

NATIONAL ASSEMBLY

QUESTION 1862-2012

FOR WRITTEN REPLY

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INTERNAL QUESTION NO. 20-2012**

Mr. S C Motau (DA) to ask the Minister of Arts and Culture:

- (1). Whether (a) his department and (b) all entities reporting to him make payment to (i) suppliers and (ii) service providers within the 30 day payment period as specified by the Public Finance Management Act (PFMA), Act of 1999; if not, in each case, (aa) how many service providers are awaiting payment, (bb) what is the monetary value of outstanding payments and (cc) how long is payment overdue;
- (2). Whether (a) his department and (b) all entities reporting to him are liable for any interest charged on overdue payments in any of the cases mentioned; if not, what is the position in this regard; if so, in each case, what is the (i) percentage and (ii) monetary value of interest charged;
- (3). Whether (a) his department and (b) all entities reporting to him have negotiated revised payment schedules with each of the service providers mentioned; if not, why not; if so, in each case, what are the relevant details;
- (4). What are the reasons for (a) his department and (b) all entities reporting to him not making payment within 30 days as specified by the PFMA;
- (5). Whether (a) his department and (b) all entities reporting to him have implemented any measures to (i) ensure full compliance with the PFMA and (ii) facilitate immediate payment for overdue accounts; if not, why not; if so in each case, what are the relevant details?

(NW2254E)

REPLY

1. (a)(i)(ii). Yes, the Department pays Suppliers and Service Providers within the 30 day period as specified by the Public Finance Management Act of 1999.

(aa) There are eight (8) Service Providers awaiting payment.

(bb) The monetary value for the affected Service Providers are as stated below:

<u>Company</u>		<u>Monetary Value</u>
Web- Lingo	-	R2,071. 16
Moruo-Batho	-	R13,798. 00
Hillside Group	-	R 21,922. 20
Het Bakhuis	-	R18,465. 00
Angenlcy	-	R 2,508. 00
Dep Techno	-	R18,798. 49
Government Printers		R26,557. 73
Sizwe Ntsaluba	-	R 80,040. 31

(cc) Overdue payments per service provider are as follows:

Payment for Web- Lingo is overdue by 30 days

Payment for Moruo-Batho is overdue by 30 days

Payment for Hillside Group is overdue by 60 days

Payment for Het Bakhuis is overdue by 60 days

Payment for Angenlcy overdue by 60 days

Payment for Dep Techno is overdue by 30 days

Payment for Government Printers is overdue by 60 days

Payment for Sizwe Ntsaluba is overdue by 60 days

- 2.(a). The Department is not liable for paying any interest charged on the mentioned overdue payments
- (i) None
 - (ii) None
- 3.(a). Yes payment will be effected as soon as the supplier's forms and invoices are received by the department.
- 4.(a). The Department is still trying to get the following Service Providers to be registered on Safety Web: **Web-Lingo, Moruo-Batho, Hillside-Group and Het-Bakhys.**
The Department is still waiting for invoices from the following suppliers: **Angelcy, Dep Techno, Government Printing and Sizwe Ntsaluba.**
- 5.(a)(i). Yes, a letter will be attached with every order sent to suppliers advising them of the Department's commitment to pay within 30 days of receipt of an invoice.
- (ii). The Department will ensure that invoices are received and the supplier's entity maintenance forms are completed in order to be paid on the stipulated time frame.

