First Unqualified Audit since 2009

20 October 2016

Parliament’s Portfolio Committee on Water and Sanitation, today commended the Department of Water and Sanitation on achieving an unqualified audit.

“The unqualified audit opinion that was expressed by the Auditor General came amid a challenging environment”, commented Minister Nomvula Mokonyane. “Below normal rainfall during the 2015/16 summer rainfall season resulted in the meteorological, hydrological, socio-economic and agricultural drought that was experienced across the country. As a result, a number of emergency interventions had to be implemented in the provinces of KwaZulu-Natal, North West, Free State and Eastern Cape. Those emergency interventions however had the unintended consequence of contributing to an increased amount for irregular expenditure during the financial year under review.”

The Portfolio Committee was informed that under-spending was reduced from R3 billion to R189 million, which amounts to 1% under-spending. All accruals from previous financial years were addressed during financial year under review and payments to suppliers were reduced from 86 days to payment within an average of 23 days.

Fraudulent activities by officials worth R4.5 million were uncovered and have been addressed through disciplinary processes. To this end, 12 cases of financial misconduct were opened and 11 cases were won by the department. Charges included fraud, negligence, violation of supply chain management procedures and fruitless expenditure. Sanctions imposed for financial misconduct included dismissals, suspensions and demotions, suspensions without pay and written warnings.

The service delivery achievements that delighted the Portfolio Committee include 11 bulk water schemes that were completed, benefitting over 78 000 households and 34 816 households were provided with interim or basic water supply in the 27 priority districts.

The River Eco-status Monitoring Programme was implemented in 62 rivers; while a total of 116 licences were issued to strategic sectors of which 79 were in agriculture, 12 in mining, 11 in industry and 14 were in energy; thereby releasing 11.9 million cubic metres of water for productive use. The Portfolio Committee extended its support to the department and encouraged the officials to actively engage the Portfolio Committee on challenging areas, especially on areas of inter-governmental relations.

The Auditor General named the Department of Water and Sanitation as the most improved national government department.

ENDS.
Issued by the Department of Water and Sanitation

For more enquiries contact Sputnik Ratau at 082 874 2942

For media releases, speeches and news visit the Water & Sanitation portal at: www.dwa.gov.za