



**LIMPOPO  
LEGISLATURE**

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# **REPUBLIC OF SOUTH AFRICA**

## **LIMPOPO PROVINCE**

**VERBATIM REPORT  
[HANSARD]**

**OF THE**

**DELIBERATIONS AND DEBATES**

**OF THE**

**SECOND SESSION**

**OF THE**

**SIXTH LEGISLATURE OF THE LIMPOPO LEGISLATURE**

**TUESDAY, 01 SEPTEMBER 2020**

## **MEMBERS OF THE EXECUTIVE COUNCIL [CABINET]**

Office of the Premier	Mr C S Mathabatha [Premier]
Education	Ms S P Boshielo
Health	Dr P C Ramathuba
Social Development	Ms N C Rakgoale
Economic Development, Environment and Tourism	Mr T A Mokone
Public Works, Roads and Infrastructure	Mr N D Masemola
Transport and Community Safety	Ms M M Lerule-Ramakhanya
Agriculture and Rural Development	Ms N A Ndalane
CoGHSTA	Mr B R Makamu
Sport, Arts and Culture	Ms T A Moraka
Provincial Treasury	Mr S C Sekoati

## **OFFICE-BEARERS OF LIMPOPO LEGISLATURE**

The Speaker	Ms R R Molapo
The Deputy Speaker	Mr A J D Ndou
The Chief Whip	Mr M E Mokgonyana
The Deputy Chief Whip	Dr S M Mochadi
The Chairperson of Committees	Mr N V Mashamaite
The Deputy Chairperson of Committees	Mr C B D Selane
The Leader of Government Business	Mr S C Sekoati
The Leader of the Opposition	Mr M J Buthane
The Secretary of Limpopo Legislature	Mr S Mothoa

## **MEMBERS OF THE LIMPOPO LEGISLATURE** (in alphabetical order)

### **PARTIES REPRESENTED IN THE HOUSE:**

African National Congress (ANC)  
 Democratic Alliance (DA)  
 Economic Freedom Fighters (EFF)  
 Vryheidsfront Plus (FF+)

1. Aphiri, Mokgadi Johanna	ANC
2. Boshielo, Shela Polly	ANC
3. Buthane, Modikane Joseph	EFF
4. Kekana, Nakedi Grace	ANC
5. Lebea, Kedibone Margaret	ANC
6. Lekganyane, Nakedi Maria	ANC
7. Lerule-Ramakhanya, Mavhungu Maureen	ANC
8. Maharaj, Risham	DA
9. Mahasela, Mahlodi Caroline	ANC
10. Makamu, Basikopo Rodgers	ANC
11. Makhurupetje, Makoma Grace	ANC
12. Managa, Lilian	EFF
13. Manganye, Tinyiko Florence	EFF
14. Maritz, Marcelle Frieda	FF+
15. Marule, Jacob Boy Otto	ANC
16. Maseko, Funani Jerry	ANC
17. Masekoameng, Mmabogahla Isaiah	ANC
18. Masemola, Namane Dickson	ANC
19. Mashamaite, Nkhohlo Victor	ANC
20. Mathabatha, Chupu Stanley	ANC
21. Mathe, Simon Matsobane	ANC
22. Mathye, Susani Violet	ANC
23. Matlou, Leswafo Joshua	ANC
24. Mdaka, Falaza Philemon	ANC
25. Mitleni, Wisani Goodman	ANC
26. Mochadi, Sekutu Monicca	ANC
27. Mohlala, Manamane Charles	EFF
28. Mokaba-Phukwana, Mapula Annah	ANC
29. Mokgonyana, Essob Mmanoko	ANC
30. Mokone, Thabo Andrew	ANC
31. Molapo, Reneiloe Rosemarry	ANC
32. Monama, Gannye Rodgers	ANC
33. Monyamane, Nkome Sarah	ANC
34. Moraka, Anna Tandi	ANC
35. Mphahlele Selaelo Regina	EFF
36. Ndalane, Nandi Annah	ANC
37. Ndou, Azwindini Jeremiah Dingaan	ANC
38. Phala, Katlego Suzan	DA
39. Phala, Kgolane Alfred	ANC
40. Radzilani, Fulufhelo Florence	ANC
41. Rakgoale, Chritian Nkakareng	ANC

42. Ramathuba, Phophi Constance	ANC
43. Raphela, George	EFF
44. Sekoati, Seaparo Charles	ANC
45. Selamolela Selelo Donald	ANC
46. Selane, Che Bonnie David	ANC
47. Seono, Mmaishibe Rebecca	ANC
48. Seshoka, Jetrick	EFF
49. Smalle, Jacobus Frederik	DA

#### **PERMANENT DELEGATES TO NATIONAL COUNCIL OF PROVINCES**

1. Mamaregane, Mmamora Lilliet	ANC
2. Mathevula, Brenda Tirhani	EFF
3. Matibe, Tshitereke Baldwin	ANC
4. Nchabeleng, Mamagase Aleck	ANC
5. Shaikh, Shahidabibi	ANC
6. Smit, Christiaan Frederik Beyers	DA

## **COMMITTEES OF THE LIMPOPO PROVINCIAL LEGISLATURE**

### **CATEGORY ONE – STANDING COMMITTEES**

- a) Rules Committee
- b) Internal Arrangements Committee
- c) Programming Committee
- d) Whippery
- e) Disciplinary Committee
- f) Committee on Ethics and Members' Interests
- g) Committee of Presiding Officers
- h) Public Accounts Committee
- i) Public Participation and Petitions
- j) Quality of Life and Status of Women, Youth and Disability

### **CATEGORY TWO – PORTFOLIO COMMITTEES**

- a) Provincial Treasury
- b) Co-operative Governance, Human Settlements and Traditional Affairs
- c) Public Works, Roads and Infrastructure
- d) Economic Development, Environment and Tourism
- e) Agriculture and Rural Development
- f) Transport and Community Safety
- g) Sport, Arts and Culture
- h) Education
- i) Health
- j) Social Development
- k) Public Administration
- l) Oversight Review Mechanism

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Mukundamago, N T (Ms)  
Ndala, N T (Ms)  
Netshamulivho, A J (Mr)

**VERBATIM SPEECHES OF THE  
LIMPOPO PROVINCIAL LEGISLATURE  
VIRTUAL SITTING  
TUESDAY, 01 SEPTEMBER 2020  
MEETING OF THE HOUSE: 10:00**

**1. PRAYERS/MEDITATIONS**

Let's take this opportunity and observe a moment of silence for prayers and/or meditation.

**THE DEPUTY SPEAKER**

Thank you. Can we have somebody who is having their radio or TV on to switch it off, please? It is interrupting the proceedings.

**2. MOTIONS WITHOUT NOTICE**

Are there any motions without notice in terms of House Rule 145? Let me recognise Hon Mphahlele.

**MS MPHAHLELE**

Morning, Hon Speaker. I greet all the Members of the Legislature.

**THE ROLE PLAYED BY WOMEN IN OUR SOCIETY**  
(Motion without Notice)

I rise on behalf of the EFF to move a motion without notice that the House notes that as we have just concluded the Women's Month, the EFF in Limpopo would like to salute the role played by women in our society. The EFF in Limpopo also lowers its banner in honour of those who lost their lives due to gender-based violence. We urge the government to present a clear plan to help the survivors of GBV and child-headed families apart from the grants which are distributed through Sassa.

What are the measures placed beyond Women's Month to ensure that campaigns against GBV are sustained? Has the government established safe houses for women who are victims of GBV especially during this COVID-19 era? Can this august House be updated if there is any register of offenders, especially of high profile people who often use their power to frustrate the marginalised?

The EFF urges this august House to create a pledge which will be signed by all Members that they will not partake in gender-based violence.

Furthermore, the EFF requests the Department of Health to update the House if the department has participated in the scheme of coerced sterilisation of innocent women. Are there any plans for continuous reproductive health awareness in communities? Has the provincial government considered empowerment programmes for domestic workers, who are at the core of caring for families?

Hon Speaker, a report on the participation of women in mining be prepared and presented to this august House. The EFF is against the oppression of anyone based on their gender expression or sexual orientation.

The EFF is against patriarchy, homophobia and all its manifestations. The EFF fights for the liberation of women from all chains which have disadvantaged women.

I so move. Thank you.

**THE DEPUTY SPEAKER**

Honourable Member, the time allocated for your motion had expired. Is there any seconder to the motion? Hon Seshoka, you are recognised.

**MR SESHOKA**

Thank you, Deputy Speaker. I stand to second the motion as presented by Hon Mphahlele.

**THE DEPUTY SPEAKER**

Thank you very much. Are there any other motions without notice? Let me recognise Hon Smalle.

**MR SMALLE**

Thank you, Hon Speaker. Due to technology, I'm using Hon Maharaj's computer. We have IT problems this side.

**SHAMEFUL EMBARRASSMENT THAT THE TALANA AND BURGERSFORT EXT  
10 LOW-COST HOUSING PROJECT CAUSED THE PROVINCE**  
(Motion without Notice)

I rise on behalf of the Democratic Alliance that the House notes the embarrassment that the Talana and Burgersfort Ext 10 low-cost housing project caused this province.

Premier Mathabatha's decision to include this project into the SIU (Special Investigating Unit) investigation was just a knee-jerk reaction. No terms of reference for the investigation have been made public. Yet again, the lack of transparency prevails.

It is shameful that no one involved in the approval of this project is prepared to take accountability for the tin shacks, without running water, sanitation and electricity, which 40 families at Talana now have to occupy.

Moreover, now that this project in Burgersfort Ext 10 has been stopped, there is looting on the building site and the department can ready itself for penalties in terms of the contractual obligations with the service provider.

Hon Speaker, the ancient saying that 'haste makes waste' could not be more befitting in the implementation of this project. Despite the procurement laws being relaxed



during the pandemic, the project was rushed, processes ignored, implementation unrecorded and the tin shacks so shoddily built. It begs the question why the R17 million project was finalised within the period of 10 days.

We trust that the SIU investigations will provide the answers, and that these answers will be made public.

I so move. Thank you.

**THE DEPUTY SPEAKER**

Can I have any seconder to the motion?  
Hon Maharaj, you are recognised.

**MR MAHARAJ**

I, Risham Maharaj, hereby second the motion by Hon Smalle. Thank you.

**THE DEPUTY SPEAKER**

Thank you very much. Are there any further motions without notice? Hon Seshoka, I see your hand is up.

**MR SESHOKA**

I don't have any motion.

**3. NOTICES OF MOTIONS**

**THE DEPUTY SPEAKER**

Are there any notices of motions in terms of House Rule 146? There is none.

**4. MEMBERS' STATEMENTS**

Are there any Members' Statements? Let's start with Hon Maharaj.

**MR MAHARAJ**

Thank you very much, Chair.

**CONCERN OVER COVID-19 CORRUPTION**  
(Members' Statement)

The Democratic Alliance notes that due to recent allegations and claims of corruption, misuse of funds, and political interference in the awarding of tender contracts related to COVID-19 spending, the President of South Africa, Cyril Ramaphosa, has been vocal against it. He even described the COVID-19 corruption as an unforgivable betrayal. Premier Mathabatha, himself, has also said that he took allegations of corruption seriously when he asked the SIU to investigate these claims around the COVID-19 spending.

Given the current mood and sentiments in the province around the allegations of corruption, the DA reiterates our call that we have put forward in writing to the Premier, that the Premier, MECs and their spouses, and the HODs all be subjected to an independent lifestyle audit to ensure that the people tasked and entrusted to lead our response to COVID-19 are not involved in corrupt activities and are beyond reproach.

The lifestyle audits will send the right message to the people of Limpopo and show how serious Premier Mathabatha and his Executive take the allegations and scourge of corruption, some of them levelled against his Members of the Executive. The Limpopo Executive needs to show its commitment to fighting against this unethical behaviour.

