

**MINISTRY**

**PUBLIC WORKS AND INFRASTRUCTURE**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**QUESTION NUMBER: 870 [NO.** **NW1035E]**

**INTERNAL QUESTION PAPER NO.: 08 of 2021**

**DATE OF PUBLICATION: 12 MARCH 2021**

**DATE OF REPLY: 30 MARCH 2021**

**870. Ms S J Graham (DA) asked the Minister of Public Works and Infrastructure:**

(1) With regard to the budget for the 2021-22 financial year, wherein the Independent Development Trust (IDT) is identified as being operational, what plans has she drafted and/or implemented to ensure the financial viability of the entity for the 2021-22 financial year;

(2) whether the IDT will remain the implementing agent for the Non-State Sector, Non-Profit Organisation and Extended Public Works Programme (EPWP) for 2021-22 financial year; if not, who will take over this responsibility; if so, what amount has been budgeted to ensure that the full complement of persons are appointed;

(3) (a) on what date will the instruction to commence be given by her department to the IDT, (b)(i) what are the reasons for the delays and (ii) how will the delays be mitigated, (c) what progress has been made on the appointment of a functional board of the IDT and (d) what are the current projects, excluding the EPWP programmes, that the IDT is involved with;

(4) whether the board will be empowered to fulfil their mandate, including employing the requisite staff to ensure that the IDT succeeds; if so, what are the relevant details;

(5) whether the IDT will be given new projects from her department as an implementing agent for the 2021-22 financial year; if not, why not; if so, what are the relevant details?

**NW1035E**

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**REPLY:**

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

(1) I have been informed by the Department that it has communicated with the National Treasury to seek concurrence to make available a sum of R115 million from its own baseline in order to fund the IDT for its operational cost shortfall. The management of this financial assistance will be monitored as part of the Executive Authority’s responsibility enshrined in Section 63(2) of the Public Finance Management Act (PFMA) (Act no. 1 of 1999), as amended.

(2) Yes, the Independent Development Trust (IDT) is expected to implement the Expanded Public Works Programme (EPWP) Non-State Sector (NSS) Non-Profit Organisations (NPO) programme for the duration of the EPWP Phase 4 covering the 2019/20 – 2023/24 financial years based on the signed five (5) year Memorandum of Agreement (MoA) with the Department of Public Works and Infrastructure and the Medium Term Expenditure Framework (MTEF) allocation framework for period 2021/22 – 2023/24 allocated to the DPWI Budget Vote.

However, there are engagements currently underway to determine the future of IDT which will inform on whether the IDT will remain the implementing agent for the NSS NPO Programme in the 2021/22 financial year;

Noting that the process for the consideration of the reconfiguration of the IDT is currently underway, the DPWI is considering the institutional arrangement for the management of the implementation of the EPWP NSS NPO programme. As such, at this stage the Department cannot advise if there will be changes to this responsibility.

The EPWP NSS NPO programme has been allocated an amount of R1 069 928 000, inclusive of an amount of R49 514 000 as the management/intermediary fees in 2021/22 financial year. From this budget, an implementing agent is supposed to ensure that a full complement of staff is appointed to manage the implementation of the EPWP NSS NPO programme in all provinces.

(3) (a) Currently, the Department is pursuing consultative and administrative processes to ensure the issuing of the instruction letter and signing of contractual arrangements with regard to the NPO Programme by Quarter 1 of 2021/22.

(b) (i) The DPWI is considering the institutional arrangement for the management of the implementation of the EPWP NSS NPO programme and undertaking the required consultations. (ii) Consultations are already underway with the legal unit of DPWI within quarter 4 of 2020/21 and the engagements prior to the start of the financial year is viewed as a critical component for mitigating the delays.

(c) A Selection Panel was appointed in January 2021 to undertake the process of the nomination of the new board for appointment by the Executive Authority. The Selection Panel has, in terms of clause 8.3.1 of the IDT Trust Deed caused the call for the nominations to be published in two national newspapers on 14 February 2021 and closed on 01 March 2021. The Selection Panel is now in the process of determining the suitable candidates to be recommended to the Executive Authority for appointment to the IDT Board of Trustees by way of shortlisting and interviews. Once the Executive Authority has considered the recommended candidates, they will be subjected to a further process of consideration by the Cabinet for the purpose of giving concurrence on the Executive Authority approved individuals to be appointed as the new Board of Trustees for the IDT. Following Cabinet concurrence the approved candidates’ particulars will be submitted to the Master of the High Court, who will issue them with letters of authority, which upon receipt will allow the new trustees to start with their board duties.

(d) Kindly refer to Part C, section 14 of the IDT Annual Performance Plan 2021/22 for the list of projects to be implemented by the public entity.

(4) The Executive Authority, by allowing the nomination process to take effect, has carefully considered the need for the IDT to have the Accounting Authority to assume its fiduciary responsibility and take full charge of the IDT to fulfil its mandate. Considering that there is a process to reconfigure the entity, the Executive Authority will work closely with the Accounting Authority to map the future of the IDT.

(5) Part of the process of reconfiguring the IDT is a consideration on ways for the public entity to be self-sustainable. Working with the new board of the IDT, we will establish whether the IDT has the requisite capacity to take on additional work, including projects from my Department.