

**MINISTRY**

**PUBLIC WORKS**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 743 [NW947E]**

**INTERNAL QUESTION PAPER NO.: 13**

**DATE OF PUBLICATION: 1 MAY 2020**

**DATE OF REPLY: 20 MAY 2020**

**544. Ms S J Graham (DA) to ask the Minister of Public Works and Infrastructure:**

(1) (a) Why was the Independent Development Trust (IDT) identified (details furnished) for an important task of managing the appointment of nonprofit organisations (NPOs) that apply to assist in the Government’s COVID-19 response, especially as she was convening an IDT Exit Strategy Task Team to look at the future of the IDT, and (b) where will funds for payment come from as the IDT does not receive grant funding from her Department; Friday, 1 May 2020?

(2) whether the IDT has paid participants since 1 February 2020; if not, (a) why not, (b) what is the extent of outstanding payments and (c) what are the reasons for the delay in payment; if so, what are the relevant details of the payments made?

**NW947E**

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**REPLY:**

**The Minister of Public Works and Infrastructure:**

1(a) Initially the National Joint Operations and Intelligence Structure (NatJoints) decided to recruit a youth brigade to assist at quarantine site. Over a period of a few weeks, the Department of Health requested the EPWP to assist with additional activities. The Department of Public Works and Infrastructure (DPWI), considering the resources available to itself and its entities, decided to assist the Department of Health through Non-State Sector (NSS) Non-Profit Organisation (NPO) programme. This programme has been implemented by the Independent Development Trust (IDT) on behalf of DPWI for the past 10 years. The IDT was appointed to implement this project for three months while DPWI continues to make the necessary arrangement to implement the NSS: NPO programme inhouse. My approval for use of the IDT to implement this intiative, in the main, is premised on the fact that the budget to implement work through the NSS NPOs programme is still classified as a transfer to IDT. With the current fiscal constraints the Department of Public Works and Infrastructure could not fund the Department of Health request for assistance through any other budget allocation.

1(b) Over the MTEF 2020/21 to 2022/23 period, the budget to implement the NSS: NPOs programme is an earmarked transfer allocation to the IDT. For the 2020/21 financial year, a budget of R745.361 million is allocated for wage costs while the amount of R33.123 million is earmarked for the non-wage costs. Non-wage costs cover costs of the personal protective equipment (PPEs), NPO administration costs, etc. It is therefore through this allocation that the IDT will cover the expenses related to the implementation of the EPWP COVID-19 response to assist the Department of Health.

1. The Department has informed me that not all participants were paid. As at 1 February 2020, eighteen (18) out of 339 NPOs had not paid their participants’ stipends. Since then, the IDT assisted NPOs in correcting the reasons for non-payment and committed to paying these NPOs by 8 May 2020.
2. The delays in the payment of these NPOs has been linked to (1) late submission of supporting documentation such as invoices by the NPOs prior to the lockdown period; (2) errors contained on invoices submitted by NPOs which were rejected by the payment system; (3) NPOs submitting invoices with amounts higher than their Purchase Order balances; and (4) NPO delays in re-submitting corrected documents according to the identified errors.
3. As at the end of March 2020, a total amount of R189 529 797,45 was paid to 321 NPOs out of the 339 contracted NPOs. Eighteen (18) NPOs, through the assistance of IDT, have resolved the non-payment matters and IDT has begun a process to pay these NPOs the outstanding R6 919 447, 00 before the 08 May 2020.
4. This answer is provided in 2(a) above.