

Payment to suppliers and service providers within the 30 day payment period as specified by the Public Finance Management Act (PFMA), Act 1 of 1999

NATIONAL ASSEMBLY

(For written reply)

QUESTION NO. 1761

INTERNAL QUESTION PAPER NO. 20

DATE OF PUBLICATION: 27 July 2012

Mr S B Farrow (DA) to ask the Minister of Tourism:

(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 1 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?

NW2152E

MR S B FARROW (DA)

SECRETARY TO PARLIAMENT

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PAPERS OFFICE

PRESS

1761. THE MINISTER OF TOURISM ANSWERS:

National Department of Tourism

(1) (a) (i) Yes, if they comply with Supply Chain Management policy.

(ii) Yes, if they comply with Supply Chain Management policy.

(aa) Two (02) service providers.

(bb) R23 100 and R28 540 (R51 640).

(cc) 62 days and 47 days respectively.

Name of Service Provider	Invoice amount	Invoice date	Invoice receipt date	Payment date	Number of days overdue	Comments
LEE 0108 Trading Enterprise	R23 100.	18/04/2012	19/04/2012	20/06/2012	62	Late payment due to outstanding documents from the service provider
Hot Tomato Publication	R28 540. (R51 640)	03/05/2012	03/05/2012	19/06/2012	47	Late payment due to outstanding information on banking details.

(2) (a) No, no interest charged as non-compliance was on the side of the service providers.

(3) (a) No, the non-compliance was on the side of the service providers.

(4) (a) - Late submission of health and hygiene inspection certificate.
- Late submission of banking details.

(5) (a) Yes.

(i) The Department implemented internal control measures through monthly reconciliations of suppliers' payments which help to identify and prevent late payments and ensure full compliance with the Public Finance Management Act.

(ii) The internal control measures implemented by the department assist to speed up the payment process in order to prevent overdue accounts. The latest Auditor General's report confirmed that the department pay its service providers on an average within eight (08) days.

South African Tourism

(1) (b) (i) Yes.

(ii) Yes.

(aa) Not applicable.

(bb) Not applicable.

(cc) Not applicable.

(2) (b) Not applicable.

(3) (b) Not applicable.

(4) (b) Not applicable.

(5) (b) (i) Yes.

(ii) Yes.

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