

UIF&WE QUARTERLY REPORTING

CFO FORUM – PUBLIC ENTITIES

PRESENTED BY:

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Title:

*Office of the
Accountant-General*

Date: 08 December 23



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



OUTLINE OF THE PRESENTATION

Legislative requirements

Quarterly report submission date: Public Entities

Quarterly report submission date: Water Boards

Submission rate for quarter 1

Reported irregular, fruitless & wasteful expenditure for quarter 1

Conclusion

Legislative Requirements



s51(1)(a)(i) of the PFMA – AA must ensure that the public entity has and maintains effective, efficient, and transparent systems of financial and risk management and internal control.



s51(1)(b)(ii) of the PFMA – AA must take effective and appropriate steps to prevent irregular, fruitless, and wasteful expenditure and losses resulting from criminal conduct and expenditure not complying with the operational policies of the public entity.



s51(1)(e)(iii) of the PFMA – AA must take effective and appropriate disciplinary steps against any official in the service of the public entity who makes or permits irregular, or fruitless and wasteful expenditure.



The PFMA Compliance and Reporting Framework (Annexure A) issued by as National Treasury Instruction No.4 of 2022/23 provides that the AA must submit quarterly reports on IF&WE to the National Treasury in line with the prescribed registers

Quarterly report submission dates: Public Entities

The quarterly reporting guideline for national institutions was published to provide reasonable timeframe for submission of these reports as per the table below

Quarter	Submission Date
Quarter 1: ending 30 June	31 July
Quarter 2: ending 30 September	30 October
Quarter 3: ending 31 December	31 January
Quarter 4: ending 31 March	30 April

Quarterly report submission dates: Water Boards

Quarter	Submission Date
Quarter 1: ending 30 September	30 October
Quarter 2: ending 31 December	31 January
Quarter 3: ending 31 March	30 April
Quarter 4: ending 30 June	31 July

Submission rate for National Institutions: Quarter 1

SUMMARY – SUBMISSION OF QUARTERLY REPORTS

UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

Institutions	Total Active Institutions	Submission		Non-Submission	
		Number	%	Number	%
National Departments	40	20	50%	20	50%
Constitutional Institutions	10	2	20%	8	80%
Government Component	5	0	0%	5	100%
Public Entities: Schedule 2	20	3	15%	17	85%
Public Entities: Schedule 3A	150	27	18%	123	82%
Public Entities: Schedule 3B	10	3	30%	7	70%
Total	235	55	23%	180	77%

Submission Rate for National Public entities for Quarter 1

SUBMISSION RATE FOR QUARTER 1 IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE					
Institutions	Total Active Institutions	Submission		Non-Submission	
		Number	%	Number	%
Public Entities: Schedule 2	20	3	15%	17	85%
Public Entities: Schedule 3A	150	27	18%	123	82%
Public Entities: Schedule 3B	10	3	30%	7	70%
Total	180	33	18%	147	82%

Irregular, fruitless and wasteful expenditure reported in quarter 1 Public entities