In the Western Cape, the Premier, MECs and their spouses were subjected to a lifestyle audit and were found to live a lifestyle in line with their incomes.

The Gauteng Premier has also recently announced and committed to his Executive being subjected to a lifestyle audit.

Will the Premier, Hon Mathabatha, also follow suit given the increasing allegations of COVID-19 corruption? If not, why not?

#### **THE DEPUTY SPEAKER**

Thank you very much. I now call upon Hon Manganye.

#### **MS MANGANYE**

Thank you, Hon Speaker.

#### **CONCERN OVER SECURITY AT PUBLIC HEALTH FACILITIES IN LIMPOPO** (Members' Statement)

Hon Speaker, security at public health facilities in Limpopo is a serious challenge while the lives of patients and health workers are seriously in danger. The Lebowakgomo Hospital has become the worst hospital to work at. Equally, it has become the worst hospital in terms of the safety of health workers and patients.

Just last month, a violent patient insulted and physically attacked doctors and nurses at the hospital calling them all sorts of names. Patients, doctors and nurses ran for their dear lives, while the attacker was on rampage swearing at doctors and nurses.

A second incident occurred when a violent patient slapped a female doctor after verbally abusing her countless times and the trauma was just unbearable. We have a video clip of this incident and is traumatising to watch. When security officers at the hospital were called upon to intervene, they came, just watched and did nothing.

The EFF has received a number of complaints from the public in recent times on the issue of security in public health facilities in the province. Is the department waiting for a doctor, nurse, patient, and other workers in our hospitals and clinics to die before they can address the issue of safety and security in our public healthcare facilities? By

the way, this is the same government that only acts after people have taken to the streets to protest on issues of service delivery and other related state failures.

The health workers and patients in public institutions are our brothers and sisters. If you do not love them, you must know that we do love them. They deserve to work in a safe and secure environment as they discharge their duties on daily basis.

We call upon the MEC for Health to investigate this matter and provide a lasting solution in order to ensure the safety of all our people at the Lebowakgomo Hospital.

Ndza khensa.

### **THE DEPUTY SPEAKER**

Thank you very much. Are there any further Members' Statements? Let me recognise you, Hon Smalle.

### **MR SMALLE**

Thank you, Hon Speaker. May I once again apologise for my IT-related challenge.

### **THE EXECUTION OF SALE OF ALL MOVABLE PROPERTY OF THE MOGALAKWENA MUNICIPALITY (Members' Statement)**

The August month has not been the best month for MEC for Cooperative Governance, Hon Makamu. While we just dealt with the Talana and Burgersfort issue, on 13 August 2020, the *Bosveld Review* published the execution of sale of all movable property of the Mogalakwena Municipality based on the judgement from the Limpopo High Court for an amount of R5,2 million. The attached property included mostly vehicles, bakkies and trucks as well as office equipment including chairs and computers; basically rendering the municipality unable to provide services.

It seems as if the administrator, Mr Frans Boshielo, appointed by the MEC, Hon Makamu, in terms of section 139 in December 2019, was either oblivious to the case or burying his head in the sand hoping that the problems would just go away. Well, the troubles did not go away. They are now in greater proportions and will exuberate the financial implications of this embattled municipality.

Back in September 2019, the Democratic Alliance requested Minister Dlamini-Zuma to investigate the R1,17 billion of irregular; fruitless and wasteful; and unauthorised expenditure. Our request seems to have fallen on deaf ears.

Is the MEC going to appoint a forensic team to investigate and later table a forensic report of this R1,17 billion of wasted, misappropriated and stolen moneys at this specific municipality and hold officials as well as members of the council accountable? When will the MEC table this forensic report? What is the MEC's plan to turn around this bankrupt municipality?

Thank you, Hon Speaker.

**THE DEPUTY SPEAKER**

Thank you, Hon Smalle. Are there any further Members' Statements? If none, can I give this opportunity to the MECs to respond. MECs, may you respond if you are there. Is there no response?

**THE MEC FOR COGHSTA**

Hon Speaker, I'm trying to raise my hand. I'm not sure if you see it.

**THE DEPUTY SPEAKER**

I can see it now. You may proceed, Hon Makamu.

**THE MEC FOR COGHSTA**

Thanks, Hon Speaker. I have listened and understood what was raised. On the issue of the Talana shacks and the Premier's intention to take the project to the SIU, I think the Member who raised the issue is the member of the portfolio committee. We should first correct the issue ... [INTERJECTION]

**MR SMALLE**

On a point of order, Deputy Speaker.

**THE DEPUTY SPEAKER**

Yes. What's your point of order?

**MR SMALLE**

Thank you, Deputy Speaker. I noted that the MEC is trying to respond to a motion. The Members' Statement which the MEC has the right to respond to has everything to do with the Mogalakwena Municipality. I would urge that you guide the MEC in this regard. Thank you.

**THE DEPUTY SPEAKER**

MEC, you respond only on the issue of Mogalakwena matter. That is the Members' Statement, not the motions as presented.

**THE MEC FOR COGHSTA**

Okay, Hon Speaker, but the figures were not correct. I will leave it and take your guidance.

The issue of the legal battles in Mogalakwena, it is true that there was a court case involving the municipality. This case was about the failure of the municipality to pay a service provider and this matter took long before the court judgement could be given.

I must indicate that the administrator was able to act swiftly. There is nothing that was executed or sold in the municipality which disables the municipality from rendering its services. We were able to intervene and the service provider was paid. The matter of why the money was not paid at a particular time is still under investigation. The matter is receiving serious attention by the administrator. I have had a one-on-one engagement on the matter when I heard about the court order on the execution of the municipal property from the media.

Hon Speaker, I must also indicate that when we made the intervention through the Executive Committee resolution, there were a number of forensic investigations which were conducted by the municipality, and we made it a point that they get adopted by council. I can report that the reports have been adopted by council and we are doing everything we can to assist in that municipality. As I speak, no less than seven officials of the municipality who have been suspended. These officials right from the accounting officer to people who are alleged to have contravened supply chain management processes.

I can say that none of the municipal officials are oblivious of their responsibilities. We are intact and progressing very well. I think the Legislature will get a report on the progress made so far through the intervention made through the Executive Committee resolution in terms of section 139(1)(b). The matter is in our control and there is progress. The people are starting to receive services and the municipality is performing as expected. Thanks very much, Hon Speaker.

#### **THE DEPUTY SPEAKER**

Thank you very much, Hon Makamu. Can we take MEC, Hon Phophi Ramathuba.

#### **THE MEC FOR HEALTH**

Thank you, Hon Speaker. We have noted what the honourable Member from the EFF has raised regarding security in our facilities. Honourable Members will remember that it has become a real problem and a threat towards the delivery of healthcare services. We have noted the incident that is reported to have happened a month ago. We are currently investigating it, because that matter has not been reported to any of the executive. After investigating, we will definitely report back.

We also need to indicate that the public itself has become a threat to our staff in terms of providing healthcare services. We want to reiterate what we have always said. Security in our health facilities becomes very complex and difficult. The very same person who is alleged to have threatened our staff in casualty, happens to be a patient. What do we expect from the armed security at the premises? Should they come and shoot the patient? It becomes another problem.

Now that the alcohol ban has been lifted, what we see in our trauma units on daily basis is that the people who come intoxicated or under the influence of alcohol are the ones who assault and threaten our staff. We can't chase them away from the hospital because they are our patients. These are the people who are coming to seek healthcare, but they still threaten our lives. We are appealing to honourable Members, especially political parties, that when we speak to the public, we really need to be cautious and extra careful with the language that we use. When you blame the staff

for something that has happened, the community begins to develop an attitude and hatred towards the very same staff. When they come to the hospital, they have already made a conclusion that 'I am going to show them, because I have heard the honourable Member from so-and-so party saying that the staff in this hospital have got a horrible attitude.'

We have seen what happened in Musina when the whole community went to take out a professional nurse who ended up resigning. I am talking about a highly skilled oncology nurse, who could not take it anymore. We are saying the public, who depends on us for healthcare services, has become a threat to the very healthcare workers. All of us here have a responsibility. No amount of resources that can be pumped on security will be able to deal with this issue of security in our facilities. It will take all of us here to go out and talk to the people that voted for us, to call upon them to start appreciating our healthcare workers, as the honourable Member has rightfully said. If we care about our healthcare workers, as Members, let's ensure that our communities also love and protect our healthcare workers.

Thank you.

#### **THE DEPUTY SPEAKER**

Thank you very much. Are there any further comments or responses on the Members' Statements? There is one on the lifestyle audits. Is the Leader of Government Business, Hon Sekoati here?

#### **THE LEADER OF GOVERNMENT BUSINESS**

Thank you, Chair. I thought some were comments which did not necessarily warrant any response. For instance, the issue of the lifestyle audit is not a matter that needed to be raised within the Legislature, because as a party, we have already taken a decision that all party leaders, including those that have been deployed into various areas of authority, are going to be subjected to lifestyle audits. Therefore, lifestyle audit cannot be based on the issue of PPEs, it goes far beyond the PPE corruption. I thought the Member was just making a passing comment and not something that needed to be responded to.

Thank you.

#### **THE DEPUTY SPEAKER**

Hon Premier, your mic is on mute. Hon Premier, I see your hand is up, but your mic is on mute. Hon Premier, your mic is on mute and I see your hand is up. I am not sure if the Hon Premier can hear me. Hon Premier, now we can hear you. Hon Premier! Hon Mokgonyana, you make take the floor.

#### **THE CHIEF WHIP**

Thank you, Hon Deputy Speaker. I tried to speak to the Hon Premier. Apparently, his line is quite bad. I don't know whether it's possible that we pass. Oh, there he is now.

#### **THE PREMIER**

Can you hear me now?

**THE DEPUTY SPEAKER**

Yes, we can. He has disappeared again.

**THE PREMIER**

Hon Speaker!

**THE DEPUTY SPEAKER**

Yes, now we can hear you.

**UNIDENTIFIED MEMBER**

Hon Speaker, we can advise that they 'kill' cameras and remain only with the voice.

**THE PREMIER**

My line is very bad. You can pass, Hon Speaker.

**THE DEPUTY SPEAKER**

We can hear you now.

**THE PREMIER**

I just wanted to say that on the issue of lifestyle audits, the honourable Member from the DA will tell you that they also as a party have already taken a decision on the matter. But ... [MIC OFF]

**THE DEPUTY SPEAKER**

Yes, the line is really bad.

**MR SESHOKA**

Hon Deputy Speaker, I suggest that we take the Hon Premier's advice that we pass him because surely the line is very bad.

**THE DEPUTY SPEAKER**

Hon Premier, can we pass you?

**THE PREMIER**

Yes, I think so. My line is very bad. Maybe let's just pass.

**THE DEPUTY SPEAKER**

Your line is bad. Maybe at some point we may give you an opportunity to respond to the Member.

**THE PREMIER**

It is fine, Hon Deputy Speaker.

**THE DEPUTY SPEAKER**

Thank you very much for the responses.

**5. EXECUTIVE STATEMENTS**

Are there Executive Statements in terms of Rule 201? There are none.

**6. TABLING OF COMMITTEE REPORTS, OTHER REPORTS AND PAPERS**

Are there any tabling of reports or other reports? Hon Sekoati, you may take the floor.

**THE MEC FOR SPORT, ARTS AND CULTURE**

Hon Speaker, I raised my hand also. It is MEC, Hon Moraka.

**THE DEPUTY SPEAKER**

I was worried, because I just saw the MEC. It's over to you, Hon Moraka.

