

Office of the MEC

Enquiries: Gift Mnguni
083 414 7021
Ref: FN002

Mr. VRP. Skosana
Gauteng Legislature
Private Bag x52
Johannesburg
2000

Dear Secretary

Response to Question 5.FN 002

Statement made by the MEC indicated that there are efforts to identify posts to be abolished and those to be filled during the 2014/15 FY. The new organizational structure, according to the 2013/14 Annual Report was only established in November 2012 and approved in June 2013. Progress made according to the report confirms that the Department did review the organizational structure and all the critical and redundant positions were identified; and critical posts are being filled and redundant positions identified are also abolished. Could the MEC please indicate:

Question 1

Why the need to re-do the whole process one year later;

Answer

During the latter part of 2014 a decision was taken by National Treasury in consultation with all the MEC's to adopt a generic structure for all provincial treasuries. This necessitates the transfer of GAS/Forensic Services and Procurement to Treasury from 01 April 2015. Following this decision the Premier requested the department to focus on the implementation of the Broadband Network and digitization of government services. We have applied to the President to change the department name to the Department of E- Government.

Question 2

Question 2

What is the cost of re- doing the whole process and who will be responsible for the process;

Answer

The review process is undertaken by employees of the Department with the assistance of the internal organizational development unit and the support and guidance of the Department of Public Service Administration. Our proposal on this matter will be shared with the Portfolio Committee in the new financial year. There are additional no cost implications.

Question 3

Whether the work was outsourced, and if yes , then please indicate the costs involved and from which budget it will be funded;

Answer

There are no cost implications as the work is done by employees of the Department.

Question 4

If the organizational structure was indeed reviewed and critical and redundant positions identified why are the vacancies still a challenge to the Department;

Answer

We are still in the process of designing the structure of a proposed e-Government Department, but in the meantime we are in the process of filing posts in the following units; GAS, Corporate Services, Forensic Services and Human Resource Services.

Question 5

Please indicate reasons why vacancies remain a challenge to the Department;

Answer

Please see answer (4) above.

Question 6

Whether the Department has a Retention Management policy, and if so please provide a copy; and

Answer

Yes. Policy attached

Question 7

If no, then why not?

Answer

Please see answer (6) above.

Regards



Ms. Barbara Creecy
MEC – Gauteng Department of Finance
DATE : 27/02/2015

Office of the MEC

Ms. LH Mekgwe
Speaker of the Gauteng Legislature
Private Bag X 52
Johannesburg
2000

Re: Submission of the House Resolutions

Dear Madam Speaker

Kindly find attached copy of the responses emanating from the Finance Portfolio Committee Oversight Report on the Annual Report of the Gauteng Department of Finance 2014/15.

Regards



Ms. Barbara Creecy
MEC – Gauteng Department of Finance

Date: 26/02/2015

**REQUEST FOR RESPONSES ON HOUSE RESOLUTIONS EMANATING FROM THE
DEPARTMENT OF FINANCE OVERSIGHT REPORT ON THE ANNUAL REPORT OF THE
GAUTENG DEPARTMENT OF FINANCE FOR THE 2013/2014 FINANCIAL YEAR**

RESOLUTION	RESPONSE
Track the implementation of recommendations made on the Risk Reports and submit a report on the impact thereof	<p>The Internal Risk Management Unit is tasked to monitor implementation of action plans as per the audit recommendations.</p> <p>The GAS unit also conducts follow-up audits on the implementation of all audit recommendations to ensure that adequate and effective internal control measures are put in place.</p> <p>The impact of the tracking on the implementation of recommendations has been significant as outcome of internal audits done in 2014/15 has confirmed process improvements</p>
Finalise the process of reviewing vacant positions	<p>In light of the repositioning of the GDF and the migration of functions, only critical posts are filled in the following areas:</p> <ul style="list-style-type: none"> • Gauteng Audit Services – 26 posts • Forensic Services – 9 posts • Corporate Management – 3 posts • Office of the CFO – 1 posts • Human Resource Services – 9 posts • ICT – 4 posts
Enter into service Level Agreements with clients Departments with specific emphasis on conducting performance audits	The GDF service level agreements with client departments have been put in place and do incorporate the conducting of performance audits with special emphasis on expectations around performance audit requirements
Submit a portfolio of evidence of the business contracts awarded to SMMES who attended workshops and are registered on the database	As attached
Devise a plan to recover the salaries paid to wrongful employees. The plan should illustrate the action to be taken against employees who did not verify personnel status at pay points	<p>No salaries were paid to wrongful employees. Verification was done at the correct pay points however it was done late due to weak manual payroll collection processes.</p> <p>Gauteng Treasury in partnership with Gauteng Department of Finance has come up with a project that will ensure efficiency in certifying salary pay sheets electronically.</p> <p>There were no cost implications.</p>
Address the matters raised by the Auditor General submit a report	As attached

REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE 12: DEPARTMENT OF FINANCE FOR THE YEAR ENDED 31 MARCH 2014

NO	AG FINDING	PROGRESS TO DATE	DUE DATE
1.	Non-compliance with Treasury Regulations for Payroll Certification and return	<ul style="list-style-type: none"> • Implement online certification system • Training on the implementation of the online system is in progress,; however the department continues performing the manual certification 	31/07/2014
2.	Late signing of Performance Agreements	All SMS performance agreements were signed-off in time with the exception of one relating to a dispute.	31/07/2014
3.	HR Plan Submission/Approval	HR plan has already been submitted for a period of three years (2013 – 2016)	31/03/2015
4.	Vetting performed on new appointments done after appointment	Vetting is being performed on all new appointees and vetting reports are received. This is an ongoing process.	31/08/2014
5.	Overstatement of leave accrual	<ul style="list-style-type: none"> • The Annual Financial Statements were amended accordingly prior to final sign off. • Internal HR will further reconcile leave on a monthly basis 	18/07/2014
6.	Incomplete Accruals	The Annual Financial Statements have been amended accordingly prior to final sign off	18/07/2014

7.	Targets in the annual performance not smart	The target for ICT has been corrected to meet the SMART criteria; and the principle was applied in the revision of the annual performance plan 2014/15	2014/15
8.	Employees with interest in Suppliers doing business with the state	Letters were issued to officials named in the AG report. The respective responses from the officials confirmed that: 1. The companies were either dormant or in the process of deregistration. 2. There are no employees of state that have interest in suppliers doing business with the state.	30/08/2014
9.	Incomplete confirmation with SITA on licensing contract	The Department has not procured any ICT related equipment since the time of the audit. Going forward the department understands the SITA procurement processes and the department has put in processes that will comply with the SITA regulations.	N/A
10.	Non compliance with GDF SCM Policy and Preferential Procurement regulations in the appointment of a service provider for the provision of connectivity to Gauteng e-Learning Solutions: Tender Number GT/GDF/072/2013	With regards to the tender for tablets and schools connectivity, a forensic investigation found irregular expenditure on the part of procurement officials. They were charged, found guilty and sanctioned. We are requesting condonation of the irregular expenditure from Provincial Treasury. The Head of Department is currently on suspension with regards to financial misconduct and the disciplinary process is underway. We have referred a copy of the forensic investigation to the acting DG to consider further charges against the Head of Department in relation to the Tender process.	N/A
11.	Uncompetitive bidding process	See above	N/A

