

**MINISTRY: PUBLIC SERVICE AND ADMINISTRATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DATE: 18 NOVEMBER 2022**

**QUESTION NO.: 4303.**

**Mrs H Denner (FF Plus) to ask the Minister of Public Service and Administration:**

(1) (a) Which (i) state departments have started rolling out lifestyle audits for their employees and (ii) employees are being audited and (b) what (i) total number of the specified lifestyle audits are (aa) in process and (bb) finalised and (ii) were the findings of the audits;

(2) what consequence management measures are being taken as a result of the audits? **NW5417E**

**REPLY:**

**BACKGROUND**

With the adoption of the *Guide on implementing lifestyle audits in the Public Service*, lifestyle audits for the Public Service became compulsory from 1 April 2021. When implementing the Guide, national and provincial departments follow a three step approach, starting with lifestyle reviews. When red flags (unexplained wealth, conflicts of interest, etc) are identified during this step, the department will move to the next step, which is lifestyle investigations. This step may lead to disciplinary action if an irregularity or wrong-doing was detected (and if action is required in terms of law and prescripts). When an investigation prove to be challenging, a department will move to the last step, namely a lifestyle audit. This step involves the utilisation of specialist auditors that will employ specialist tools to trace unexplained wealth (for example). Given the three step approach, the lifestyle audit process can end with a lifestyle review (when no red flags are identified). If investigations are conducted, the timeframe for completion will depend on the complexity of the case. There is therefore no due date for completion of lifestyle audits. However, lifestyle reviews are to be completed at the end of each financial year for members of the Senior Management Service, and every second year for other categories of employees.

**RESPONSE:**

1. (a) (i) State departments that have started to roll out lifestyle audits for their employees as at 31 October 2022 are listed below:

National departments: (27)

Basic Education, Civilian Secretariat for Police Service, Communications and Digital Technologies, Cooperative Governance, Correctional Services, Health, Government Technical Advisory Centre, Environmental Affairs, Forestry and Fisheries, Human Settlements, Home Affairs, International Relations and Cooperation, National Prosecuting Authority, National Treasury, National School of Government, Office of the Chief Justice, Office of the Public Service Commission, Planning, Monitoring and Evaluation, Public Enterprises, Public Service and Administration, Public Works and Infrastructure, Small Business Development, Social Development, Statistics South Africa, South African Police Service, Trade, Industry and Competition, Water and Sanitation.

Provincial departments: (47)

**KwaZulu-Natal**:

Arts and Culture, Community Safety, Economic Development, Tourism and Environmental Affairs (not completed), Health, Human Settlements, Office of the Premier (in progress), Provincial Treasury, Public Works, Social Development.

**Gauteng**:

Human Settlements, Sport, Arts, Culture and Recreation

**North West**:

Health, and Rural, Environment and Agriculture Development

**Eastern Cape**:

Cooperative Governance and Traditional Affairs, Community Safety, Office of the Premier, Rural Development and Agrarian Reform, Sport Recreation, Arts and Culture.

**Limpopo**:

Cooperative Governance, Human Settlements and Traditional Affairs, Provincial Treasury

**Northern Cape**:

Agriculture, Land Reform and Rural Development (SMS completed, rest in progress), Cooperative Governance Human Settlements and Traditional Affairs (in progress), Economic Development and Tourism, Social Development.

**Western Cape**:

Community Safety, Cultural Affairs and Sport, Economic Development and Tourism, Education, Environmental Affairs and Development Planning, Health, Human Settlements, Provincial Treasury, Social Development.

**Mpumalanga:**

Agriculture, Rural Development, Land and Environmental Affairs, Office of the Premier, Provincial Treasury, Public Works, Roads and Transport

**Free State:**

Agriculture and Rural Development, Cooperative Governance and Traditional Affairs, Economic Development, Tourism and Environmental Affairs, Health, Human Settlements, Office of the Premier, Provincial Treasury, Social Development, Sport Arts Culture and Recreation

(a)(ii) According to the reports received by the DPSA from State departments that have started to roll out lifestyle audits for their employees, the following employees are being audited:

* Members of the Senior Management Service
* Members of the Middle Management Service
* Supply Chain and Finance employees

(b) (i) (aa) There are four departments which indicated the number of specified lifestyle audits that are still in process:

North West Department of Health – 1402 employees

Limpopo Provincial Treasury – 20 employees

Free State Department of Human Settlements – 2 employees

Northern Cape Department of Agriculture, Land Reform and Rural Development – 109 employees

(b) (i) (bb) Departments who detected no red flags during the lifestyle review process are regarded to have finalised their lifestyle audit process. All departments are expected to complete lifestyle reviews for SMS members at the end of each financial year, and that for the other categories at the end of the second year cycle when they are performing lifestyle audits on those employees. There are seventy (70) departments that have finalised their lifestyle review process which is the first step of the lifestyle audits. These departments did not identify any red flags i.e. unexplained wealth, conflicts of interest, etc. hence there were no referrals for investigation. As a result, the lifestyle review process was finalised.

1 (a) (ii) the following were the findings of the audit:

North West Department of Health – 1402 employees’ financial disclosures were still being reviewed.

Limpopo Provincial Treasury – 20 employees are investigated for non-declaration of vehicles, properties and directorship.

Free State Department of Human Settlements – 2 employees that are being investigated for alleged conducting business with the State.

Northern Cape Department of Agriculture, Land Reform and Rural Development – 109 employees’ financial disclosures were still being reviewed.

(2) The DPSA does not have the mandate to conduct lifestyle audits in the public service. The DPSA plays an oversight role in the implementation of lifestyle audits and provides implementation support to departments. The conducting of lifestyle audits is a decentralised function that must be carried out by the departments each financial year. As a result, departments will apply consequence management measures on the basis of the results of the lifestyle investigation and report outcomes to the Discipline Management Unit at the DPSA.

End