**THE MEC FOR SPORT, ARTS AND CULTURE**

Thanks very much, Hon Speaker. I rise on behalf of the ANC-led government in this august House to give a progress report on the House resolutions for the 2014/15, 2015/16 and 2016/17 financial years for the Department of Sport, Arts and Culture in Limpopo. [INTERJECTION]

**THE DEPUTY SPEAKER**

Honourable MEC, we are coming to that. If you can give us an opportunity, because we have got to adopt the reports first and then you come in.

**THE MEC FOR SPORT, ARTS AND CULTURE**

I thought you called for Executive Statements. Yes, that's what I am doing.

**THE DEPUTY SPEAKER**

But you are giving a report on the resolutions of the House.

**THE MEC FOR SPORT, ARTS AND CULTURE**



I was duly advised that I needed to use the opportunity of the Executive Statements to present progress report on all Scopa resolutions to the august House.

**THE DEPUTY SPEAKER**

I don't know who advised you. Can you give us an opportunity to adopt the reports first then you will be given an opportunity to come in. If you look at the programme, it gives opportunities for MECs to come in at some point.

**THE MEC FOR SPORT, ARTS AND CULTURE**

Thanks, Speaker.

**THE DEPUTY SPEAKER**

You are welcome. I saw Hon Sekoati raising his hand earlier.

**THE MEC FOR PROVINCIAL TREASURY**

You may pass, Hon Speaker.

**7. ORDERS OF THE DAY**

**THE DEPUTY SPEAKER**

We shall go to the Orders of the Day: Consideration and adoption of the reports of the Standing Committee on Public Accounts. Committee chairperson, you may take the podium.

**MR MITILENI**

Thank you, Hon Speaker. I, Wisani Goodman, Mitileni, present the report of the Auditor-General on the financial statements and performance audit for Vote 1: Office of the Premier for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Makhurupetje, you are recognised.

**MS MAKHURUPETJE**

I, Makoma Makhurupetje, stand to second the move by the chairperson of Scopa. Thanks.

**THE DEPUTY SPEAKER**

We are moving to item 7.1.2. Just continue chairperson. As we second, you proceed to the next one.

**MR MITILENI**

Thank you, Speaker. Must I just go with all of them?

**THE DEPUTY SPEAKER**

No, no, we go to item 7.1.2 and then second. We then go to item 7.1.3 and second.

**MR MITILENI**

Okay. I, Wisani Goodman Mitileni, present the report of the Auditor-General to the Limpopo Provincial Legislature on the financial statements and performance information for Vote 3: Department of Education for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder?

**ADV PHALA**

I second.

**THE DEPUTY SPEAKER**

Who is that? Hon Phala, are you seconding?

**ADV PHALA**

Yes. I seconded already, as per your instruction.

**THE DEPUTY SPEAKER**

Thank you. Hon Mitileni, you may proceed.

**MR MITILENI**

Thank you, Hon Speaker. I, Wisani Goodman Mitileni, present the report of the Auditor-General on the financial statements and performance audit for Vote 4: Department of Agriculture and Rural Development for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? I recognise Hon Radzilani.

**MS RADZILANI**

Thank you, Hon Speaker. I second the report as presented by the chairperson, Hon Mitileni.

**THE DEPUTY SPEAKER**

Thank you. Chair, you may take the floor.

**MR MITILENI**

Thank you, Speaker. I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General to the Legislature on the financial statements and performance information for Vote 5: Provincial Treasury for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Hon Matlou, you are recognised.

**MR MATLOU**

I, Leswafo Joshua Matlou, hereby second what the chairperson of the Scopa has said.

**THE DEPUTY SPEAKER**

Thank you. Chair, please proceed.

**MR MITILENI**

Hon Speaker, I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial ... [MIC OFF]

**THE DEPUTY SPEAKER**

Hon Mitileni, now you are frozen. I know it's very cold out there. We can't hear you anymore. Have you muted your mic?

**MR MITILENI**

My apologies, chair. Can I proceed and present the next one.

**THE DEPUTY SPEAKER**

Yes.

**MR MITILENI**

Thanks.

**THE DEPUTY SPEAKER**

We are on item 7.1.5.

**MR MITILENI**

We are on LEDET and now we are going to Health. Can I proceed?

**THE DEPUTY SPEAKER**

We didn't hear you on the LEDET one.

**MR MITILENI**

Okay. Let's go back. I, Wisani Goodman Mitileni, present the report of the Auditor-General on the financial statements and performance information for Vote 6: Limpopo Department of Economic Development, Environment and Tourism for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Kekana, you are recognised.

**MS KEKANA**

Thanks, Deputy Speaker. I, Nakedi Kekana, rise to second the report as presented by Hon Mitileni. Thank you.

**THE DEPUTY SPEAKER**

Thank you. Chair, you can proceed.

**MR MITILENI**

Thank you, Hon Speaker. I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and performance audit ... [MIC OFF]

**THE DEPUTY SPEAKER**

Hon Mitileni, you are muted again.

**MR MITILENI**

My apologies. It is the network challenges. I was already moving for the Department of Health for the 2017/18 financial year.

**THE DEPUTY SPEAKER**

Is there any seconder? Let me recognise Hon Mathe.

**MR MATHE**

Thanks, Chair. I, Simon Mathe, hereby second the report as presented by Hon Wisani Goodman Mitileni.

**THE DEPUTY SPEAKER**

Let's proceed.

**MR MITILENI**

I, Wisani Goodman Mitileni, present the report of the Auditor-General on the financial statements and performance information for Vote 8: Department of Transport for the 2017/18 financial year. I so move

**THE DEPUTY SPEAKER**

Is there any seconder? I recognise Hon Seono.

**MS SEONO**

Thank you, Chairperson. I raised my hand to second the report as presented by the Scopa chairperson. Thanks very much.

**THE DEPUTY SPEAKER**

Thank you. Proceed, Hon Mitileni.

**MR MITILENI**

Thank you. I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and performance information for Vote 9: Department of Public Works, Roads and Infrastructure for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Matlou, it's your turn.

**MR MATLOU**

Thanks, Chair. I, Leswafo Joshua Matlou, hereby second the report as presented by the chairperson of Scopa.

**THE DEPUTY SPEAKER**

Thank you.

**MR MITILENI**

Thank you, Chair. I wish to present the report of the Auditor-General of South Africa on the financial statements and performance information for Vote 10: Community Safety for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Thank you. Is there any seconder? Hon Makhurupetje, you are recognised.

**MS MAKHURUPETJE**

Hon Deputy Speaker, I hereby second the motion as presented by the chairperson of Scopa.

**THE DEPUTY SPEAKER**

Proceed, Hon Mitileni.

**MR MITILENI**

I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and performance information for Vote 11: Cooperative Governance, Human Settlements and Traditional Affairs for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mdaka, you can second the motion.

**MR MDAKA**

Thank you, Hon Deputy Speaker. I, Falaza Mdaka, hereby second the move by the chairperson of Scopa, Hon Mitileni.

**THE DEPUTY SPEAKER**

Thanks. Chairperson, the floor is yours.

**MR MITILENI**

Thank you, Speaker. I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and performance information for Vote 12: Social Development for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mahasela, you are recognised. If she is far, can we have Hon Radzilani.

**MS MAHASELA**

No, I am here. Thank you, Hon Deputy Speaker. I, Caroline Mahasela, rise to second the motion by Hon Mitileni. Thank you, Hon Deputy Speaker.

**THE DEPUTY SPEAKER**

Chair, the floor is yours.

**MR MITILENI**

Thank you, Deputy Speaker. I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General to the Legislature on the financial statements and performance

information for Vote 13: Department of Sport, Arts and Culture for the 2017/18 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Radzilani, you are recognised.

**MS RADZILANI**

Thank you, Deputy Speaker. I raise my hand to second the report as presented by the chairperson of Scopa.

**THE DEPUTY SPEAKER**

Chair, the floor is yours.

**MR MITILENI**

Hon Deputy Speaker, I need your guidance, because I take it that we are done with 2017/18 financial year. Can I proceed with the departments for 2018/19 financial year?

**THE DEPUTY SPEAKER**

No, no, no. What I have here, you are going to present the report on Gateway Airport Authority Limited, item 7.1.1.3.

**MR MITILENI**

Those are the entities, Hon Speaker. The Members are prepared to come and debate about them.

**THE DEPUTY SPEAKER**

Yes, you are right. The entities are for the next Sitting.

**MR MITILENI**

Can I then proceed to the next financial year?

**THE SPEAKER**

Let's do that.

**MR MITILENI**

Thank you, Hon Speaker. I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and performance audit for Vote 1: Office of the Premier for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Phala, you are recognised.

**ADV PHALA**

I, Phala K R, take this opportunity to second the motion as tabled by the committee chairperson of Scopa, Hon Wisani Goodman Mitileni. I move accordingly, Hon Speaker.

**THE DEPUTY SPEAKER**

Chair, the floor is yours.

**MR MITILENI**

Hon Speaker, I, Wisani Goodman Mitileni wish to present the report of the Auditor-General on the financial statements and the performance information for Vote 3: Department of Education for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Seono, you are recognised.

**MS SEONO**

Hon Speaker, I raise my hand to second the report as presented by the Scopa chairperson. Thank you.

**THE DEPUTY SPEAKER**

Thank you. Chair, the floor is yours.

**MR MITILENI**

Speaker, I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and the performance audit for Vote 4: Department of Agriculture and Rural Development for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Radzilani, I see your hand is up.

**MS RADZILANI**

Thank you, Hon Deputy Speaker. I second the report as presented by the chairperson of Scopa, Hon Mitileni.

**THE DEPUTY SPEAKER**

Thank you. Chair, you can take the floor.

**MR MITILENI**



Thank you, Speaker, I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General on the financial statements and the performance audit for Vote 5: Department Provincial Treasury for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mochadi, over to you.

**DR MOCHADI**

Thank you, Hon Deputy Speaker. I, Sekutu Monicca Mochadi, raise my hand to support the motion presented by Hon Wisani Mitileni, the chairperson of Scopa. Thank you.

**THE DEPUTY SPEAKER**

Thank you. Chair, please proceed.

**MR MITILENI**

Hon Speaker, I, Wisani Goodman Mitileni, wish to present the report of the Auditor-General to the Legislature on the financial statements and performance information for Vote 6: Limpopo Department of Economic Development, Environment and Tourism for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mahasela, you are recognised.

**MS MAHASELA**

Thank you, Hon Deputy Speaker. I, Caroline Mahasela, raise my hand to second the motion as presented by Hon Mitileni, chairperson of Scopa. I move accordingly.

**THE DEPUTY SPEAKER**

Chair, the floor is yours.

**THE DEPUTY SPEAKER**

Hon Speaker, I, Wisani Goodman Mitileni, hereby present the report of the Auditor-General on the financial statements and the performance audit for Vote 7: Department of Health for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Makhurupetje, you are recognised.

**MS MAKHURUPETJE**

Deputy Speaker, thank you very much. I hereby support that we approve the recommendations as said by the chairperson of Scopa.

**THE DEPUTY SPEAKER**

Hon Makhurupetje, please second the motion.

**MS MAKHURUPETJE**

I do second the motion.

**THE DEPUTY SPEAKER**

Hon Mitileni, the floor is yours.

**MR MITILENI**

Thank you, Hon Speaker. I, Wisani Goodman Mitileni, hereby present the report of the Standing Committee on Public Accounts on the report of the Auditor-General on the financial statements and performance information for Vote 8: Department of Transport for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Kekana, the floor is yours.

**MS KEKANA**

Thanks, Deputy Speaker. I, Nakedi Kekana, rise to second the report as presented by Hon Mitileni. Thank you.

**THE DEPUTY SPEAKER**

Thank you. Chair, the floor is yours.

**MR MITILENI**

Hon Speaker, I, Wisani Goodman Mitileni, present the report of the Auditor-General on the financial statements and the performance information for Vote 9: Department of Public Works, Roads and Infrastructure for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Matlou, you are recognised.

