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Media Query // Gauteng Department of Social Development

Africa Boso (SM) <AfricaB@agsa.co.za>

Tue, May 28, 2024 at 7:49 AM

To: "daniel.steyn@groundup.org.za" <daniel.steyn@groundup.org.za>

Good day

See below a response to your enquiry far below.

Auditor-General of South Africa's (AGSA's) response

The AGSA has made no finding nor a recommendation relating to non-profit organisations that the entire appointment process be revised. There is equally no finding on the signing of service level agreements (SLAs) with non-profit organisations (NPOs) valued at more than R1 million. The AGSA recommended that the department improve its measures on monitoring and evaluating the NPOs receiving funds, including the update and enhancement of the SLAs to strengthen governance controls. The findings made are contained in the attached 2018-19 Audit Report (page 3, paragraph 22) as well as 2020-21 audit report (page 4, paragraph 25). The department is best placed to provide further details on the matter.

End.

Regards

Africa Boso

Senior Manager: Media Relations • Communication • Auditor-General of South AfricaTel: +27(0)12 422 9880 • Fax: +27(0)86 749 1129 • Mobile: +27(0)713653024 • Email: africab@agsa.co.za*Auditing to build public confidence***From:** Daniel Steyn <daniel.steyn@groundup.org.za>**Sent:** Thursday, 23 May 2024 12:28**To:** Africa Boso (SM) <AfricaB@agsa.co.za>; Khutsafalo Mnisi <KhutsafaloMn@agsa.co.za>; Harold Maloka (BUL) <HAROLDMA@agsa.co.za>**Subject:** Media Query // Gauteng Department of Social Development

Good day

I am writing an article for GroundUp News on the Gauteng Department of Social Development's (GDSD) funding of non-profit organisations. Please can I receive a response to the below query by noon on Tuesday, 28 May?

Background

The Acting Head of Department for the GDSD said in an affidavit (see attached, page 6-7) that drastic changes were made to the department's non-profit funding process "pursuant to the findings of maladministration within the Department's NPO funding process by various regulatory bodies such as the Auditor General".

He says that "the findings of the AG concluded that some of the service-level agreements concluded [with organisations] contained the approval of large payments, in excess of one million Rands, by officials not authorised to sign off such large amounts and that those approvals were in contravention of the National Treasury regulations."

He says that because of these findings, the "Department was required to revise its entire appointment process" of organisations. This change in process has caused several delays in the non-profit funding process, with catastrophic consequences for some organisations which have had to close their doors.

Questions

1. Is the Acting HOD correct in his description of the AG's findings? Was "maladministration" found, and if so, was it found in relation to the non-profit funding process?
2. Could you please direct me to the relevant AG report in which these findings are made?
3. Did the AG recommend that the "entire appointment process" of non-profit organisations be revised? Was it recommended that the process be centralised to the office of the HOD, cutting out regional and provincial officials?
4. Did the AG make findings regarding the signing of SLAs with non-profits valued at more than R1-million? If so, what were the findings and were any recommendations made?

I look forward to hearing from you

Best

Daniel Steyn

Journalist: GroundUp News

Website: <http://www.groundup.org.za>

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2 attachments

 **Final GDSD Audit report 2020-21 (002).pdf**
13470K

 **Signed AR DSD 18-19 (002).pdf**
345K

