

# rings alarm at SA's 'dire' situation

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*Auditor-general says warnings  
are being ignored by officials*

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IN A scathing rebuke, auditor-general Terence Nombembe has criticised the government and public servants over the "dire" situation that has seen a weakening of the pillars of governance protecting SA's democracy.

He also expressed grave concern about the vulnerability of his office because of the growing lack of response from the government to his serious warnings about this deterioration.

Mr Nombembe said the management of supply chains, service delivery and human resources, the security of government information and the accuracy of government reports were deteriorating.

"Things are serious, and they are even more serious than we thought they are. They are more serious because the people that are employed by the government to do the work are least prepared and equipped to do it. The situation is dire," he said at the opening of Deloitte's new building in Pretoria on Thursday last week.

"We are equally vulnerable as those countries where the auditor-general has limited scope to do its work because what we are saying is not being taken seriously, not by the government, not by ourselves and those who need to do something about it."

Mr Nombembe said his office would be releasing the audit results for local municipalities soon, and expressed his dismay at them. The people voted into power were slow in taking responsibility for what they had been voted into power for, he said.

"The accountability for the results is not taken as seriously as it should be. Bad results are regarded as a norm and when people get a disclaimer or qualified reports, little happens to them to show that this is unacceptable. That is the culture that we need to be concerned about," he said.

Prof Ivor Chipkin, executive

director at the Public Affairs Research Institute, said we were seeing "the emergence of a perfect storm". "The organisational legacy of the apartheid period, compounded by policy choices in the 1990s, unwittingly weakened administrations that were working. It gave high levels of autonomy to a politicised senior management and a ruling party not worried that there will be electoral consequences for poor performance."

Neren Rau, CEO of the South African Chamber of Commerce and Industry, said everybody should be taking the warnings by the key monitoring arm of government very seriously. Rigorous structures had been put in place, yet they were ineffective.

"The leadership is struggling to keep pace with the problems. They are too much and are accumulating too quickly. Some of the problems have long ago surpassed the solutions offered."

Previous reports by the Treasury and the auditor-general had clearly identified the problems, yet there was no improvement in the management: Sixty-six of the 278 municipalities in SA were identified as being in financial distress as of June last year — about the same number as in 2009-10, with 37 more on the borderline.

Mr Nombembe referred to the adoption of a resolution in December by the United Nations in New York that recognised the independence of auditors-general. "It may sound like a small matter, but if you understand the kind of exploitation, vulnerability and need that auditors-general have for this small thing called independence, you will understand why this resolution is important."

History showed that sanity seldom prevailed when an auditor-general's autonomy and leverage to do their work had been suppressed. "I see things that are worrying and I see things that require response.... Every leader in this country has heard this message."

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