**MR MATLOU**

Ke a leboga, Mospikara. I, Leswafo Joshua Matlou, hereby second what Hon Mitileni has presented. Thank you.

**THE DEPUTY SPEAKER**

Thank you. Chair, the floor is yours.

**MR MITILENI**

Hon Speaker, I, Wisani Goodman Mitileni, hereby present the report of the Auditor-General on the financial statements and the performance information for Vote 10: Department of Community Safety for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mochadi, you are recognised.

**DR MOCHADI**

Thank you, Hon Deputy Speaker. I, Sekutu Monicca Mochadi, rise to second the presentation of the report by the chairperson of Scopa, Hon Wisani Mitileni. Thank you.

**THE DEPUTY SPEAKER**

Thank you very much. Chair, the floor is yours.

**MR MITILENI**

Hon Speaker, I, Wisani Goodman Mitileni, hereby present the report of the Auditor-General on the financial statements and the performance information for Vote 11: Department of Cooperative Governance, Human Settlements and Traditional Affairs for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

I am sorry, my mic was on mute. Hon Mathe, can you second the motion.

**MR MATHE**

We can see through the video that you are battling with that mic. We understand – it is old age.

I, Simon Matsobane Mathe, duly second the motion as presented by Hon Wisani Goodman Mitileni.

**THE DEPUTY SPEAKER**

Thank you very much. Chair, the floor is yours.

**MR MITILENI**

Thank you, Hon Speaker, I, Wisani Goodman Mitileni, hereby present the report of the Auditor-General on the financial statements and the performance information for Vote

12: Department of Social Development for the 2018/19 financial year. I move accordingly.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mahasela, you are recognised.

**MS MAHASELA**

Thank you, Hon Deputy Speaker. I, Mahlodi Caroline Mahasela, raise my hand to second the report by Hon Mitileni, chairperson of Scopa. I move accordingly. Thanks.

**THE DEPUTY SPEAKER**

Thank you very much. Chairperson, the floor is yours.

**MR MITILENI**

Hon Speaker, hi ta va hi susumeta ro hetelela. Ku vile ntirho nyana. Hon Speaker, I, Wisani Goodman Mitileni, present the report of the Auditor-General to the Limpopo Legislature on the financial statements and the performance information for Vote 13: Department of Sport, Arts and Culture for the 2018/19 financial year. I so move.

**THE DEPUTY SPEAKER**

Is there any seconder? Hon Mdaka, you are recognised.

**MR MDAKA**

Ndza khensa Muchaviseki Xipikara. Hi mina Falaza Mdaka. Ndzi tlakukela ku seketela Muchaviseki Mitileni eka xiviko lexi va nga xi susumeta leswaku xi amukeriwa.

**THE DEPUTY SPEAKER**

Thank you. If there is anybody who wants translation, we can provide that. Let's proceed. Honourable chair, the floor is yours. Honourable chair! Hon Mitileni!

**UNIDENTIFIED MEMBER**

He is gone.

**UNIDENTIFIED MEMBER**

It seems it was the last report.

**THE DEPUTY SPEAKER**

He can't disappear. He must ... [INTERJECTION]

**MR MITILENI**

Ro hetelela. Hon Speaker, can you hear me?

**THE DEPUTY SPEAKER**

You are gone again. We can't hear you. Shall we proceed? We can't hear you.

**MR MITILENI**

Hon Speaker, can you hear me now.

**THE DEPUTY SPEAKER**

Yes.

**MR MITILENI**

I was saying that was the last report on the part of the departments on the second financial year. So, we are done with the presentation of the reports. Thanks.

**THE DEPUTY SPEAKER**

We shall now refer to the Speakers' List and call upon Hon Rudolph Phala.

**ADV PHALA**

Thanks very much, Hon Speaker. I thought I am on the second batch of the speakers. There is actually the first batch of the speakers. If you want me to proceed, I can proceed.

**THE DEPUTY SPEAKER**

My apology, you are right. You are correct. Hon Joshua Matlou, the floor is yours.

**MR MATLOU**

Thanks very much, Hon Deputy Speaker. Greetings to Hon Premier, Members of the Executive Council present here, Hon Deputy Speaker and colleagues. As a member of Scopa, the first concern to note is that departments are intentionally failing to implement the resolutions of the committee. The departments fail to implement recommendations year after year. There is a culture in the departments of failing to implement the Scopa resolutions as officials are confident that failure to implement will not result in any consequence. There is a constant failure to implement the Scopa resolutions dating back to 2014. Recommendations are always put forward, but, there is no will to implement them.

Year after year, Scopa recommends measures that will improve the departments and take them to a higher level, however, actions by certain senior officials in the departments clearly indicate that there is absolute no will to do that, because dysfunctional systems work well for them.

On stagnation of the audit outcome and poor financial management, Hon Speaker, as you have seen the list, I will only speak of two to three departments. The Department of Education's audit outcome has been on a stagnant position of a qualified audit opinion with matters of emphasis in 2016/17 and 2017/18 financial years. The following matters are listed as matters of emphasis:

- Expenditure management;
- Material underspending of the Budget; and
- Material misstatements in the preparation of the annual financial statements (AFS).

As a result, the Department of Education failed to achieve an unqualified audit opinion without matters from the Auditor-General of South Africa (AGSA). This suggests that those who are assigned with the responsibilities are either failing to do their work or are intentionally ensuring that the system fails for their own benefit, by failing our political heads – our MECs. There does not seem to be any will to train them in cases where the training is recommended. There is no will to take corrective actions in cases where it is clear that people are neglecting their duties. In short, year after year, there is no consequence management in the department despite evidence on the table.

On immovable and movable tangible capital assets, the following were particular highlights on the management of assets in department:

- It is evident that the department did not recognise all of movable tangible assets in accordance with Modified Cash Standards (MCS) chapter 1 on capital assets;
- The department incorrectly recognised immovable tangible capital assets which have been completed as capital work in progress in note 31 of the financial statements;
- Movable tangible assets are understated by R3,7 billion, exactly R3 748 249 178.00;
- Assets of the department are not properly accounted for. This is serious given the fact that the money has been spent on assets such as the mobile classes and other infrastructure. This is important given that many mobile classes were purchased mostly during the unrest in Vhembe where schools were burnt.
- It was disclosed in the financial statements that immovable tangible capital assets of R2,5 billion are under investigation due to processes to dispose of deteriorated assets and transfer completed project costs to the Department of Public Works, Roads and Infrastructure.
- Mobile classes which were identified to be in poor conditions and capital expenditure that will need to be allocated to that affected asset.
- Irregular compensation of employees in the department to the tune of more than R21 million.

The level of recklessness with public money is astonishing, Hon Speaker. It was recommended that the department should request Provincial Treasury to train all employees who deal with immovable and movable tangible capital assets as a matter of urgency so that the officials should address these anomalies and prevent future recurrence. In cases where such instances are a way of siphoning public funds, serious investigations should be conducted and action taken against responsible officials.

The Department of Education incurred fruitless and wasteful expenditure amounting to R194,450 million. However, the balance of the fruitless and wasteful expenditure at the end of the 2017/18 financial year amounted only to R393,641 million. The department made payments in contravention to supply chain management requirements resulting in irregular expenditure of R957,086 million, whereby in 2017, it was sitting at R630,403 million as disclosed in note 24 to the financial statements. Goods and services of transacted value of above R500 000 were procured without inviting competitive bidders as required by Treasury Regulations 16A 6.1 and 16A 6.4. Similar non-compliance were also reported in the prior year. Persons in the service of the department whose close family members, partners and associates have a private or business interest in contracts awarded by the department failed to disclose such interests as required by Treasury Regulations of 16A 8.4.

Generally, the department's effective steps are not taken to prevent irregular expenditure as required by section 38(1)(c)(i) of the PFMA and Treasury Regulations 9.1.1. The majority of the irregular expenditure was caused by the non-compliance with applicable supply chain management legislation. The MEC, who has the overall executive power, should exercise the responsibility given to her. Any cent lost is the betrayal to millions who look upon this government as their trusted ally in achieving a better life for their children. Money lost, stolen or misappropriated is no different from spitting on the face of a black child whose future depends on this very department.

On assets, the House should be informed that there is considered evidence that the management of the department was failing to physically locate assets to the value of R186 625 583.00. The Auditor-General identified the full extent of the understatement of immovable tangible assets. This is unacceptable, because we have the department and a capable staff to handle accounting records. The understatement was at the value of R2,157 477 billion in 2015; and in 2016, it was at R2, 130 630 billion in the financial statements of the department. We must also tell the House that the Auditor-General identified a variance of R881 406 930.00 on valuation of immovable tangible assets.

On significant uncertainties, the committee is concerned about the litigations that take long to be solved in the Department of Health. On top of that, the department promised that the litigations were winnable and on the day the judgements were presented, the results were in favour of the complainants. Money used to pay for the litigation which were always not be in the favour of the department could have been used to deliver tangible services to our communities. The committee should be harsh on winnable and prolonged litigations to curb the costs of the legal services of the department going forward. The accounting officer should take appropriate action on the responsible personnel who ill-advised the department.

On irregular expenditure, it is important that the accounting officer develops a plan on the implementation of the Public Finance Management Act. The committee is perturbed that the accounting officer was unable to take effective steps to prevent the occurrence of irregular expenditure amounting to R165,956 million. This was as a result of not following proper tender procedures and overtime payment to personnel in excess of 30%. How do you pay overtime to personnel who neglect their duties, and there is always misstatements, understatements and overstatements. The taxpayers' money is not put to proper use.

Communities have given us a mandate to take care of their funds and meet their expectations in terms of service delivery. If we fail to do that, our conscience will tell us that we are owing them an apology.

Lastly, Hon Speaker, the recommendation that the accounting officer takes appropriate action against responsible personnel will be monitored severely by the committee. I so move. Thank you, Hon Speaker.

#### **THE DEPUTY SPEAKER**

Thank you, Hon Matlou. We shall then move to the next speaker. Hon Smalle Jacobus, it is your turn.

#### **MR SMALLE**

Thank you, Hon Speaker, Members of the House and Members of the Executive Council. Government spending affects everyone in Limpopo. It is in every citizen's best interest to know where the money comes from and how it is spent. The role of Scopa is to exercise oversight over the provincial and local governments on behalf of the Limpopo government to ensure accountability in utilising resources and ensuring that proper and prudent financial management does takes place. The role is complemented by the Auditor-General whose mandate is to conduct audits of national and provincial state departments. In particular, our citizens want to know how much is being spent and on what and does government effectively manage its resources towards bettering our society.

Hon Speaker, the buck stops with Scopa and this House. We, as a committee, must be ashamed that we have not achieved our mandate especially at the time when the fiscus is under enormous strain. It is ultimately our job to ensure that each rand given is spent for the purpose it was allocated for and in a prudent manner. We, however, must give recognition where it is needed, and welcome the fact that sound financial statements has improved. However, when scrutinising most of these statements, it is unfortunate that they paint a bleak picture of a province in disarray and unable to hold high ranking officials and accounting officers accountable. Never before has the Public Accounts Committee had to send back department after department for not preparing for the hearings or deliberately withholding information from the committee, and thus attempting to exonerating themselves from accountability.

The majority of each of the departments' internal controls were in total disorder and made it difficult to audit by the Auditor-General. This is, therefore, not surprising that the Auditor-General's submissions read as follows:



- The review of the monitoring of the financials and performing reporting by the accounting officers is inadequate;
- The departments did not prepare regular, accurate and complete financial and performing reports;
- Managements and ineffectiveness in implementing the recommendations from the internal and external auditors, as well as inaccurate and unreliable financials and performance reports submitted prevented the audit committee to evaluate and monitor response to risk in order to promote accountability and service delivery; and
- To facilitate sustainable change, the lack of discipline in controls needs to be addressed and a decisive commitment must be made to effect these consequences.