(b) Response on Public Entities is attached/enclosed in Pocket 2

DETAILS OF OUTSTANDING PAYMENTS OF THE DEPARTMENT OF ARTS AND CULTURE AND ITS PUBLIC ENTITIES

(i) Supplier/ (ii) Service Provider	(iii) Nb. of outstanding payments	(iv) Monetary value - R	(v) Days overdue	(vi) Payable Yes/No	(vii) If No, what is the position?	(viii) If Yes, what is the %	(ix) Value of interest - R	(x) Y/N	Reasons (if Nb)	Details (if Yes)	Measures Implemented	(xi) Details if not paid
Batsumi Travel	1	4420	120	No	Original amount still outstanding	N/A	N/A	No	Payment to be made once queries are sorted out	Awaiting outstanding documentation from suppliers	Yes	Meetings held with supplier to sort out outstanding queries
Meso ICT	1	209135	120	No	Original amount still outstanding	N/A	N/A	No	Credit note subsequently passed by supplier	Awaiting outstanding documentation from suppliers	Yes	Credit note to be passed by supplier
Skynet	1	13797	60	No	Original amount still outstanding	N/A	N/A	No	Credit note subsequently passed by supplier	Awaiting outstanding documentation from suppliers	Yes	Credit note to be passed by supplier
Peters Papers	1	2448	60	No	Original amount still outstanding	N/A	N/A	No	Payment to be made once queries are sorted out	Awaiting outstanding documentation from suppliers	Yes	Credit note to be passed by supplier
None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Statement received and paid on 03.08.2012
National Film and Video Foundation	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Chubb Security	4	2545.48	120	No	Chubb owes the Institution information regarding the invoices	No interest	0	No	Awaiting invoices	Paid in full in August 2012	Yes	Supplier is providing further information on invoices
City of JHB	1	5782.04	60	Yes		8,5%	R 222	No	Meter reading query	Payment will be made as soon as the meter is read	Yes	Meters will be read within a month
JHB Water	4	15,812.11	120	No	No interest charged	no interest	0	No	Meter reading query	Payment will be made as soon as the meter is read	Yes	Meters will be read within a month
City of JHB	7 years rental	1,333,446.10	Monthly rental since Aug 2005	Yes		Nil	R 93,341	No	Settlement agreement reached - premises had a number of snags that were not fixed by the landlord	MTF raised a dispute with the City	Yes	Dispute : Resolved after many meetings. Awaiting settlement agreement
None	N/A	N/A	N/A	No	No interest charged	Nil	Nil	No	No	N/A	N/A	N/A
Newsclip	1	954.56	30	No	No interest charged	N/A	N/A	Yes	N/A	Outstanding amount is in the process of being settled. Supplier submitted invoice late	Yes	Delay in receiving the invoices and statements from supplier
Posttex	1	1987.55	30	No	No interest charged	N/A	N/A	Yes	N/A	Outstanding amount is in the process of being settled. Supplier submitted invoice late	Yes	Delay in receiving the invoices and statements from supplier
Skyney	1	3508.29	30	No	No interest charged	N/A	N/A	Yes	N/A	Outstanding amount is in the process of being settled. Supplier submitted invoice late	Yes	Delay in receiving the invoices and statements from supplier
Newsclip	1	954.56	30	No	No interest charged	N/A	N/A	Yes	N/A	Outstanding amount is in the process of being settled. Supplier submitted invoice late	Yes	Delay in receiving the invoices and statements from supplier

	Posttex	1	1987.65	30	No	No interest charged	N/A	N/A	Yes	N/A	Outstanding amount is in the process of being settled. Supplier submitted invoice late	Delay in receiving the invoices and statements from supplier	Yes	Send requests to suppliers to sent invoices early to enable the organisation to pay timeously
	Skynet	1	3508.29	30	No	no interest charged	N/A	N/A	Yes	N/A	Outstanding amount is in the process of being settled. Supplier submitted invoice late	Delay in receiving the invoices and statements from supplier	Yes	Send requests to suppliers to sent invoices early to enable the organisation to pay timeously
KwaZulu Natal Museum	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NA	N/A	Approved Financial Procedure Manual in place to ensure compliance with the PFMA
	Travel Manor	1	7792.1	37	No	Agreement with service provider	N/A	N/A	No	N/A	Payment will be made on receipt of revised invoice from supplier	Query regarding additional charges billed that were not part of quotation from service provider	Yes	Awaiting revised invoices from supplier
	G. Fox	1	12312.56	37	No	Agreement with service provider	N/A	N/A	No	N/A	Payment made in August 2012	Credit note required from supplier - only received during July	Yes	Payment made in August 2012
	Swingers Caterers	1	31673.72	37	No	Query on account to be resolved by the service provider	N/A	N/A	No	N/A	Payment will be made on receipt of invoices from supplier	Service provider to submit invoices and updated statement	Yes	Awaiting invoices from supplier
	Speediwash	1	1875	277	No	Query on account to be resolved by the service provider	N/A	N/A	No	N/A	Payment will be made on receipt of invoices from supplier	Service provider to submit a statement reflecting all outstanding invoices and supporting documentation	Yes	Awaiting supporting documentation
	ADT Security	1	5791.19	37	No	Payment to be made on completion of work	N/A	N/A	No	N/A	Payment will be made on completion of job and receipt of invoices from supplier	Invoices raised by service provider for work not yet completed by them	Yes	Payment will be made on completion of job
	Werksmans Attorneys	1	19836	547	No	Payment on presentation of invoice	N/A	N/A	No	N/A	Payment will be made in August 2012	Invoice for services rendered in December 2010 was only received and paid in July 2012	Yes	Payment in made in August 2012
	Maserumule	1	3078	31	No	Payment on presentation of invoice	N/A	N/A	No	N/A	Payment made end of July 2012	Invoice received from service provider during July	Yes	Payment made end of July 2012
Freedom Park	Adler Cuisine	1	1197	90	No	Not Contractual	0	0	Yes	N/A	N/A	Procurement process not followed	Yes	N/A
	Adler Cuisine	1	2827.2	60	No	Not Contractual	0	0	Yes	N/A	N/A	Invoice received late	Yes	N/A
	Aurecon	1	19060.8	60	No	Not Contractual	0	0	Yes	N/A	N/A	Contract pending	Yes	N/A
	Prolea Hotel North Wharf	1	6375.02	60	No	Not Contractual	0	0	Yes	N/A	N/A	Dispute	Yes	N/A
	Sharon Court	1	15000	90	No	Not Contractual	0	0	Yes	N/A	N/A	Contract pending	Yes	N/A
	Siyabonga Media	1	R 46,626.00	120	Yes	N/A	100%	0%	N	Pay once tax clearance certificate received	Suppliers in process of obtaining tax clearance certificates	Awaiting Tax Clearance Certificate	Yes	N/A
	Troubadour Productions	1	R 6,214.28	120	Yes	N/A	100%	0%	N	Pay once tax clearance certificate received	Suppliers in process of obtaining tax clearance certificates	Awaiting Tax Clearance Certificate	Yes	N/A
	Giya Arts Management	1	R 57,000.00	120	Yes	N/A	100%	0%	N	Pay once tax clearance certificate received	Suppliers in process of obtaining tax clearance certificates	Awaiting Tax Clearance Certificate	Yes	n/a
	Nap Designs CC	1	R 31,257.06	180	Yes	N/A	100%	0%	N	Cheque payment was made to supplier but they did not bank the cheque	To write of liability once prescription period expires	Legal dispute with supplier	Yes	N/A
South African Heritage Resource Agency	Absa Fleet	1	13505.62	60	No	No interest charged	N/A	N/A	Yes		Payment was made in August	Logbooks were outstanding hence reconciliations of trips vs expenditure could not be performed. Payment has subsequently been made.	Yes	Logbooks to be submitted on time for recons to be performed