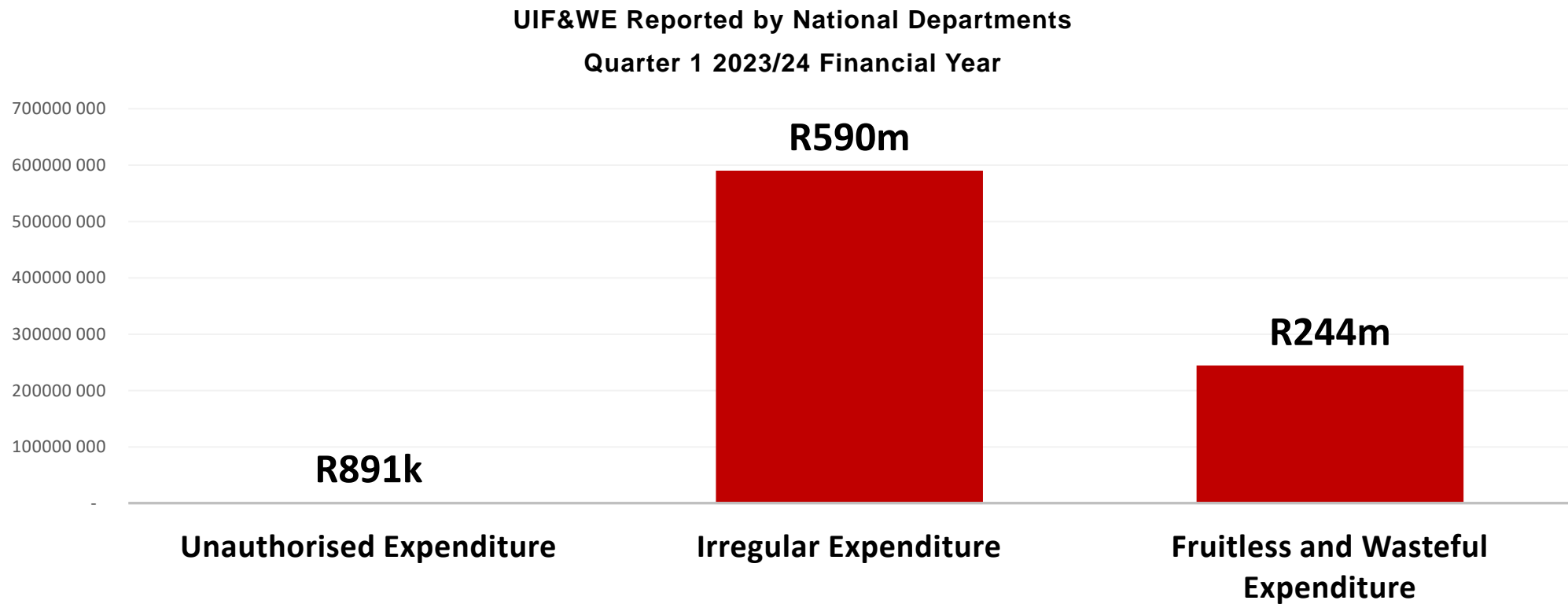
AMOUNTS OF IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE REPORTED IN QUARTER 1

Institutions	Irregular Expenditure	Fruitless and Wasteful Expenditure
Schedule 2 Public Entities	323 320 988	2 473 178
Schedule 3A Public Entities	4 039 312 655	3 916 008 298
Schedule 3B Public Entities	382 412	-
Total	4 363 016 055	3 918 481 476

The total amount of irregular expenditure incurred by national institutions during quarter 1 of the 2023/24 financial year amounted to **R 5 billion**

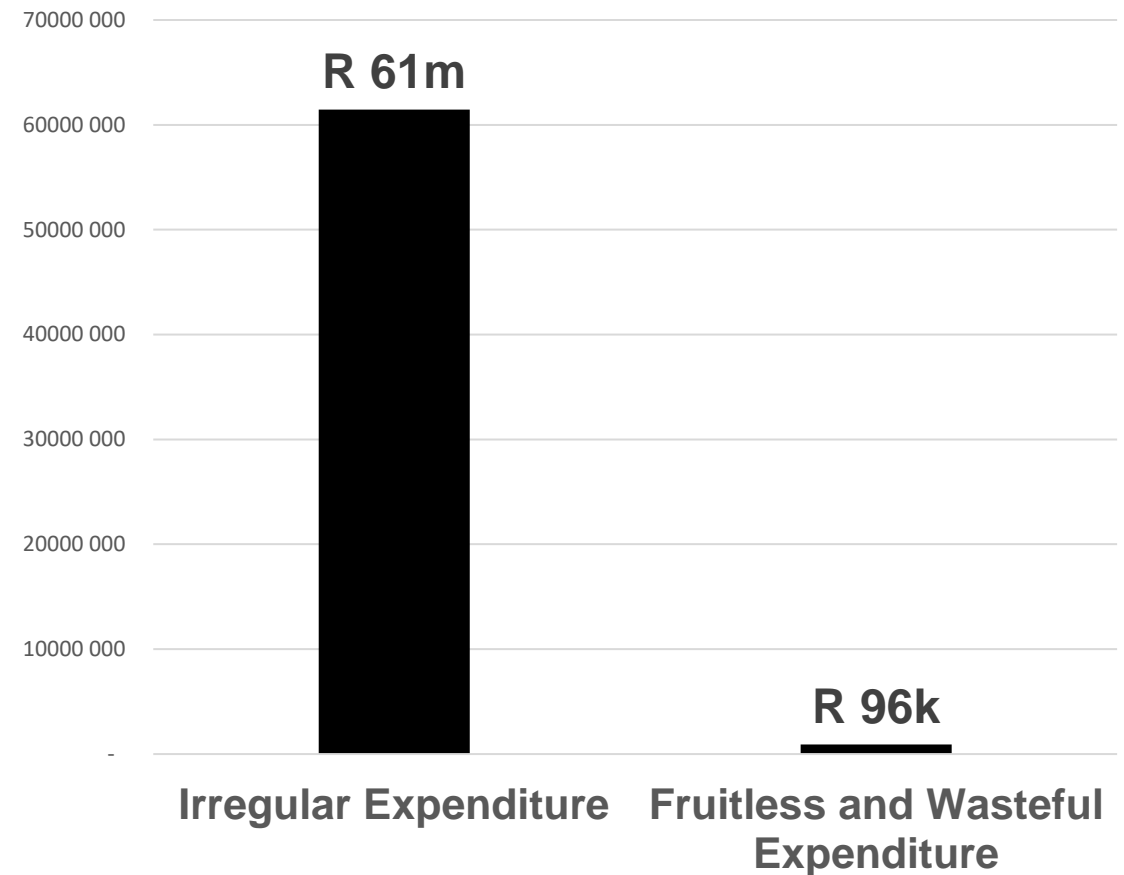
The total amount of fruitless and wasteful expenditure incurred by national institutions during quarter 1 of the 2023/24 financial year amounted to **R 4.2 billion**