Limpopo provincial government's financial outlook is bleak. The province has incurred a total of R252 million unauthorised expenditure; R11,9 billion in irregular expenditure; and R595 million in fruitless and wasteful expenditure. The province has also wrecked up R13,3 billion of contingency liabilities, including pending lawsuits as well as the R1,96 billion in accruals and accounts payable.

We are deeply concerned by the ailing financial health of the provincial departments and their entities. Scopa resolutions, good financial management practices and consequence management need to be strictly implemented to protect the province's fiscus. The entities should also stop receiving bailouts and become self-sustainable.

Hon Premier, this House can make one resolution after another, but if the executive authority does not have the political will and the administrative will to enforce discipline and controls, the 2 million unemployed job seekers in Limpopo will soon explode from 44% to half of our population. Service delivery protests will become the norm and the collapse of government institutions will be an inevitable result.

The PFMA creates a statutory framework and imposes significant obligations on accounting authority in public institutions. The obligations to prevent irregular, fruitless and wasteful expenditure and losses that result from criminal conduct and non-compliance with operational policies of the public entities and that of government are not being implemented.

Hon Premier:

- An official can do business with state without getting an approval;
- Officials do not have to comply with preference point systems; and in one department alone, R1,7 billion was allocated without following the preference point system;
- Officials do not have to comply with the bidding process;
- Officials do not have to safeguard state property; for example, vehicles, trailers and laptops can be stolen; and

- Contractors can receive advance payments of up to R33 million without starting projects as it happened in Lephalale, and the bid adjudication committee can only approve one service provider and reject a hundred applications.

These are some of the examples why officials can act without impunity as they know that their only sanction will be a written warning or maybe if the entity lodges a formal complaint, it will be exonerated by the officials of that same department.

Hon Speaker, many times, it is proven that the executive will only act once ...  
[INTERJECTION]

**THE DEPUTY SPEAKER**

Honourable Member, one minute left.

**MR SMALLE**

Thank you, Hon Deputy Speaker.

**THE DEPUTY SPEAKER**

You are welcome. Let's proceed and call upon Hon Jossey Buthane. Your seven minutes starts now.

**MR SESHOKA**

Hon Deputy Speaker, I will stand in on behalf of Hon Buthane.

**THE DEPUTY SPEAKER**

Okay. Thank you.

**MR SESHOKA**

Greetings to the Hon Speaker, Hon Premier, Members of the Executive Council and all the honourable Members in the august House. Hon Speaker, corruption, mismanagement and maladministration are the orders of the day in the current government of the ANC. Corruption is embedded in their genes such that there is no mention of ANC without mentioning the word 'corruption'. It is hard to separate the two because they are a finger and a nail. Equally, the ANC has proven since 1994 that they do not know how to govern regardless of the political power they have attained. The word 'good governance' is not something that they are familiar with as evidenced from the Auditor-General's report.

First, it is worth noting that the notorious Office of the Premier has failed to lead by example by failing to table progress report on the implementations of Scopa resolutions in the House for 2014/15, 2015/16 and 2016/17 financial years. By the way, this is the same department that is supposed to play a coordinating role to all departments.

Furthermore, the Office of the Premier has been in a stagnant position by obtaining unqualified audit outcome with matters of emphasis for the three years in question. This is the same department that is supposed to guide and assist other departments and their entities to perform well with their finances.

It is clear that departments in this province do not have a leader and a coordinating department. The Office of the Premier is a big disappointment and cannot be trusted with anything, hence it continues to perform so badly. Despite the audit findings against departments like Education, Health, CoGHSTA and Treasury, no audit action plan is drafted to address these findings. These anomalies keep on recurring over and over again, with the little money left for service delivery, because the money would have been wasted through fruitless and wasteful expenditure as well as unauthorised expenditure.

Hon Deputy Speaker, investigations are conducted, but reports are never presented before Scopa and this House. We call upon all the departments with outstanding investigations to present the reports in this House before the end of September. These reports must be prioritised in order to appraise the Members of this House on the contents of such reports. The time to delay, hide or block reports from being presented to Scopa and this House for accountability is over. During the year in question, the Department of Education incurred an irregular expenditure of R957 million while R630 million of irregular expenditure was incurred in 2017 only. There are a lot of shenanigans in this department emanating from bad governance and a lack of visionary and decisive leadership. What would the reason be for procuring goods and services of transactions valued to the amount of more than R500 000 other than to want to steal public funds through family and friends. Hon Speaker, this is happening in the Department of Education. Despite a public outcry, the department continues to violate supply chain policies with the intention of awarding contracts to comrades in the ANC. The same applies to the Department of Health. An irregular expenditure amounting to R165 million was incurred during the 2015/16 financial year as a result of not following tender processes. What motivates such actions other than creating an opportunity to steal money from the poor. Furthermore, employees were paid overtime in excess of 30% of their monthly salaries. This is against the regulations of public service, but for some strange reasons, these anomalies occurred. Goods and services to the value of more than half a million were procured without inviting competitive bidders, simply by bypassing processes in order to steal public resources.

Hon Speaker, we want to bring to the attention of this House that the gross and criminal activity happens not only in the Department of Health, but across all government departments and entities in order to enrich families and friends.

The Department of CoGHSTA incurred an irregular expenditure amounting to R824 million. Like other departments, it ignored and violated supply chain processes especially with regard to inviting competitive bidders. Regulations in the Department of CoGHSTA have been violated left, right and centre without any fear of consequences, because there is no consequence management in the provincial government of Limpopo. Politicians and officials do as they please and no one is held accountable. We are in a complete state of lawlessness.

The EFF government will build a state capacity and abolish the tender system in order to uproot corruption in government. The EFF is the only hope for the people of South Africa, in particular Limpopo. I so move. I thank you.

**MR MATHE**

O na le maaka. O na le maaka.

**THE DEPUTY SPEAKER**

Thank you very much, Hon Seshoka.

**MR SESHOKA**

But, Hon Speaker, I thought if you were to leave Hon Mathe for what he has just said and not call him to order, you are letting this House to turn into something else. Hon Mathe cannot just stand up and do what he has just done now.

**THE DEPUTY SPEAKER**

What did he do? Did he say something?

**MR MATHE**

What did I do, wena?

**MR SESHOKA**

He just said: "O na le maaka. O na le maaka."

**MR MATHE**

Hei wena, ga ke re wena. What did I do?

**THE DEPUTY SPEAKER**

Hon Mathe, you are not on the floor. I am still talking to Hon Seshoka. Hon Seshoka, what did he say?

**MR SESHOKA**

He said: "O na le maaka. O na le maaka."

**THE DEPUTY SPEAKER**

Hon Mathe, if you have uttered those words, those words are unparliamentary and you must withdraw them.

**MR MATHE**

Deputy Speaker, I have never said those things.

**UNIDENTIFIED MEMBER**

Hon Mathe must withdraw. Hon Mathe, withdraw, we heard you. We heard you.

**MR MATHE**

This one is obsessed with me. I have never said ... [INTERJECTION]

**THE DEPUTY SPEAKER**

Hon Mathe, we do not want the House to degenerate. Please, can you withdraw.

**MR MATHE**

I cannot withdraw something that I have never said.

**THE DEPUTY SPEAKER**

Hon Seshoka, we will check the *Hansard* and make a ruling in the next Sitting.

**MR SESHOKA**

We'll appreciate if that step is taken, Hon Deputy Speaker.

**THE DEPUTY SPEAKER**

Thanks. We are going to have Hon Goodman Mitileni. I think on behalf of the House, we must congratulate Hon Mitileni on his election as the Deputy Chair of the Association of Public Accounts Committees. I hope I am pronouncing it correctly. Congratulations, Hon Mitileni. [APPLAUSE]

Okay, let us allow him to then proceed.

**MR MITILENI**

Thank you. Hon Speaker, Hon Premier and Members of the Executive Council, honourable Members of this august House, section 195 of the Constitution enjoins us to promote and maintain a high standard of professional ethics and to promote efficient, economic and effective use of the resources. It is on this basis that the Standing Committee on Public Accounts has held hearings for the two financial years in order to advance those objectives. We did so, also to pursue the objective of the National Development Plan which is intended on building a capable state which will comply with all of the good governance principles.

The Standing Committee on Public Accounts, when it calls upon the departments to account, it is basically dealing with three issues, which are interrelated for the safe keeping of public resources, namely: people, money and materials. In the majority of cases, we have not always had a very good relationship between those three. It is either the materials that are supposed to be delivered by departments end up not being delivered by the people as expected or money is diverted to other responsibilities.

Similarly, at times our observations are that people who are entrusted with certain responsibilities may not be competent enough to carry out those responsibilities. I must draw the House's attention to the fact that there has been an amendment of the Public Audit Act to bring on board an element of material irregularity. This amendment was brought as a result of the fact that many departments could not act on any wrongdoing and there was a public outcry that despite many findings that are there, there is no action that is being taken.

Of course, it might be appropriate to indicate that material irregularity refers to any breach of contract that might amount to fraud, theft or loss of money. Therefore, the amendment empowers the Auditor-General to report people who are involved in those activities for investigation either by the Hawks, the police, the SIU and any other such body. It again empowers the Auditor-General to take appropriate remedial action and, most importantly, in cases where there is no recovery of money, the Auditor-General is empowered to issue a debt certificate to the accounting officer who will then instruct the executive authority to collect the debt. I am putting this because there are efforts to try and tighten the issue of consequence management which we found to be seriously lacking in the government of Limpopo. This kind of intervention becomes very serious.

Hon Speaker, we will have to deal with the irregularities which sometimes might even amount to corruption by following the Chinese model where says that we must fight the tigers and flies at the same time whilst hunting the foxes. In this particular case, on the whole challenge of the consequence management, the departments must be in a position of acting when a very senior official and/or even a politician might have transgressed in the same way that we are determined to act when a very junior employee transgressed.

In the context of Limpopo, one challenge that we picked as the Standing Committee on Public Accounts was the fact that it is easy for an employee to commit an offence in one department and gets appointed in the next department, municipality or entity the following day. That is the context within which we talk of hunting foxes that once a person commits an offence, we must be in a position to follow that person and ensure that he or she does not benefit anymore in terms of the operations of our own government which was our weakness for a long time.

You will realise that in the context of Limpopo, if we can be able to deal with challenges in the Department of Health, Department of Education and the Department of Public Works, Roads and Infrastructure in terms of the 80/20 principle, we might have dealt with almost 80% of the challenges. Those departments need to be followed up very strongly from time to time and we must ensure that they comply with SCM regulations. We must ensure that our departments continue to strive to improve their audit outcomes. So far you would know that it was only the two departments in the province that obtained a clean audit, a matter which is of grave concern to the Standing Committee on Public Accounts. When you go to municipalities the situation is worse. Those are the areas that need to be improved.

I want to spend a few minutes dealing with departments' specific challenges. On Department of Education, which is one department selected by the Auditor-General to pilot the implementation of the amendments of the Public Audit Act, there is a high level of irregular expenditure. Actually, the main reason the department was chosen

was exactly for that risk. We did observe also that there is a great lack of consequence management in that department. Therefore, we would call upon the department to start working hard.

The Department of Health, as already indicated by Hon Matlou, has a great challenge of contingent liabilities which are currently standing at R8 billion out of the total of R13 billion. Given the financial status of the province itself, you may not afford to have this kind of contingent liabilities. The worst part of it is that already there is an example in the same department where they have to continue paying for this kind of cost as a result of the loss so on and so forth. We are making a strong recommendation that the Department of Health looks into that, of course, with the rest of the departments, because the issue of contingent liabilities might undermine the capacity of the departments to operate.