12.	Non-compliance with Preferential Procurement Regulation (Request for quotations)	<ul style="list-style-type: none"> • The Request for Quotation terms and conditions has been revised accordingly • The SAP team has amended the terms and conditions on the system • The price quotation must be accompanied by the: <ul style="list-style-type: none"> i. Preferential Procurement claim form ii. BBBEE level of contribution verification certificate (SBD6), iii. Declaration of interest (SBD4), iv. Declaration of bidder's past supply chain practices (SBD8), v. Certificate of independent bid determination (SBD9) 	31/07/2014
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Department	Supplier Registration Number	Supplier Name	Purchase Order	Description of Item	Payment Clearing Number	Amount Paid	Date Paid
Education	1100032715	Neo Mako Trading Enterprise	SAP Sundry	OUTS P/P:CONTRACTD MAINT	1500043154	R 48 752.10	2014/10/22
Education	1100032715	Neo Mako Trading Enterprise	SAP Sundry	OUTS P/P:CONTRACTD MAINT	1500043154	R 68 941.50	2014/10/22
Health	1100032715	Neo Mako Trading Enterprise	4250410840	OUTS P/P:CONTRACTD MAINT	1500067925	R 207 307.50	2014/04/30
Education	1100032715	Neo Mako Trading Enterprise	SAP Sundry	OUTS P/P:CONTRACTD MAINT	1500035025	R 54 637.92	2014/06/18
Education	1100032715	Neo Mako Trading Enterprise	SAP Sundry	OUTS P/P:CONTRACTD MAINT	1500034817	R 499 589.20	2014/06/11
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250419049	OUTS CONTRACTRS:MNT&REP O/INF AS	1500004818	R 3 167 167.43	2014/12/03
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250419049	OUTS CONTRACTRS:MNT&REP O/INF AS	1500003104	R 1 835 087.40	2014/05/21
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250401489	OUTS CONTRACTRS:MNT&REP O/INF AS	1500002498	R 1 572 761.14	2014/02/25
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250401489	OUTS CONTRACTRS:MNT&REP O/INF AS	1500003347	R 926 372.96	2014/06/18
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250401489	OUTS CONTRACTRS:MNT&REP O/INF AS	1500002755	R 1 917 749.80	2014/03/18
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250401489	OUTS CONTRACTRS:MNT&REP O/INF AS	1500002673	R 4 433 770.83	2014/03/12
Public Transport, Roads and Works	1100107841	Big Eye Investments 210 Pty Ltd	4250401489	OUTS CONTRACTRS:MNT&REP O/INF AS	1500002673	R 2 240 601.75	2014/03/12
Social Development	1100114687	Tutudu Trading and Projects (Pty) L	4550212836	CATERING:DEPARTMENTAL ACTIVITIES	1500026935	R 6 300.00	2014/11/18
Social Development	1100114687	Tutudu Trading and Projects (Pty) L	4250463879	CATERING:DEPARTMENTAL ACTIVITIES	1500026408	R 16 000.00	2014/11/18
Social Development	1100114687	Tutudu Trading and Projects (Pty) L	4550212111	CATERING:DEPARTMENTAL ACTIVITIES	1500026101	R 3 600.00	2014/11/05
Social Development	1100114687	Tutudu Trading and Projects (Pty) L	4550212836	CATERING:DEPARTMENTAL ACTIVITIES	1500026935	R 6 300.00	2014/12/09
Social Development	1100114687	Tutudu Trading and Projects (Pty) L	4250463879	CATERING:DEPARTMENTAL ACTIVITIES	1500026408	R 16 000.00	2014/11/18
Social Development	1100114687	Tutudu Trading and Projects (Pty) L	4550212111	CATERING:DEPARTMENTAL ACTIVITIES	1500026101	R 3 600.00	2014/11/05

R 17 024 539.53



finance
Department of Finance
GAUTENG PROVINCE

Control of Records Procedure

PR No: P/VM/D/03

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NAME OF WORKSHOP	HOW TO TENDER	NAME OF FACILITATOR	MPHO DITSEGO
DATE	24 July 2013	TIME	09:00
VENUE	78 FOX STREET, 4TH FLOOR, ROOM 401		

COMPANY NAME	YOUTH (18-35) Yes / No	PWD Yes/NO	GENDER Male/ Female	TEL. NUMBER	CELL NUMBER	E-MAIL ADDRESS	SIGNATURE
12. TU TUBU TRADING and PROTESTS	NO	NO	F	610640-0056	0745056922	prince33motelde@yahoo.com	
13. Mikes 67 MINUTES	NO	NO	M	611980-7470	076384027	nahedin@qohd.com	
14. Sidwell Browns Catering	YES	N	M	0762645281	0762645281	Sidwellbrowns@gmail.com	
15. SIPHIME MAD AT ONCE GENERAL TRADERS	YES		M	072 846 8530	072 846 8530	siphimemad@gmail.com	
16. THOTOKGA CONSULTING	YES		F	079 180 6900	079 180 6900	amalegahlela@gmail.com	
17. Sahihi Trading	YES		F		078 9494850	tamakhayise@gmail.com	
18. BANYIK RABOZIBE	NO		M		0160131966		
19. GIBS LEROMINI	NO		M	022027777	→		
20. THANDSKA KRAMON	YES		F	0716191819	0725178067	alqamintzans@gmail.com	
21. EASY SPOTLESS Laundry & Cleaning services	YES		F	01107144138	0845272592	mihlobinjike@gmail.com	

T=10
P=S
P=0
Y=6