

# Govt probes fruitless and wasteful expenditure

>> 'Council has noted with concern the poor performance by some departments'

>> 'Infrastructure development in Limpopo is seemingly moving at a snail's pace'

**ENDY SENYATSI**

>> [endy@observer.co.za](mailto:endy@observer.co.za)

Provincial Government departments and state entities are seemingly failing to manage their finances as was pointed out in a report allegedly presented by Provincial Treasury at the Executive Council (Exco) meeting at the Premier's Office last Wednesday. The report apparently highlighted that the province had achieved only one clean audit but seven unqualified and five qualified audits for the 2017/18 financial year.

Although the official audit report from the Auditor-General's Office has not been made public yet and the date of its release is still unknown, a glimpse of the report as reportedly presented by Provincial Treasury indicated that it had recorded a clean audit, retaining its status. Improvements were reported in two departments being Agriculture and Rural Development as well as Cooperative Governance, Human Settlements and Traditional Affairs which progressed from qualified to unqualified.

Provincial Government spokesperson, Phuti Seloba indicated that no regressions were reported for the remaining ten departments. He said as for public entities, Limpopo received three unqualified audits, one qualified and one outstanding audit. Regressions were reported in Limpopo Gambling Board that failed to retain its clean audit status and received an unqualified audit while Gateway Airports Authority Limited regressed from unqualified to qualified status.

Seloba stated that the outstanding audit

was for Limpopo Economic Development Agency, adding that the Exco has resolved that all irregular and fruitless and wasteful expenditure reported in the annual financial statements should have been investigated by the end of September.

## **Infrastructure delivery report**

Infrastructure development in Limpopo is seemingly moving at a snail's pace after it was highlighted in the infrastructure delivery report that the Provincial Government has, from the start of the 2018/19 financial year until June, spent R1,29 billion (24%) against the total budget of R5,34 billion to upgrade infrastructure. Seloba indicated that a total of 9,5 infrastructure projects have been handed over by departments to the Department of Public Works, Roads and Infrastructure for implementation while 3,6 (38,1%) projects are at pre-construction stage. He stated that 2,3 (24%) projects are under construction while 3,6 (38%) projects are at post construction stage.

## **Expanded Public Works Programme**

Seloba said a report on the implementation of the programme during the first quarter of the current financial year indicated that 30,1 (18%) job opportunities were created against the annual target of 171,741. He emphasised that the infrastructure sector created 7,2 (7%) jobs, social sector 4,6 (17%), environment and culture sector 5,4 (52%) and non-state sector created 12,9 (31%) work opportunities. The council has noted with concern the poor performance by some departments in contributing to job opportunities created in the infrastructure sector, he said.

## **Grant payments transition progress report**

Seloba emphasised that in Limpopo, South Africa Social Security Agency (Sassa) is currently paying approximately 1 644 779 million beneficiaries who receive R2 491 056.00 million in social grants on a monthly basis. Sassa has identified 120 426 unbanked beneficiaries and the South African Post is in the process of engaging banks to establish banking services in areas with no national payment systems or located in far-flung areas, he explained, adding that banks will open accounts to enable social grant beneficiaries to access their money via ATMs and retail pay points even in areas where there is no electricity supply.