The small Department of Social Development was supposed to perform better in terms of consequence management and the high level of unwanted expenditure. We feel that the department might need to be followed up very strongly on the side of the executing authority. Otherwise, small as it is, it might be one of the departments that is taking our government down in terms of the performance across the board. At CoGHSTA, there has been a high level of instability at the level of top management such as the movement of staff so on and so forth. One extreme case during the hearings was the movement of a certain CFO to a local municipality when, in fact, they were supposed to be looking into the entirety of government. That is an area that needs to be looked into.

Of grave concern is that the department is also supposed, in terms of the Municipal Finance Management Act, the Municipal Systems Act, 2000 (Act 32 of 2000) and chapter 3 of the Constitution, to play an active role in supporting and strengthening the municipalities. While the audit outcome of the department itself may not be bad, but the mere fact that we still have disclaimers and that they are surviving on the basis the equitable share is a matter of grave concern and we expect the executing authority to work hard on that.

The Office of the Premier is dealing very well in terms of its own internal issues and it's one department that can move to a clean audit at any given point in time. But, the Office of the Premier, in our view, is failing very badly when it comes to its transversal role and we would expect that office more than anything else to help the rest of the departments in playing their part. So, is the office of the Provincial Treasury which is one of the two departments that got a clean audit and this is one department that was able to perform very well on a consistent basis. Once again, it fails when it comes to helping sister departments as well as helping municipalities as per the Municipal Finance Management Act. Of concern to us as the committee is that when it comes to a particular department, there is a whole range of challenges around the annual financial statements across all departments. Most importantly, although it is these departments that instigate and lead in terms of instituting the investigations, the recommendations of those investigations are not being implemented in almost all of the departments.

What is even more concerning, now that we are facing the COVID-19 challenge, is that even the reports of the SIU are not being implemented in some of the departments. We expect this particular department to play an active role in ensuring

that you don't just institute an investigation, but follow up very strongly around the implementation thereof. Three departments, namely, the Office of the Premier, CoGHSTA as well as the Provincial Treasury were asked one question by the Standing Committee on Public Accounts which was around the Venda Building Society (VBS). Our recommendation to all of them has been that whilst the municipalities acted strongly in terms of their own officials, when it comes to officials that are appointed by the departments and deployed in one of the municipalities to go and save that municipality, but they ended up investing money in the VBS. The penalty that was meted out for those employees is not commensurate with the offences committed and we are calling upon Provincial Treasury to go and review that.

The Department of Community Safety for the 2018/19 financial year obtained a clean audit and, therefore, we encourage the department to maintain the standard. The executing authority for the Department of Transport will be expected within the next six months to report to this House around the progress on the implementation of the SIU report which could not be presented to the previous executing authority until we forced the department during the hearings that they must present that report. Even during our engagements, there was a strong insistence that the report of the SIU is, in fact, not the final report but a draft. When we inquired and insisted that we needed to get that draft, we found that it was a final report, but the department was going through all manner of technicalities to deny the implementation of that report. Over the next six months we would expect that the executing authority responsible for this department to come to the House and report around the implementation of the report. That also applies with the rest of the departments around the investigations that were conducted as to how far are we in terms of the implementation of the report.

The Department of Agriculture and Rural Development again raised the challenge of consequence management where junior employees are sacrificed when offences are committed by top management officials. Hence, I started by giving the Chinese model of dealing with both the tigers and the flies and going around to hunt the foxes. In that particular department, it is easy to deal with the most junior employees, because unfortunately they do not have the requisite powers or recourse to (inaudible)

We would expect over the next coming six months the executing authority to implement the recommendations that are being put forward but, most importantly, deal with the issues that were unpacked during our last hearing. Otherwise, even as we go to our next financial year, we will not close that chapter as long as that part is not resolved.

The Department of Public Works, Roads and Infrastructure is the only department that we could not engage with and finalise. Even the recommendations that you see have been compiled by the standing committee without the full engagement of the department. Our observation is that there is a serious leadership challenge in that department. We call upon the executing authority to start implementing and stamping their foot down on the administrative component. The Public Finance Management Act, particularly on the ... [INTERJECTION]

## **THE DEPUTY SPEAKER**

Hon Mitileni, you are left with two minutes.



**MR MITILENI**

It's fine. By the way, I am about to conclude. The Public Finance Management Act is very clear as to who should take the responsibility in terms of section 38 of that Act. Our impression in our engagement with the department at that particular point in time is that we did not find any commitment on the part of the accounting officer to implement and we are aware that he is under suspension at the moment. But we would expect the executing authority to stamp authority on the acting accounting officer or when the accounting officer, who is on suspension comes back. The reality is that there is a serious leadership challenge in that particular department and there are major challenges around the management of public accounts generally, hence, there is a stalling of a number of projects that were supposed to be benefiting the people of Limpopo.

Our observation with LEDET is that there is serious instability at the level of CFO and Supply Chain Management for the two years under review and our view is that this is done deliberately. There will be all manner of reasons that were given around as to why the CFO was changed for one reason or another but the standing committee is not convinced, because I have mentioned at the beginning that our work is to analyse the relationship between people, money and materials. The person who is at the centre of making sure that that balance is realised is the CFO and the finance division. When you destabilise that division from time to time, you then weaken the entirety of the system and ensure that we are able to execute our mandate. We were dealing with two financial years. [INTERJECTION]

**THE DEPUTY SPEAKER**

Conclude, Hon Mitileni.

**MR MITILENI**

One major disappointment that we found is that departments are not coming back to the House to report and I'm getting a sense that there is a commitment to do that. We will expect henceforth up until the full implementation of all House resolutions from 2014/15, 2015/16, 2016/17, 2017/18 and 2018/19 financial years until we go to the next set of the hearings. I thank you.

**THE DEPUTY SPEAKER**

Thank you very much, Hon Mitileni. We shall then proceed to the reports of 2019 and have that debate. After the debate, Members of the Executive Council will be given an opportunity to give their comments, progress reports on the Scopa reports and resolutions. Let's just proceed and call upon Hon Rudolph Phala.

**ADV PHALA**

Thanks very much, Hon Deputy Speaker, for this opportunity to debate the Scopa reports as tabled in the Provincial Legislature by the honourable chairperson. On my behalf, I would like to wish a happy birthday to Hon Sarah Monyamane and Hon Lilian Managa. We wish you all the best in celebrating your day and get adding another year to your lives and all the success in your lives. We look forward for being invited for tea

and some drinks. Congratulations also to Hon Wisani Goodman Mitileni on his election as the Deputy Chairperson of the Association of Public Accounts Committees in South Africa, which is a body of all Standing Committees on Public Accounts in the ten Parliaments of the Republic of South Africa. We hope that you will serve the people of our province and country well in that responsibility.

The job of the Members of Parliament and Members of the Provincial Legislature can be categorised into three categories: It is for making laws, public participation and oversight. Oversight includes visiting sites to monitor progress that government is doing which includes also calling government departments and Heads of Department and MECs to come and explain some of the work they are doing in their respective departments. The work of the Standing Committee on Public Accounts is part of that difficult work of oversight.

Today we are discussing these many reports after lengthy and difficult public hearings that the Standing Committee on Public Accounts had held with departments and entities in our province. Today is essentially a report back session by the Standing Committee on Public Accounts to the Provincial Legislature on the work we have done in the previous months calling departments and entities to come and account on the previous financial years.

Some of the things that we found in those public hearings, as Hon Mitileni and Hon Matlou have said, are that one of the challenges we have is the failure by departments to respond to House resolutions from as far back as 2014/15, 2015/16 and 2016/17 financial years. No single MEC has ever come to the House to table progress reports on those House resolutions. All MECs and the Premier are therefore in contravention of the House resolutions from 2014 to this day. To that extent, as the committee we are very disappointed and that is why in all the public hearings we started with that question of the progress reports on the implementation of House resolutions and why it has not been done, because that is a contravention by Members of this honourable House of the resolutions of this House.

Part of what we found, as Hon Matlou has said, is repeat audit findings by the Auditor-General which is very concerning, because year after year the Auditor-General reports same things and part of the reason is precisely because there are no progress reports tabled to the House on the implementation of those resolutions made by the House. You also find that no consequence management is implemented against officials who are responsible for the mess as required by section 38 of the Public Finance Management Act. It is on the basis of that law that we hold public hearings amongst others. And that law says that once there has been a financial transgression, action must be taken by the accounting officer against the people responsible so that the situation is turned around.

One other thing that we found was that in some instances Chief Financial Officers were moved sideways and to other sections and other people brought in and more wrong things happen in the departments. We have seen this in a number of departments including the Department of Agriculture, the Department of Sport, Arts and Culture, LEDET and others.

We have also seen a situation where in some departments' invoices were not paid within 30 days as required by the Public Finance Management Act. The contravention of this Act results in many challenges.

The Auditor-General requires that as part of responding to audit challenges departments are supposed to have very qualitative audit action plans that respond to those challenges. In most departments and entities, you find that the audit action plan in place is not worth the paper it is written on. It is porous and inadequate.

You also find that no appropriate disciplinary steps are taken against negligent officials. As Hon Matlou has said, officials commit the same offences year after year and nothing happens to them as required by the PFMA. That is why the audit outcomes for the two financial years we are dealing with, i.e. 2017/18 and 2018/19, both indicate that the Limpopo provincial government was among the worst performing provincial governments in the Republic of South Africa in relation to audit outcomes. It was ranked at the lowest level just above North West and Free State. These two provinces were the worst performing provincial governments in relation to audit outcomes with Limpopo alongside them.

Among the things we found, which we will follow up probably in future hearings, is the R13 billion contingent liabilities on the head of the provincial government, about R8 billion of which is in the Department of Health. The challenge is that if these contingent liabilities are realised, the provincial government will not get money from anywhere to pay various categories of people.

The other issue we would still follow up in the next hearings and see what action has taken is in relation to the Tubatse land, where a land worth R8 million was bought by the provincial government for R132 million. This is scandalous. You can't sell a land worth R8 million for the price of R132 million. It's a matter we will follow up to see what action has been taken against various officials who were responsible for this loss of state money. We will also follow up where officials in many departments, as Hon Matlou has said, are involved in remunerative work outside the public service and they don't even declare. We want that to be followed up by Heads of Department and MECs so that this thing is dealt with.

We also found that the Department of Agriculture has lost 88 newly bought computers. They just got lost. They got stolen, and no one knows where they are. This is a matter we are following up to find out how such a thing could happen, where not one, not two, not three, not four, but 88 newly bought computers just disappeared, when there are people responsible for security and ensuring that state property doesn't get lost or stolen.

We are also still going to follow up in the next hearing to find out about progress in relation to the allegations of broadband maladministration and corruption in the Office of the Premier worth R500 million which was reported widely in the media by someone calling himself a whistle-blower. We will follow that up to see what action has been taken, because we strongly believe that there is no smoke without fire. We will see what actually compelled that official to go out to the media and issue a statement and how this has been resolved.

We are also following up in the Department of Social Development about the fact that the provincial government built a one-stop centre on what an individual claims to be his own private land at Phasha-Selatole. How can a provincial government spend hundreds of millions of rands on a one-stop centre on what someone claims to be his land? We are following that up so that ... [INTERJECTION]

**THE DEPUTY SPEAKER**

Hon Phala, you are left with two minutes.

**ADV PHALA**

That is fine. We are following up on the overexpenditure whereby RAL spent R3,5 billion in contravention of a conditional grant for road maintenance and road upgrading where they took money for road maintenance and used it for road upgrading to the value of R3,5 billion. We are following that up to see as to how far that goes. We are following up also on progress in relation to tightening the oversight over municipalities by the Provincial Treasury, the Premier's Office and CoGHSTA. It is in this period that we were dealing with municipalities in this province which irregularly and illegally deposited money to the tune of R1,2 billion into a mutual banking institution called VBS, which was in contravention of the Municipal Finance Management Act. We are following up to check whether the provincial government has tightened its oversight over municipalities, because the people of this province have lost R1,2 billion that was due for service delivery when that bank collapsed.