Reported amounts for National Departments



Reported amounts for
Constitutional Institutions
(Low submission rate)

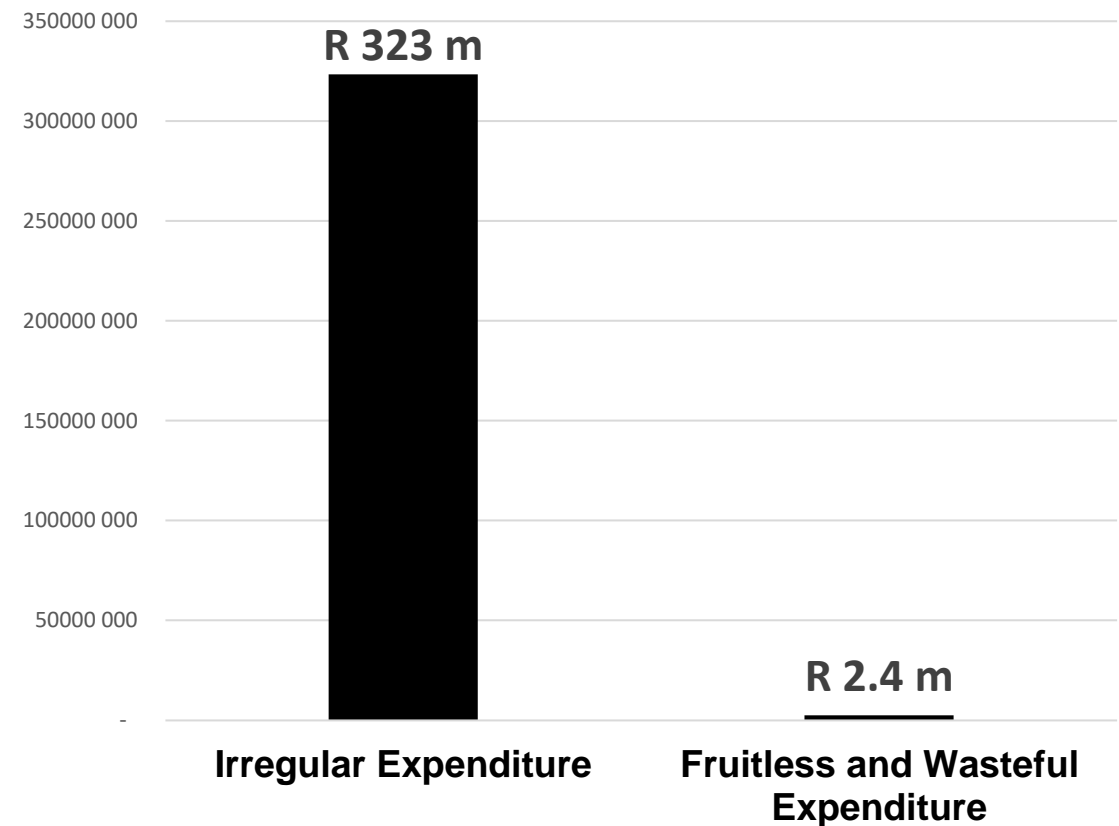
**IF&WE Reported by Constitutional
Institutions
Quarter 1 2023/24 Financial Year**



