



public works
& infrastructure

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

DPWI MAKING NOTABLE PROGRESS ON 30 DAY PAYMENTS

Today I am pleased to report that the Department of Public Works and Infrastructure (DPWI) is making notable progress on payments to service providers and paying within the stipulated 30 day period.

The DPWI and Property Management Trading Entity (PMTE), also under DPWI, handles and pays on average 1 130 and 11 700 number of invoices on a monthly basis respectively.

The department used to have more than 11 500 unpaid invoices over 30 days before the introduction of Reapatala Tracking System by myself and the respective teams in the Department. I must express my thanks to the Finance teams, ICT teams and other branches for their excellent work on improving this vital area of work.

The Reapatala system is a platform where all invoices of the department are received in a central place where all finance officials have access to the invoices posted from all regional offices and head office to avoid claims that invoices were processed. This system has managed to ensure effective tracking of invoices to be paid timeously.

As part of a range of efforts to ensure that we pay service providers on time and minimize late payments, weekly meetings with our regional offices and regular interventions by myself and various teams in the department, through Reapatala reports have resulted in few overdue payments by DPWI to service providers.

I am tracking this work within the department on a weekly basis and have noted a steady decline in overdue 30 day payments. We are at all times striving for zero late

payments however in some cases there is good reason for late payments when there are discrepancies with invoices which need to be clarified.

The issue of late payments was one of the main issues I tackled when I took office in June 2019. At the time there were around 2 084 late payments on a weekly basis on the system beyond the 30 day stipulated payment period.

The department also instituted consequence management for officials found responsible for late payments without good reason. The number of consequence management processes implemented was for 166 invoices involving 180 officials between April 2021 and 28 February 2022.

UPDATE:

For the week between 12 and 19 August, I can report that the department processed 1 686 invoices (95.4%) of invoices on time and within the 30 day payment period.

In terms of invoices beyond the 30 day period, between 12 and 19 August, there were 14 overdue payments and four of these payments worth R2.9million were made within that week.

The remaining 10 payments are still being processed with an additional 2 overdue payments reflecting on the system since 19 August 2022. Currently the total of payments beyond the 30 day period stands at 12 as of 19 August 2022.

I am also pleased that most of the DPWI regional office such as the Cape Town, Durban, Pretoria head office, Johannesburg, Kimberley, Mthatha, Nelspruit and Gqeberha have no unpaid invoices beyond the 30 day period in the week between 12 and 19 August 2022.

I have constantly stressed to the Department the importance of paying suppliers on time emphasizing that this was not only legal duty of the state but also to ensure that we pay suppliers on time and ensure that they can keep their businesses running and continue creating jobs and contributing to the economy.

Often companies, especially small to medium enterprises, suffer huge losses and at times go under if they are not paid on time by government departments.

The latest statistics are encouraging and has been a priority for myself and is being meticulously driven by the Finance team in the department.

I will continue to monitor this matter weekly as I have been since taking office to ensure that we at all times pay suppliers on time and resolve any invoice disputes speedily.

ENDS.

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