form of payment from the SA Broadcasting Cooperation (SABC), first has to be registered with the SABC Pay Office under a unique artist number and (b) this number include the artist’s (i) full names including his or her stage name, (ii) ID number, (iii) tax number, (iv) postal address and (v) banking details; if not, why not;

(2) does the Pay Office’s computerised pay system automatically reject payment to an artist who has a unique artist number and details on the claim form that do not correspond with the details kept under the artist’s artist number; if not, why not; if so,

(3) why do the artists still need to provide certified copies of their ID numbers not older than 3 months when unique artist numbers are created;

(4) whether she has found that the above red tape causes unnecessary delays in processing of repeat fees, which in turn leads to unnecessary expenditure for the SABC in the form of interest for late payment and to what extend has this procedure created fruitless and wasteful expenditure for the SABC; if not, what is the position in this regard; if so, what are the relevant details? NW1309E

**REPLY**

**I have been advised by the SABC as follows:**

1. Yes, any individual and or company who receives payment from the SABC requires to be registered with the SABC either as an independent contractor through the payroll system or as a vendor and as a vendor they need to adhere to Treasury regulations. No actor that claims repeat fees from the SABC can be paid without being registered as an independent contractor.
2. Yes, the SABC uses a payroll system which has all the details of the individuals loaded on their artist number and claims are verified against this in the standard payroll system.
3. This is part of the SABC’s governance and internal controls processes. The SABC needs to verify the validity of the claim to ensure that a fraudulent claim is not submitted by an individual, getting hold of and using, the artist’s unique number. The two numbers (ID and artist number) are vetted by TV and then send to the SABC’s corporate shared services payroll to process payment (against the artist number).
4. No, the SABC’s verification process is not causing unnecessary delays in processing of repeat fees.  The documents are necessary to verify claims, i.e. it is a governance and internal control measure.  Fruitless and wasteful expenditure has not been incurred as a result of the verification processes.

Fruitless and wasteful expenditure has been incurred due to interest levied on late or non-payment of service providers.  This was not because of the verification processes but because the SABC had no money to pay its service providers.  During FY2018/19 an amount of R81m was viewed as fruitless and wasteful expenditure owing to interest and penalties levied on late / non-payment

**MS. STELLA NDABENI-ABRAHAMS, MP**

**MINISTER**