	Viking Life -Saving Equipment (Sa)		1	2929.8	60	No	No interest charged	0	N/A	No	N/A	N/A	Invoice not received - requested copy - paid August	Yes	Invoices received after month end - paid August
D. Afrikaanse Taal museum en monument	Securemax		1	3635	294	No	No interest charged	n/a	n/a	No	Service provider did not execute the task. Handed over to attorneys.	Service did not execute the task. Handed over to attorneys.	Invoices received after month end - paid August	Yes	Only companies with a standing reputation will be considered in future.
	Valley Interiors		1	3390	60	No	We had a query about the product that was provided. It was sorted out and the account paid 9 July 2012.	N/A	N/A	Yes	N/A	N/A	We had a query about the product that was provided. It was sorted out and the account paid 9 July 2012.	No	We only held back on the payment because of the query. As soon as it was sorted out, we paid the account immediately.
D. Afrikaanse Taal museum en monument	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nelson Mandela Museum	Limza Sound Hire		1	1,200.00	30	No	Awaiting banking details from the supplier	0	0	Yes	N/A	N/A	Awaiting banking details from the supplier	No	The delay is with the service provider
	Superior Vision		1	4,387.86	60	No	Waiting for an approved deviation letter from the procuring department	0	0	Yes	N/A	N/A	Waiting for an approved deviation letter from the procuring department	No	The delay is with the service provider
	Kirchmans Inc		1	4,550.00	90	No	Waiting for an approved deviation letter from the procuring department	0	0	Yes	N/A	N/A	Waiting for an approved deviation letter from the procuring department	No	The delay is with the service provider
	Security and Protection		2	5,907.00	120	No	The service provider submitted copied invoices, they are still busy trying to get means of having them certified as copies of original documents	0	0	Yes	N/A	N/A	The service provider submitted copied invoices, they are still busy trying to get means of having them certified as copies of original documents	No	The delay is with the service provider
	Ayanda Mbanga		1	9,690.80	60	No	The service provider invoiced before the process they were engaged for was finalised. We are waiting for the process to be closed and they we will pay	0	0	Yes	N/A	N/A	The service provider invoiced before the process they were engaged for was finalised. We are waiting for the process to be closed and they we will pay	No	The delay is with the HR department
	Swift travel & tours		8	38,636.78	90	No	These payments related to travel costs incurred by staff while performing their employment duties to the institution. Part of these invoices are still waiting for requisitions and orders to support payment.	0	0	Yes	N/A	N/A	These payments related to travel costs incurred by staff while performing their employment duties to the institution. Part of these invoices are still waiting for requisitions and orders to support payment.	No	The delay is with the HR department

