

## RESPONSES TO GROUNDUP FROM THEMBA GADEBE, SPOKESPERSON FOR SOCIAL DEVELOPMENT MEC MBALI HLOPHE

20/06/2024

1. Which department paid for the advertorials? GDSD or GDARDE?
2. How many advertorials has the GDSD and GDARDE paid for since the beginning of the financial year?
3. How much was spent on the advertorials?
4. Who approved the spending on the advertorials and what budget did it come from?

*As you are aware all Government Departments have an allocation towards communications. Government policy prescribes that up to five percent of each department's budget ought to be allocated for communications, however this is not the case with both our Departments, as the spent does not even reach 0,5%.*

*Departments must communicate on work embarked on, and further report back to the public they serve. Whilst not meeting the 5% expenditure targets for communications, the Department of Social Development, Agriculture, Rural Development and Environment has been communicating on a variety of work it does, amongst these being work on agriculture projects, homeless, substance abuse, climate change reduction initiatives, waste management projects, and further reporting on the outcomes of our performance to name but a few.*

*It's unclear why GroundUp seeks to make our Departments' efforts of communicating on a variety of work done as sinister - particularly when Premier Panyaza and President Ramaphosa have emphasised on the importance of government communicating with society in order to close the social gap between government and its people.*

5. We have noted the claim in the advertorial that GDSD's performance is "currently" sitting at 82%. What metric is this based on?

*This is not a claim but a factual account on the Departments' current performance on its Annual Performance Plan (APP) and the Delivery Agreement signed with the Premier, for targets each Department must meet.*

6. Please could you provide the relevant report on which you have based this figure?

*The reports are submitted to the Legislature first and made public soon after. You will have to accordingly await the public report, which the Department can provide to you.*

7. According to the latest publicly available report, from Quarter 2 of 2023/24, performance was at 65% interim year-to-date.

*As per your own comment, you are referring to Quarter 2. There are 4 Quarters in a financial year and much progress has been achieved to date.*

8. We also noted the “delivery agreement percentage” used in the advertorial. What does this refer to and how is it calculated?

*Refer to response 5*

9. Can you please provide the annual performance plans for 2023/2024 and 2024/2025 as we cannot find them on the GDSD website or Gauteng Provincial Legislature’s website?

*Refer to response 6*

10. The advertorials mention the investigations and the individuals suspended. Please could you provide the following details: (1) how many forensic audits have been commissioned by the department since 2018

*From 2016 to date 11 investigations have taken place on a variety of areas in the Department*

- (2) how many of the forensic audits have been completed

*Refer to response above*

- (3) what were the findings of the audits

*The findings from investigations range from misconduct by officials in the funding and managing of NPOs, dereliction of duties by officials, gross negligence and failure to perform duties, officials circumventing SCM processes through funding of NPOs, Money laundering, racketeering, fraud and corruption which has also been referred to the HAWKS for further criminal investigations which are still ongoing.*

- (4) what are the names of the suspended individuals and what were the findings against them.

*There were a range of officials placed on suspension from Executive Management, Senior Management and Middle management. The investigation is still in progress and the details of findings remain sub judice at this stage.*

11. The advertorials claim that MEC Hlophe was “cleaning up” the department. But in the past year, there have been significant deviations from the budget, which is under investigation according to the finance MEC, and the department was led by HOD Matilda Gasela, who has several allegations of fraud and corruption against her. In what way does this represent a “cleaning up”?

*MEC Hlophe has been in the Department for 18 months as appointed only in Oct 2022. It's only during her tenure that investigation reports are acted on and the issues of maladministration raised sharply. Evident in the fact that 11 investigations have taken place in the Department with little to no action taken against transgressors, despite the fact that within the current 14 individuals who are suspended, they appear in a number of the other investigation reports, where amongst the recommendations were criminal charges to be instituted against the individuals. However none such had taken place.*

*Your own publication GroundUp has correctly characterised the Department in your previous article as "After years of mismanagement, the Gauteng Department of Social Development is imploding". This characterisation makes acknowledgment of the years of rot that has been left unattended, and allowed to fest to an extent of crippling the Department's ability to function and serve the public as it should. Fourteen individuals are currently suspended but from the investigation reports its evident there's a need for a much wider net to be cast in investigating the extent of the tentacles of the wrongdoers or network of corruption within and outside the Department. Premier has announced that such an investigation will be further conducted by Treasury.*

*Whilst the MEC has raised the alarm on the wrongdoing and began putting in place measures to ensure consequence management takes place, and corrective administrative processes are adhered to, it's only fair to acknowledge that 18 months is too little time to turn the tide on maladministration that stems as far back as 2016. But the efforts to clean up is what MEC Hlophe focused her attention towards, as this was neglected.*

