###### National Assembly

**Question No: 907**

**907. Mr W Horn (DA) to ask the Minister of Transport:**

Whether the Cross-Border Road Transport Agency has any debt that has remained unpaid for 30 days or more; if so, (a) what (i) are the details of these debts, (ii) are the reasons for non-payment in each case, (b) on what date will each debt be settled and (c) what (i) processes, (ii) procedures and (iii) mechanisms are in place to ensure that payments are made on time? NW976E

**REPLY**

The Cross-Border Road Transport Agency (C-BRTA) pays its debt timeously, at an average of 14 days per creditor. There are however, isolated instances where service providers are not paid within 30 days of receipt of invoices for a variety of reasons, for instance, where the service has not been satisfactory and warrants engagement with the service providers, or where errors have been picked up from the supplier invoices or where the price charged is not in line with what was contracted or quoted. As at end of February 2017, the following creditors’ balances were not paid and been over 30 days:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **i** |  | |  | 1. **ii** | **(b)** |
| **Service provider** | **Invoice number** | **Invoice dates** | | **Reason for non-payment** | **Settlement date** |
| Eris Property | DBBMARCRO/2016/10  (Parking rental) | 21-10-2016 | | Disputed as the invoiced service was never ordered or rendered to the Agency. Service provider to provide credit note. | Subsequently settled in March 2017 by means of credit note received from the Supplier |
| Madijo Trading Enterprises | INV 2549  (Supply of Uniform) | 2015-04-16 | | Disputed as the ordered goods were not delivered as per the specifications. Goods returned to service provider. | Once engagements with the service provider for a credit note are concluded |
| Orange Fox Security Services | Inv0000866  (Security) | 2014-06-13 | | Disputed as there is no proof that the ordered items were delivered. | Once engagements with the service provider for a credit note are concluded |
| Mdluli Office Automation (Seartec) | Various invoice numbers backdated by supplier between periods June 2016-January 2017.  (Photocopiers) | Various invoice dates. Backdated between June 2016- January 2017. Invoices sent by supplier on 27 January 2017 and 30 January 2017 | | The service provider did not invoice the Agency and had internal backlog and were undergoing internal restructuring. Invoices were subsequently received in January 2017 and backdated. | Partially settled in March 2017.  Disputed amounts will be settled once engagements with the service provider have been concluded. |
| Sipho Mano | Inv. 20278  Inv. 20277  Inv. 20258  (Catering and events) | 05-02-2013  04-02-2013  19-10-2013 | | Disputed as the service provider invoiced above the quotation and approved purchase order amounts. | Supplier to credit the overcharged amount or amount to be written off in June 2017. |
| 1. **i** |  | |  | 1. **ii** | **(b)** |
| **Service provider** | **Invoice number** | **Invoice dates** | | **Reason for non-payment** | **Settlement date** |
| Atlantis Corporate Travel | Hof0124254  (Travel) | 31/05/2015 | | Invoice was disputed due to overcharging by service provider. Invoice in excess of the purchase order and the initial quotation. The purchase order amount was paid.  The service provider could also not produce any supporting documents to prove or explain the variance. | Ongoing engagements with the service provider for a credit note and efforts are being put in place to resolve this matter by the end of May 2017. |
| Atlantis Corporate Travel | Hof0142429  (Travel) | 30/11/2015 | | Invoice was disputed due to overcharging by service provider. Invoice in excess of the purchase order and the initial quotation.  The purchase order amount was paid.  The service provider could also not produce any supporting documents to proof or explain the variance. |
| Duma Travel | Hof0710448  (Travel) | 13/05/2015 | | Invoice was disputed as the service was not rendered and the service provider could also not produce any supporting documents to prove that the service was rendered. |
| Duma Travel | Hof0699427  Travel) | 22/04/2015 | | Invoice was disputed as the service was not rendered and the service provider could also not produce any supporting documents to prove that the service was rendered. |
| Duma Travel | Hof0560673  (Travel) | 31/08/2014 | | Invoice was disputed as the service was not rendered and the service provider could also not produce any supporting documents to prove that the service was rendered. |
| Duma Travel | Hof0710428  (Travel) | 13/05/2015 | | Invoice was disputed as the service was not rendered and the service provider could also not produce any supporting documents to prove that the service was rendered. |

(c) (i) (ii) (iii) Mechanisms and processes are already firmly in place to ensure suppliers are paid on time. There is a dedicated unit within the Finance division that handles payments to suppliers. All invoices received are recorded and stamped reflecting the date of receipt. Invoices are upon receipt, matched with the relevant supporting documentation and submitted to relevant officials to validate delivery of goods or services. Disputes are clearly communicated to the service providers to ensure that such disputes are resolved on time.

The Agency has a duty to ensure payments are not irregular, are not fraudulent and are for the services ordered and rendered. No interest or fruitless expenditure has therefore been charged to the Agency as a result of supplier payment delays in the last two financial years.