Reported amounts for Schedule 2 Public Entities

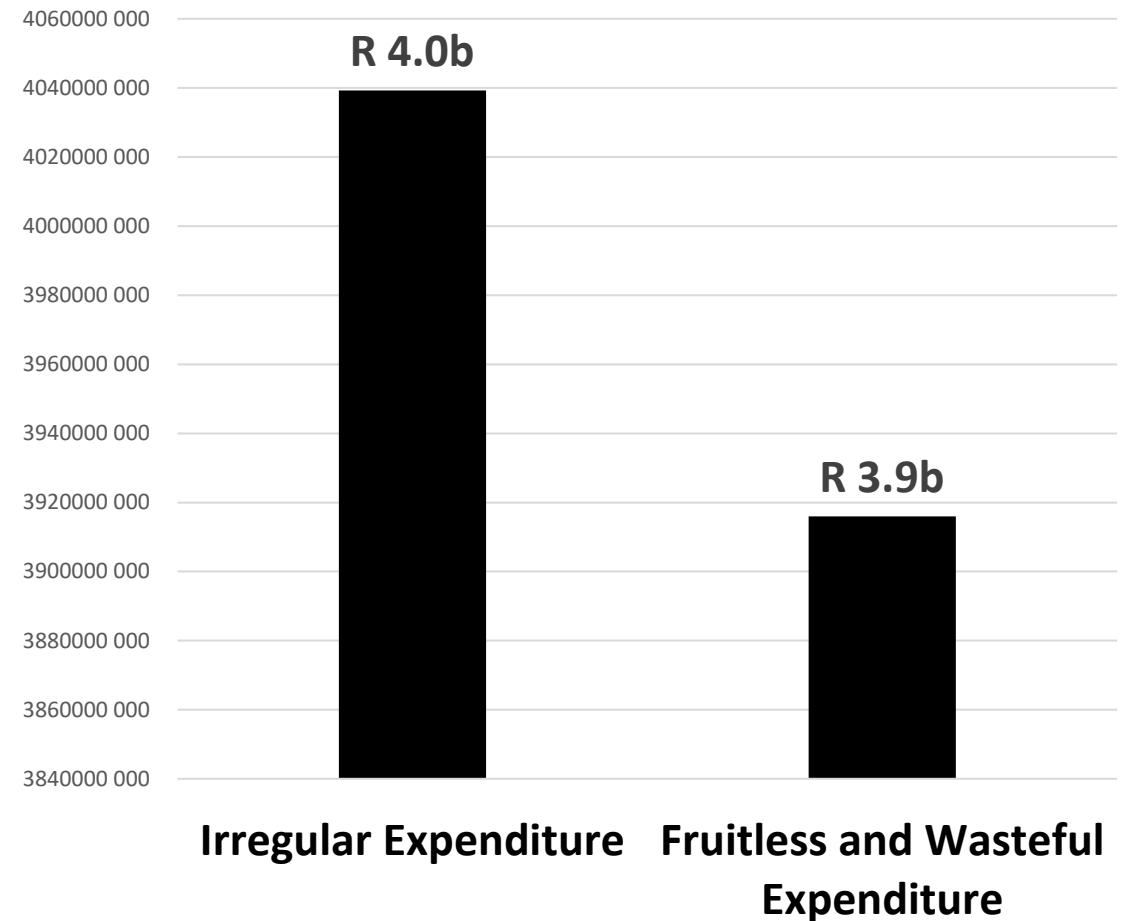
IF&WE Reported by Schedule 2 Public Entities