*It's equally not true that a significant number of deviations have taken place only this year. Two deviations have taken place, on dignity packs and food parcels, which amongst others are a product of a food tender which was equally not correctly extended and the Department through the former HOD opted to institute deviations inline with Treasury provisions. As previously indicated and further articulated by the MEC for Finance if the deviations are wrong the officials responsible will be held accountable.*

*The Department being in the spot light is because of the MEC drawing attention to the maladministration, what media is reporting is but merely the tip of the iceberg. But there is hope, and the improvement in performance signals the ability for the Department to turn around once all wrongdoers are removed.*

*On the former HOD and her pending cases ect, as previously indicated the Premier appoints HODs and any question related to the HOD should be directed to the Premier's office accordingly.*

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**21/06/2024**

1. You mention the performance reports are not public, yet you have made the performance figures public in your advertorials. How can the public be confident you are telling the truth if you do not provide the performance reports?

*- There's nothing wrong in the Department announcing its performance figures as the full reports will be accessible -nor does the Department have any reason to lie about such.*

*- The 6th Administration has drawn to a close and Departments have a responsibility to communicate their intentions of work to be done, work achieved and finally the Departments overall performance, which our Departments have done.*

2. The Annual Performance plans for 2023/24 and 2024/25 should be publically available as they are completed at the start of the financial year. Why are they not?

*- Refer to earlier submitted responses*

3. Why did the HOD allow the food tender to expire?

*- The validity period of the tender had expired, before the conclusion of the tender. Additionally, not all bidders were approached to respond to the validity extension request as required, inline with fairness and transparency in the process.*

*- Therefore the Bid Evaluation Committee (BEC) and Bid Adjudication Committee (BAC) members recommended five bidders for approval to the Head of Department without satisfying due process.*

*- The judgement from the Supreme Court of Appeal regarding the validity of extension of tenders as noted in the case of the City of Ekurhuleni Metropolitan Municipality v Takubiza Trading & Projects CC and Others remains instrumental on guiding on the validity of tenders.*

4. Does the MEC take any responsibility for the budget deviations and irregular expenditure that took place in the 2023/24 financial year, or is the MEC laying the blame only at the feet of the HOD Matilda Gasela?

*- This is a very unusual question, and it would benefit GroundUp to understand the difference between the duties and responsibilities of Administration as led by the Accounting Officer (HOD) vs the role of the Executive Authority (MEC).*

*- Executive Authorities are not involved in Administration and therefore approval of memos on budget deviations or any form of expenditure are not sent to Executive Authorities for approval. The PFMA goes further to stipulate the powers, scope and functions of an Accounting Officer and the CFO, and responsibilities they have as it pertains to Departmental funds.*

*- As and when the Department accounts to the MEC on work and processes embarked on in carrying out tasks, and the MEC or Executive Authority picks up maladministration or an error committed by the Department, the MEC guides the Department towards the correct path or calls for the application of consequence management, depending on the severity of the incident.*

*- And in this regard, upon the Department reporting on processes followed to appoint the forensic firm, it became clear that due process was not fully followed hence the MEC*

*communicated this to the Department that they ought to adhere to Treasury regulations, and satisfy the competitive bidding requirements inline with transparency and fairness.*

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1. As the executive authority not involved in administrative matters, what did MEC Hlophe do to assist the department in achieving the performance figures mentioned in the advertorials?

*This questions is not only bizzar but unheard of. Executives in the corporate environment wouldn't be questioned on their role in the success of their companies/entities simply because they are not operational - or this question is reserved to the MEC as an attempt to water down the leadership and strategic role she played in channelling both Department towards delivery - a performance that has been tracked to be the highest in the 6th Administration.*

*The MEC, as an executive authority provides leadership and strategic direction in pursuits of the provincial priorities related to her departments in line with section 125 of the constitution. The interface between the Executive Authority (MEC) and Accounting Officer (HOD) is complex and dynamic, with clear role designations between the two as prescribed in the Public Service Act and the PFMA.*

*And as it pertains to financial delegations inline with the PFMA those reside with the HOD and CFO.*

2. How much was spent by GDSD and GDARD on advertorials between April and July 2024?
3. According to regulations published online, provincial HODs are appointed by a committee with at least three executive council members, including the MEC, who chairs the committee. Was the MEC not involved in the appointment of Matilda Gasela at all?

*HOD Gasela was transferred to Social Development inline with her already existing contract with the Gauteng Government and therefore no new interview process was required.*