



public works
& infrastructure

Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA

Issued by Chief Directorate: Communications
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Issue Date: 29 September 2021

STATEMENT BY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE, PATRICIA DE LILLE

Public Service Commission Report Findings on financial disclosures by senior management in DPWI to be closely monitored to ensure compliance and preventing conflict of interests

Last week I received a report from the Public Service Commission (PSC) on the financial disclosures by the senior management members (SMS) within the Department of Public Works and Infrastructure (DPWI).

The PSC received 177 financial disclosure forms for the period between 1 April 2020 and 31 March 2021 from SMS members within the department in line with Regulation 18 of the Public Service Regulations (PSR) by the due date of 31 May 2021.

The PSC scrutinises the financial disclosure forms in line with Regulation 21 (1) and in terms of this regulation the PSC must assess compliance with the requirement to disclose all financial interests and establish whether the involvement of officials in any activities of the companies could lead to conflict of interest.

The scrutiny of the financial disclosures by the PSC revealed the following:

1. 109 senior management members in the department do not have companies registered in their names and the PSC found no evidence of potential or actual conflicts of interest and these SMS members have fully complied with the requirement to disclose all their registered interests. In view of this, the PSC noted that no further action is required from the Executive Authority or the Director-General with regards to these senior management members.
2. The PSC also found that 16 SMS members did not disclose all their registered interests (non-disclosure of directorships, vehicles or immovable property). This is in contravention of Regulation 19 of the PSR, 2016. The PSC stated that it is of the view that the Minister and Director-General should consult these SMS members to determine the reasons for not fully disclosing their registerable interests. After such consultation, the DG must consider taking disciplinary action against these officials in terms of section 16A (2) of the Public Service Act, 1994 as amended,
3. The PSC also found that 22 SMS members have interests in companies. In most cases, the PSC found that these interests in companies poses a potential conflict of interest. The involvement of these SMS members in companies must be closely and tightly monitored to ensure that it does not lead to actual conflicts of interests, the PSC noted. The Ethics Officer in the department must periodically consult the Central Supplier Database (CSD) of the National Treasury to check if these companies do not appear on the CSD. Registration of companies on the CSD presupposes the intention to conduct business with organs of state. Conducting business with an organ of state has been outlawed in terms of Regulation 13 (C) of the Public Service Regulations.
4. The PSC further noted that 8 SMS members were engaged in Other Remunerative Work outside their employment in the department. None of these SMS members provided proof of approval to engage in Other Remunerative Work. The PSC noted that the Executive Authority must consult with the SMS members who did not provide proof of their approval to engage in Other Remunerative Work to determine if such approval was granted and if not, consider taking appropriate steps in terms of Section 31 of the Public Service Act.

While the department finalising the appointment of an Ethics Officer, the Acting DG as the accounting officer remains responsible for monitoring this matter and instituting the relevant action where it is required and reporting on such actions and monitoring to myself as the Executive Authority.

While I am pleased with the portion of the findings that the majority of senior management members were fully compliant with their financial declarations there is cause for concern with some of the declarations by the rest of the SMS members. I will be working closely with the Acting DG of the department to ensure that the department follows the necessary procedures and actions processes to clarify conflicts of interest and address any serious conflicts or concerns.

On 22 September 2021, I wrote to the Acting DG requesting a report on the steps taken regarding the findings by the PSC in order for me to respond to PSC Commissioner Dr Bruno Luthuli.

I will then provide a formal response to the PSC Commissioner Luthuli on the steps taken in light of the PSC's findings regarding the financial disclosures by SMS members for the 2020/21 financial year.

These processes are vitally important to ensuring that public officials conduct their work and responsibilities with integrity and to ensure that we build a capable and ethical state.

Where potential conflicts of interest has been flagged, the department will closely monitor the activities of company interests that have been declared and those which were not declared to ensure that conflicts of interests do not materialise with officials doing business with government.

I appeal to all government officials especially in DPWI is that they should be honest and act with integrity by declaring their interests truthfully. As public servants we are entrusted to carry out our duties responsibly and honestly and it is my hope that next year's financial interests show a greater level compliance.

ENDS

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