Quarter 1 2023/24 Financial Year



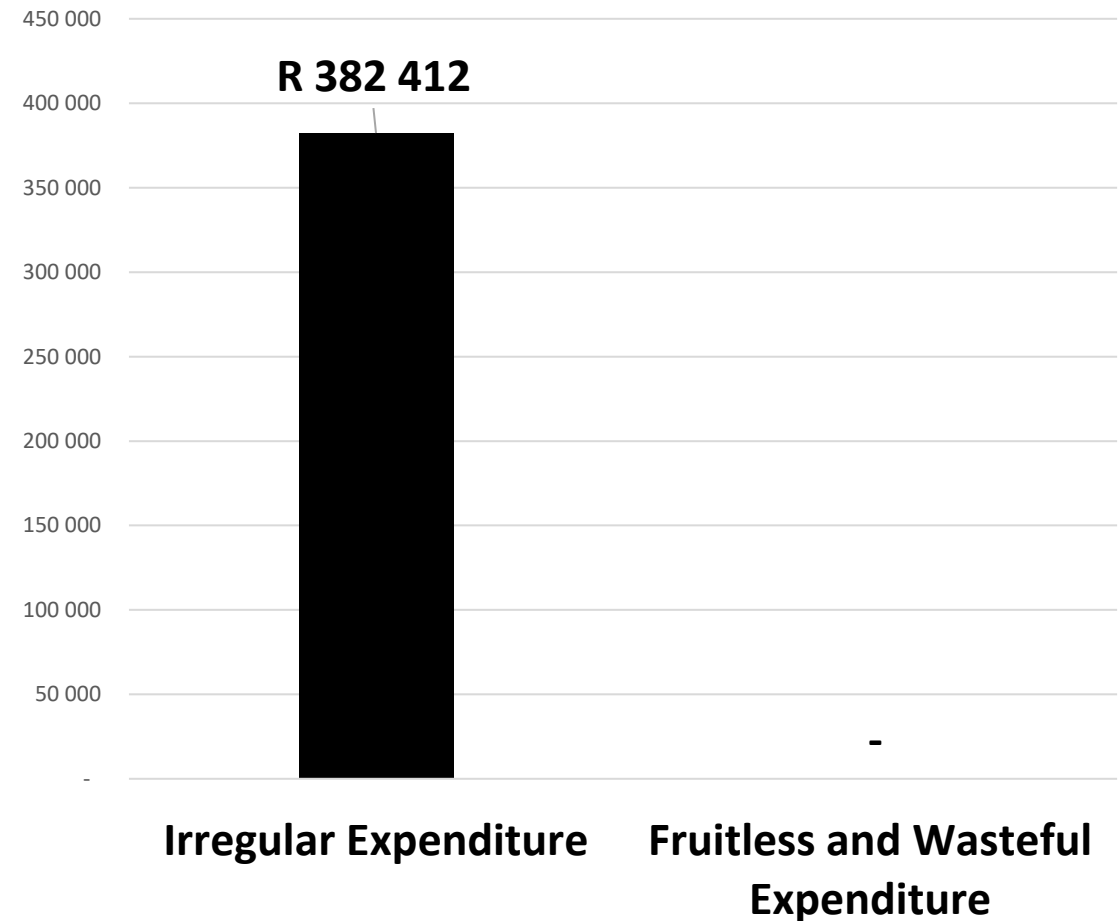
Reported amounts for Schedule 3A Public Entities

IF&WE Reported by Schedule 3A Public Entities
Quarter 1 2023/24 Financial Year



Reported amounts for Schedule 3B Public Entities

**IF&WE Reported by Schedule 3B Public Entities
Quarter 1 2023/24 Financial Year**



Conclusion

- The analysis of information submitted by PFMA institutions indicates that only 55 (23%) national institutions submitted quarterly reports on unauthorised, irregular, fruitless and wasteful expenditures during the first quarter of the 2023/24 financial year
- We urge institutions to submit quarterly reports as prescribed to allow for proper monitoring by the National Treasury
- The reports will be published on the Treasury website for easy access
- Institutions requiring support in this area may send a request to OAGQueries:
OAGQueries@treasury.gov.za
- Quarterly reports must be submitted to the following address: PFMAComReports@treasury.gov.za

THE END

Thank You

**Chief Directorate:
Governance Monitoring and Compliance
Office of the Accountant-General**