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MEDIA STATEMENT

KZN PUBLIC WORKS AND INFRASTRUCTURE MEC MARTIN MEYER WELCOMES AND ENCOURAGED BY FAVOURABLE AUDIT RESULT FOLLOWING NEAR DECADE-LONG POOR OUTCOMES

The MEC for the KwaZulu-Natal Public Works and Infrastructure department, Martin Meyer, has applauded his department's efforts which have resulted in an unqualified audit opinion. The only finding attached to the audit opinion was just one finding which relates to the issue of non-compliance brought on by external factors beyond the department's control.

For decades, KZN Public Works and Infrastructure has been a department riddled with fruitless, wasteful, and irregular expenditure. Deviations not reported to Provincial Treasury within 14 days were among the major issues that previously hampered the department's ability to secure a favourable audit outcome in recent years. This spoke to the severe lack of implementation of counter measures which were then immediately put in place when MEC Meyer came into office.

During yesterday's meeting, the Auditor General applauded the department for significant improvements and internal controls that had been put in place. As a result, this drastically reduced the number of findings from several in the past to just one – namely the late payment to contractors.

However, it is important to note, just as the Auditor General also noted, that this finding was beyond the control of KZN Public Works and Infrastructure as the payment of contractors is dependent on client departments paying KZN Public Works and Infrastructure for projects completed so that in turn contractors can be paid for work done. This is why the issue of late contractor payment was aggressively tackled within the department which saw over R500 million paid to contractors following successful engagements with client departments.

The AG explicitly noted that all payment delays are caused by other departments, and not KZN Public Works and Infrastructure.

The AG further commended KZN Public Works and Infrastructure on its transparency and cooperation during and after the audit process. As a means to do away the single finding on delayed contractor payments in the next audit round, recommended actions have been shared with provincial Treasury as a key role player.

KZN Public Works and Infrastructure is also encouraged to keep advocating for improvements of the infrastructure finance and maintenance model applied in provincial departments.

Going forward, and as noted by MEC Meyer during the meeting, KZN Public Works and Infrastructure remains committed to working closely and timeously with the Auditor General and Provincial Treasury to ensure the earliest mitigation of matters of concern.

“The one thing that my department and the Auditor General has in common is that we both want to achieve accountability and transparency in the context of how the monies of people of KZN are utilised”, said MEC Meyer.

Following this audit outcome KZN Public Works and Infrastructure is further encouraged that the efforts implemented will ensure that the next audit is a clean outcome.

END.

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