



GAUTENG PROVINCE
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

Statement on Audit Outcomes and Suspension of Senior Officials by Gauteng MEC for Human Settlements, Urban Planning and CoGTA, Lebogang Maile

10 October 2019

Let me take this opportunity to welcome you all to this important Media Briefing. We have called this Media Briefing to deal specifically with two matters that require public attention.

One of the key mandates of this 6th administration under the capable leadership of Premier Makhura is to make sure that all Departments adhere to clean governance and sound financial management, as we continue to give practical expression to the governing party's electoral commitments.

The AGSA's recent findings on the Gauteng Department of Human Settlements, is a huge setback to our agenda as the Gauteng Government to build a capable, ethical and developmental state on the basis of clean governance and financial accountability. The findings call for stricter measures to be introduced to enhance clean governance and accountability within the department. The findings bring to the fore a clear lack of accountability and failure to adhere to sound financial management prescripts.

The findings by the AGSA are constructive and enlightening in that they point to exactly what needs to be done to improve internal controls, providing credible

financial statements, ensure accurate reporting on service delivery as well as compliance with legislation.

Of particular concern, just like in prior years, the findings continue to reveal a critical failure in terms of submitting relevant information, lack of proper reviewing of financial statements and unaccounted for expenditure or payments as well as the inadequate monitoring and reviewing of internal and external reporting.

In response to all this, we have taken a firm stance on the implementation of stricter controls and standard operating procedures in all areas of the Department, with the aim of restoring and improving public confidence in the Department.

The department has obtained an audit disclaimer, which places us amongst the leading contenders for worst performers in the Province. The Department will pay attention to and implement all the recommendations of the Auditor General in order to improve on the current situation as well as the 2019/20 Audit Outcome. The Department will undergo a process of recruiting properly qualified individuals who possess the requisite skills to turn the situation around. Furthermore, the Department will work closely with Provincial Treasury to improve financial controls and adherence to legislation.

We will be implementing and enforcing consequence management, ensuring that effective and appropriate disciplinary steps are taken against affected officials in discharging Section 45 of the PFMA.

On the suspension of Senior Officials/ Dismissal(s):

In the interests of turning the Department around in order to meet its key objectives and speed up service delivery, We have taken a decision to place two (2) Senior Managers on precautionary suspension pending the finalisation of their Disciplinary proceedings.

The decision to place the two senior officials on precautionary suspension, was after a series of allegations of misconduct levelled against the them.

The two officials occupy leading positions within the Department (DDG: Corporate Management Services and Acting Chief Financial Officer). We will follow all due process in order to afford them a credible and fair hearing.

One senior official's employment has been terminated with immediate effect. The official was the Director responsible for Facilities, Logistics, Records and Security Management within the Department. The official's termination of employment relates to gross misconduct.

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