We are following up on the R200 million that the provincial government is spending every year on rent to various categories of landlords. This money should have been used profitably for service delivery if government had its own buildings. We are following up on Sekhukhune District offices. Sekhukhune must have district offices in Sekhukhune and not in the Capricorn District.

**THE DEPUTY SPEAKER**

Your time has expired.

**ADV PHALA**

Thank you very much, Hon Speaker.

**THE DEPUTY SPEAKER**

Thank you very much. I call upon Hon Smalle. Is Hon Smalle there? Hon Seshoka, you said you will be representing Hon Buthane.

**MR SESHOKA**

Hon Deputy Speaker, I think Hon Managa is the one who is supposed to speak.

**THE DEPUTY SPEAKER**

Okay. I call upon Hon Managa. She is not there. Hon Smalle and Hon Managa, are they not available?

**MR MAHARAJ**

Hon Chair, it's Hon Maharaj.

**THE DEPUTY SPEAKER**

Yes.

**MR MAHARAJ**

Hon Smalle has advised me that he had to do one combined speech. He has presented the speech, and is out for a very urgent meeting that conflicted with this time.

**THE DEPUTY SPEAKER**

Hon Managa?

**MR SESHOKA**

Hon Speaker, I am failing to get hold of Hon Managa and I propose that we move on.

**THE DEPUTY SPEAKER**

Hon Makhurupetje, your twelve minutes starts now.

**MS MAKHURUPETJE**

Hon Deputy Speaker, I thought you were going to give me the minutes for Hon Managa and Hon Smalle. So, hard luck.

**THE DEPUTY SPEAKER**

No, no.

**MS MAKHURUPETJE**

That was on a lighter note. Deputy Speaker, Hon Premier, MECs, Leader of Government Business, Hon Chief Whip of the majority party, all Members of the Legislature, let me take this opportunity to thank those who gave me this opportunity to participate in this debate. Before I proceed, let me congratulate my chairperson on his election as the Deputy Chairperson of APAC and happy birthdays to honourable Members whose birthdays befall today.

Scopa had a hectic schedule of meetings and the committee wants to take this opportunity to thank the Premier and all MECs who were able to present themselves to Scopa as requested. Hon Premier, it is the view of the committee that the two years under review, which is 2017/18 and 2018/19, are a major concern in that there was no

consequence management and even where they try to justify consequence management, one could see that it was for compliance purposes only. Therefore, that's why all Members are raising this matter and we hope these reports are not for the sake of presenting to the Legislature. These reports are meant to guide all departments on how they are supposed to be taking their work forward. We will expect the executing authority to really take these reports seriously, because our own government will not be able to take effective and efficient service delivery if some of these anomalies are not dealt with.

Let me focus on a few areas. For example, I will start with the Office of the Premier. The committee is worried about the non-achievement of the planned targets. The committee has heard and considered evidence that the Office of the Premier has failed to achieve planned targets for the years under review. On page 16 of the annual reports, the average vacancy rate shows that it was at 13% and the target was underachieved by 3,8%. I shall not mention all of them, but it shows that in all of the departments, most of the targets were not achieved. If the Office of the Premier is one of the departments that is supposed to monitor other departments, but is unable to achieve its own planned targets, then that becomes a worrying factor that needs to be attended to. The committee recommends that the Office of the Premier in collaboration with the Provincial Treasury must fill critical positions in all the departments in the Limpopo administration as a matter of urgency. We expect a report to be presented to the Legislature within every six months with effect from 31 October 2020.

Again, under the Office of the Premier, there was a concern in relation to procurement and contract management. The committee has heard and considered evidence that some of the invitations for competitive bidding were not advertised for the required minimum period as required by Treasury Regulations. What worries us, Hon Premier, is that if the Office of the Premier is unable to follow procurement legislation and contractual management, what then could be expected from other departments. That is a worrying factor and we recommend that the accounting officer takes appropriate action against officials who fail to advertise invitations for competitive bidding for the required minimum period as required by Treasury Regulations and that the executing authority brief the House on progress made every six months on the implementation thereof.

The Department of Agriculture is one of the smallest departments. The committee was more worried having heard and considered evidence that irregular expenditure amounting to R57 million was incurred as a result of not following proper supply chain management processes. The committee has further considered evidence that steps were not taken to prevent this irregular expenditure. Furthermore, the committee has considered evidence that in some instances, persons in the service of the department whose family members, partners and associates had private or business interests in contracts awarded by the department and failed to disclose such interests. The committee has heard that no action has been taken against anyone on this matter.

We recommended that the accounting officer conducts investigations on the irregular expenditure of R57 million incurred and recover the loss; because if we don't recover that loss, government will continue losing money when it is not necessary for that to happen. The committee further recommended that the accounting officer takes appropriate action against all officials and their partners who did business with the department without disclosing such interest and that the accounting officer recovers

all the moneys from such officials as a result of tenders awarded to them. The executing authority must brief the House on progress made every six months with effect from 31 October 2020 on the implementation of the resolution.

With regard to internal control deficiencies again in the Department of Agriculture, the committee considered evidence that management did not adequately review the financial statements and annual performance reports before submitting for auditing. On paragraph 34, the department did not hold performance management meetings and reporting staff accountable for shortcomings identified in the internal and external audit processes.

Hon Premier and Hon Deputy Speaker, our worry is once you have internal control deficiencies, it then means that our systems are subjected to manipulation and other areas where people can be able to do as they wish. Therefore, this needs some urgent attention.

In the Department of Education, in terms of the immovable and movable tangible assets, the committee has heard and considered evidence that the department did not recognise all items in terms of immovable capital assets in accordance with the MCS (Modified Cash Standards) chapter 1 on capital assets. The department incorrectly recognised immovable tangible capital assets which have been completed as capital work in progress in note 31 of the financial statements. Consequently, immovable tangible assets are understated by R3 748 249 178.00 and capital work in progress in note 31.3 is overstated by the same amount. As disclosed in note 41, the financial statements of immovable tangible assets of R2 596 669.00 is under investigation due to processes to dispose the deteriorated assets and the transfer of completed projects to the Department of Public Works, Roads and Infrastructure of the mobile classrooms which were identified to be in poor condition and capital expenditure that still needs to be allocated to the affected assets. The committee recommended that the department should request Provincial Treasury to train all employees who deal with immovable assets and tangible capital assets as a matter of urgency so that the officials could address these anomalies and prevent future recurrence.

The committee therefore recommends that the department should establish a dedicated unit to deal with assets in an endeavour to address the anomalies. The executing authority must brief the House on the progress every six months with effect from 31 October 2020.

In the Department of Education again, the committee is also worried about exceptional litigations that the committee has heard and considered evidence of. The committee has heard that the department is defended in several claims against the state. We heard that the department is opposing these claims as it believes that there are reasonable grounds to defend the claims. The ultimate outcome on the matters cannot presently be determined and no provision or liability has been disclosed in the annual financial statements. The committee recommends that the accounting officer must develop a proactive plan to reduce and possibly eliminate all potential contingent liabilities and the executing authority must report accordingly.

In the Department of Social Development, Deputy Speaker, we are worried as well about the irregular expenditure that it is amongst the smallest departments as well where the committee has heard and considered evidence of irregular expenditure of

R46,451 million that was incurred the previous years which is under investigation. Hon Premier and the Deputy Speaker, our worry is departments investigate indefinitely. We are therefore saying as the committee, you cannot have indefinite investigations and no action is taken against once the report is made available. Either the investigations are indefinite or when the investigations are concluded, the reports are put under the carpet and some of them end up gathering dust without proper implementation.

The Department of Health as well, the committee ... [INTERJECTION]

**THE DEPUTY SPEAKER**

Hon Makhurupetje, you are left with two minutes.

**MS MAKHURUPETJE**

You are confusing me.

**THE DEPUTY SPEAKER**

You are left with two minutes. I am not confusing you.

**MS MAKHURUPETJE**

In the Department of Health, we are worried about their immovable assets of R186 billion that could not be accounted for and were not correctly captured in the annual financial statements. The litigations in the Department of Health are the same as in the Department of Education, where there are problems. In the Department of Public Works, Roads and Infrastructure, the committee has heard and considered evidence that the department has incurred irregular expenditure by contravening the requirements of section 17 of the Division of Revenue Act and this must be attended to as a matter of urgency.

The Department of Sport, Arts and Culture has got challenges of immovable assets as well. Lastly, it is LEDET where they have a problem of achieving their planned targets. What happens in LEDET is that when they do not achieve their own targets some serious challenges affect their own agencies. Although today, we are not dealing with agencies, but when the department does not achieve its own targets, it means that it has a negative impact on the work it does of monitoring its agencies.

Hon Deputy Speaker, we are saying as the committee we have given an overview of the work that is being done by the provincial government. Our hope is indeed that the provincial government will be able to implement the recommendations for the people of Limpopo to benefit in terms of the service delivery they duly deserve. Thank you very much.

**THE DEPUTY SPEAKER**

Thank you very much for that debate. We have come to the end of the debate. We then request Members of the Executive Council who are available to ... [INTERJECTION]



**MS MANAGA**

Sorry, Hon Deputy Speaker, it's Hon Managa speaking. I had a problem with the connection with the Macbook, but I am now sorted. Can I request time to present?

**THE DEPUTY SPEAKER**

Whose mic is on? There are people making noise and interrupting me.

**THE PREMIER**

It is Hon Managa's mic.

**THE DEPUTY SPEAKER**

Hon Managa, there is still some people in the background.

**MS MANAGA**

Can I go on with my speech?

**THE DEPUTY SPEAKER**

Yes, you can proceed.

**MS MANAGA**

Thank you, Hon Deputy Speaker. My apologies for not being available during the time that you were calling me.

Hon Speaker, the EFF in Limpopo condemns the continuation of stagnant audit outcomes which have become part of the organisational culture at the Office of the Premier. Since 2015 to date there were a number of matters of emphasis by the A-G with unqualified audit opinions. The office is yet to show any sign of aligning to acceptable accounting practices which can remedy the situation. It will be adventurous of this august House to expect other departments to comply with audit findings when the highest office in the province has not been moved by all the audit opinions for over five years whilst people are being paid millions of rands for doing nothing.

Where is the clear plan and strategy as it was recommended by the A-G as a route towards obtaining the clean audit? Limpopo continues to be on auto-pilot with no leadership. Almost 20 000 funded posts have not been filled, yet our people continue to live in abject poverty. We hope that these posts are not waiting for the ANC conference to appease your comrades in return for factional votes.

The EFF demands immediate action and consequence management on all officials who have not cooperated with the A-G and those who have failed to provide appropriate audit evidence on previous and current financial years. Such harsh measures will deter any future abuse of public funds and undermining of accounting processes. Departments like Education should be prioritised on this matter, noting the

failure to record commitment costs in accordance with MCS, chapter 14. The Department of Education continues to swim in a pool of irregular expenditure undeterred and in contravention of supply chain management requirements with an amount of R1,6 billion of irregular expenditure from 2017 to 2019. No action was taken on irresponsible officials. The Department of Education just like the Department of Health ought not to waste taxpayers' moneys by opposing litigations even on matters which are clear state negligence.

The EFF government will put more emphasis on building state capacity which will save money spent on consultants even when there is no positive outcome and ensure that the deliverables and targets are being met timeously by the state as currently all departments fail to meet their targets. We need a concrete report on what measures have been taken against the CFO and the HOD of the Department of Agriculture on the restatement of corresponding figures for March 2018 and 2019 alleging that it was an error. Such misconduct warrants immediate action. The EFF notes that the restatement of corresponding figures has become a norm. Even in the previous financial years as shown with LEDET similar decisive action must be taken immediately against all implicated officials. The level of corruption in LEDET is at worrying levels where officials deliberately flout SCM regulations including splitting of transactions above R500 000 to avoid having competitive bidding as required by Treasury Regulations 16A 9.1. Lack of action has normalised corruption in this institution.

It is clear that there are no financial management systems in the Department of Health. It is no surprise that allegations of favouritism and nepotism always resurface in this department. It is no surprise that even the PPEs and other projects which were awarded during the COVID-19 period are clouded with secrecy and unexplainable processes. There are no internal control systems in asset management to prevent the recurring qualification on the assets. Putting in place acceptable financial systems would ensure that the Health Department discloses correct amounts of accrued departmental revenue in the financial statements.

The ANC-led government should be ashamed of the level of irregular expenditures in the whole province. RAL has contravened section 17 of the Division of the Revenue Act by not recording and being unable to explain why they misled the A-G on the irregular expenditure of R154,341 million and in 2018 on R130,644 million.

In conclusion, Limpopo has turned into a paradise for those who enjoy undermining credible government regulations and such people are complacent to a level of ignoring the implementation of the Auditor-General's recommendations. CoGHSTA is leading in that division of undermining recommendations of Chapter 9 institutions. I thank you, Hon Deputy Speaker.

## **THE DEPUTY SPEAKER**

Thank you very much, Hon Managa, for participating in the debate and for coming in. We have come to the end of the debate. We then give an opportunity for Members of the Executive Council to then come in on responses to the reports and also give progress on the implementation. Hon Premier, I see your hand is up.

## **THE PREMIER**

Thank you, Hon Speaker. I just hope that my network is not going to disappoint me again. Hon Speaker, you know this government has procedures, processes and democratic means of making the executive accountable. It cannot be the Legislature that says to the executive you must organise us to make you to account. That cannot be acceptable. The executive does not decide about programming of the processes within the Legislature. Programming is done by the Legislature and the Speaker's Office. If you do not give us time or you do not invite us to come and account [inaudible] what the Programming Committee was supposed to do was to ensure that the executive presents on the resolutions of Scopa periodically. It cannot be that we come here and we are lambasted, ambushed and told that we have not accounted. You know as the Legislature that for several times the Office of the Premier via the Director-General including the parliamentary liaison has been liaising with the Office of the Speaker on these matters. At some stage just before the COVID-19 lockdown started, we deliberated on the processes of accounting to the Legislature. You come here into the Legislature and portray us as if we do not want to come and account. It can't be right.

Hon Speaker, sometimes I tend to ask myself a fundamental question as to who is in the opposition benches here. Let me not bog you down on that question, that one is my problem. It does not even need this Legislature, Hon Speaker. But that is the fundamental question that I am always asking myself

Let me start with what the chairperson of Scopa was saying on the issue of the Premier's Office failing in its transversal function. I think we must be realistic and understand the dynamics within the provincial government and where this provincial government comes from and where we are to date, when it comes to this transversal function we are talking about. If we were failing, we wouldn't have reached the heights that we have reached currently.

I want to request or challenge you, Hon Speaker, and the House to please make time for this executive and all departments to come and account on a period of time. What you are saying is a regression, I argue that it is in fact a progression. We progressed radically compared to where we used to be in the past.

Remember, Hon Speaker, in the past we were not accounting on performance; we were accounting only on financials. That is why when we took over in 2014 – Hon Makhurupetje is aware of this – we started by dealing with the backlog starting from 2005. When we were doing oversight in areas such as Vhembe, I remember arriving in a certain area and an old lady had a tent on a slab or a foundation that was abandoned in 2009. According to the records of government, those foundations were actually houses. We had to deal with that mess together with the administrators. If you are accounting on financials only, it then means that you spent money, give the Auditor-General documents and then get a clean audit. But when you do an inspection in loco, those houses are not there. We have dealt with that.

RAL is today in a serious problem of financial overheat. We had to start with the backlog and deal with bermuda roads that were left to us by the previous administration. These bermuda roads, if you looked at the documents, you would say that these roads have been completed; if you were auditing financials like it was done before. Currently the Auditor-General is no longer auditing financials only, they are

auditing performance as well. That is why if you were to reverse and revisit those clean audits of the previous administration and the like that people are talking about, they will result into something else.

Chairperson of Scopa, I want to say to you that what you say we are failing to do, we have actually improved it radically. When we took over, there were no systems in place. We had to put in place systems. That is why you see at least the two departments, namely, the Premier's Office and the Department of Treasury, are actually in a position to can safely say we are ready to can get a clean audit anytime. When you go to the Premier's Office, you will realise that the Premier's Office could get a clean audit simply because of either one or two findings; unlike what Hon Managa is alleging. I do not know where she gets her statistics. It will either be one item or so; but throughout it gets unqualified audits and it is not based on financials only. It was only based on financials during the year that Hon Makhurupetje was talking about where it was said that we did not advertise for the required prescribed period by statutes. When you revisit the same item, Hon Makhurupetje, we did advertise for the prescribed 21 days on two occasions and did not find a suitable supplier. We then went for the third time and the law allows us to do so. That is where we had a difference with the Auditor-General. We do have a legal opinion that supports us on this. For the third time we advertised for a shorter period and the regulations allow us to do so, but the Auditor-General has a different opinion. It is not like we just started and went out and advertised for a shorter period. It can't be true that it was a way of bringing malfeasance into the finances of the department. No, it really can't. Sometimes you listen to honourable Members speaking and then say, but this is just sensationalisation and hearsay. It is based on perceptions basically. We are just politicking within the Legislature on very critical and important matters.

I don't want to take a lot of your time, Hon Speaker, but I want to make an appeal that perhaps give us time as the executive to come and present to this Legislature, especially on these issues that honourable Members are raising. I can assure you that we will be able to clarify the Legislature on all these matters that you are talking about.

I think I did respond to Hon Seshoka on unqualified audits. If you look, Hon Seshoka, at these unqualified audits that you are saying are stagnant – I heard Hon Managa was saying the same – and focus on the number of findings by the Auditor-General, you will realise that they have declined drastically even in those departments that have been qualified. You go to the Department of Education, which for a very long time has never got out of a disclaimer audit opinion; it is unqualified currently and has reduced the findings drastically with almost 80% from the findings it used to get from the Auditor-General. If that is not improvement, Hon Speaker, then I do not know what improvement is. It is the same with the Department of Health. You don't have a single department today which has a disclaimer audit opinion. At some stage previously you would find that six or seven government departments were under disclaimer audit opinion. If that is not an improvement, then I do not know what it is. The Auditor-General, Mr Kimi Makwetu, himself when he was auditing municipalities, he reported that Limpopo is making some improvements in the right direction. I am not quoting him verbatim, but that is what the Auditor-General was saying – It is making progress in the right direction. If we are saying there is no improvement when even the Auditor-General is seeing improvement, then I do not know what is it that we are talking about?

Well, the ratings of Hon Phala, that is your political opinion. I don't agree with you and I can't be expected to respond to that.

Like I said, let us come and report especially on issues of consequence management. It is easy to say there is no consequence management if you don't have the information. Please allow us to come back and report on these issues instead of being ambushed. I was only told this morning that I am supposed to come and present Scopa resolutions. I am told that my Office was notified yesterday. I said, no, we can't work like that. Give us ample time to prepare for this Legislature, because we respect this Legislature. Thank you, Hon Speaker.

**THE DEPUTY SPEAKER**

Thank you. Hon Mitileni, on what point are you rising?

**MR MITILENI**

Speaker, I wanted your guidance, because I took it that when Members of the Executive come they will be presenting the progress report and the request by the Premier makes a lot of sense. I am afraid that if we have to open for the Members to start engaging on things that were said today, we may not achieve the intended objective. The standing committee had sufficient time for the two financial years based on the annual report and the report of the Auditor-General on all of the departments going into greater details. There were firm recommendations that are being put forward by the standing committee and our expectations were that departments would be speaking on the progress reports. Like the Premier was correctly saying, when they are not prepared ... [INTERJECTION]

**THE DEPUTY SPEAKER**

You point is taken, chairperson. That was the intention and I think we must clarify this point. When the decision to have this Sitting was taken, the executive was informed through the normal channels. We briefed the Leader of Government Business and we had hoped that that information has been transmitted. If not, we apologise. We did what we could. We had expected Members of the Executive Council to give us progress reports on the resolutions of Scopa so that we are able to deal with that. If Members of the Executive Council are not ready, then we can reschedule a Sitting to give Members of the Executive Council an opportunity to give us that progress report if Members agree to that, instead of having a session wherein Members were not ready to give us progress reports. The proposal by the Premier is valid. We might, as the head of the Executive Council, take it and agree that let us have a session where we would have MECs presenting the progress reports.

If Members agree, we can then end this session. Hon Chief Whip, did I see your hand up? Is it Hon Matlou? Hon Matlou, your hand is up.

**MR MATLOU**

Thank you very much, Chair.

**THE DEPUTY SPEAKER**

We are only discussing the proposal that the Premier has put forward that let us have a special session where we would the Members of the Executive Council giving progress reports.

**MR MATLOU**

Thank you, Chair. I agree with your submission that if really the information in relation to the Members of the Executive Council were not briefed on time or the Hon Premier did not get the information on time. I agree with your submission that we can have another day. We ourselves, as Scopa, had enough time to discuss the recommendations that we have put forth.

**THE DEPUTY SPEAKER**

Is there anyone who also agrees with that? Who else agrees? Let us take Hon Seshoka.

**MR SESHOKA**

Thank you, Deputy Speaker. I also agree that let's give them time and let's avail ourselves for that Sitting. I think that is the only progressive way. Thank you.

**THE DEPUTY SPEAKER**

Thank you very much. I think it is quite clear that ... [INTERJECTION]

**MS MAKHURUPETJE**

Sorry, Hon Speaker!

**THE DEPUTY SPEAKER**

No, no, no. Unless you say that you don't agree with the proposal that we should have a special Sitting, but instead proceed today with the presentations of progress reports by MECs. Hon Makhurupetje, unless you want to say you don't agree with the proposal that we should have a special Sitting.

**MS MAKHURUPETJE**

Deputy Speaker, I do agree. But I wanted to say a small thing that might have created a problem. I thought if I say it ... [INTERJECTION]

**THE DEPUTY SPEAKER**

No, no. Honourable Member, otherwise if we do that, every honourable Member would want to do the same. We are discussing whether we should defer the presentation by MECs, as the Premier has stated, to a special Sitting and already we have Members that have agreed to that proposal. If there is anyone who is objecting to that can raise a hand. That is the only thing we are talking about. Why are the hands up? Hon Sekoati, you may proceed

## **THE LEADER OF GOVERNMENT BUSINESS**

Thank you, Hon Speaker. It was up when I wanted to support what the Hon Premier said. I think the matter has been on the table for a long time and we could not decide as to how we were going to be dealing with the progress report; and you know it very well. Again, the fact the House is raising issues and that the committee is putting recommendantions ... [INTERJECTION]

## **THE DEPUTY SPEAKER**

Hon Sekoati, you are now getting out of order. We want people that are supporting that we move the presentations on the progress reports to the next Sitting. You have supported it. If there is anybody who is opposed to that, can they raise their hand. If there is no objection, we adjourn the Sitting to the next possible date that will be communicated to the Members of the Legislature.

## **8. ANNOUNCEMENTS**

On that note we want to again congratulate Hon Mitileni for being appointed Deputy Chair of the Association of Public Accounts Committee and our best wishes to Hon Monyamane and Hon Managa on their birthdays. May God bless you, keep you and give you more of these days.

## **9. ADJOURNMENT**

The House is adjourned until further notice. Thank you very much.

**[THE HOUSE IS ADJOURNED]**