



**FACT SHEET: MONITORING  
COMPLIANCE WITH THE  
REQUIREMENTS OF THE  
FINANCIAL DISCLOSURE  
FRAMEWORK FOR THE  
2008/2009 FINANCIAL  
YEAR**

**SEPTEMBER 2009**

## TABLE OF CONTENTS

	<b>PAGE</b>
Introduction	1
Significance of the Framework	1
Compliance with the Framework	1
Purpose of the Monitoring Fact Sheet	1
Progress with the Submission of the Financial Disclosure Forms for 2008/2009	1
Disclosures by National Departments	6
Disclosures by Provincial Departments	8
Submission of Disclosures by Heads of Department	16
Conclusion	18

## LIST OF FIGURES

	<b>PAGE</b>
Figure 1: Submission of Financial Disclosure Forms for the 2008/2009 Financial Year as at 31 May 2009: Country Average	2
Figure 2: Submission of Financial Disclosure Forms for the 2008/2009 Financial Year as at 31 May 2008: National Departments	6

## LIST OF TABLES

	<b>PAGE</b>
Table 1: Submission of Financial Disclosure Forms for the 2008/2009 Financial Year	2
Table 2: Departments who have submitted no Financial Disclosure forms: Monthly Progress Table	3
Table 3: Departments that have submitted no financial disclosure forms by the 31 May for the 2007/2008 and 2008/2009 Financial Years	4
Table 4: The number of officials who are repeat offenders	5
Table 5: Submission of Financial Disclosures: Compliance by National Departments	7

Table 6:	Eastern Cape: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>8</b>
Table 7:	Free State: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>9</b>
Table 8:	Gauteng: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>10</b>
Table 9:	KwaZulu-Natal: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>10</b>
Table 10:	Limpopo: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>11</b>
Table 11:	Mpumalanga: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>12</b>
Table 12:	Northern Cape: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>13</b>
Table 13:	North West: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>14</b>
Table 14:	Western Cape: Disclosure Forms Received and Outstanding for the 2008/2009 Financial Year	<b>15</b>
Table 15:	Disclosures received and outstanding: Heads of Department for the 2008/2009 Financial Year	<b>15</b>
Table 16:	Submission of Financial Disclosure Forms by Directors-General	<b>16</b>
Table 17:	Financial Disclosure Forms Received and Outstanding for the Financial Year 2008/2009 as at 31 July 2009	<b>18</b>

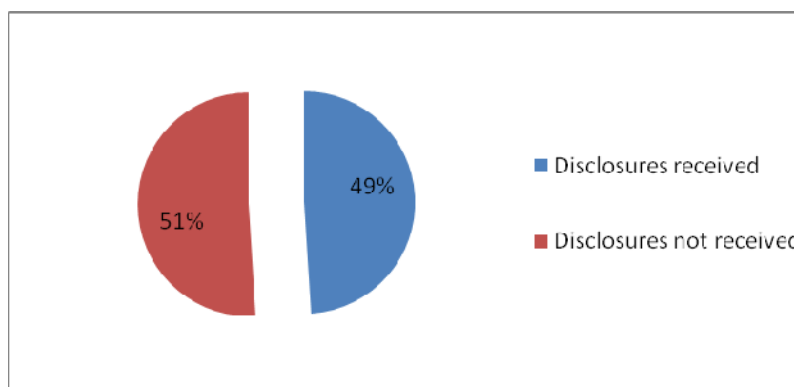
<b>Introduction</b>	<p>The Minister for Public Service and Administration (MPSA) during March 2000 approved, in terms of Section 41 (1) (d) of the Public Service Act, 1994 (as amended), the Financial Disclosure Framework for SMS Members which was incorporated as Chapter 3 of the Public Service Regulations. In terms of the Financial Disclosure Framework (the Framework) top managers at levels 15 and 16 were compelled to annually disclose their financial interests.</p> <p>During May 2001 the MPSA extended the Framework to prescribe that all members of the Senior Management Service (SMS) in the Public Service disclose their financial interests. The disclosure of financial interests obligates SMS members to, on an annual basis, disclose all their registrable interests such as shares, directorships and partnerships, sponsorships, gifts and properties to their Executive Authorities. Currently, spouses' interests need not be disclosed.</p>
<b>Significance of the Framework</b>	<p>The Framework is aimed at preventing conflicts of interest by requiring of senior managers to disclose their financial interests. Senior managers in the Public Service are entrusted with public funds and therefore they need to maintain the highest standard of professional ethics. Their integrity and that of their departments must be beyond question. Therefore the major objective of the Framework is to promote integrity in the Public Service.</p> <p>Given the objective of the Framework the need for the effective management thereof is of paramount importance to the PSC. The effective management of the Financial Disclosure Framework does not only entail keeping record of who submits and who does not submit financial disclosure forms but it entails, most importantly, assessing/scrutinizing the forms to determine potential conflicts of interest. The PSC has, in terms of the Public Service Regulations the responsibility to assess the financial disclosure forms to identify conflicts of interest and advising Executing Authorities accordingly. If financial disclosure forms are not submitted timeously to the PSC it is not able to identify potential conflicts of interest and advise Executive Authorities timeously.</p>
<b>Compliance with the Framework</b>	<p>Every designated employee (senior manager) should, <b>not later than 30 April</b> of each year, disclose to the relevant Executing Authority particulars of all her/his registrable interests in respect of the period 1 April of the previous year to 31 March of the year in question. The Executive Authority must in turn submit a copy of the financial disclosure form to the (PSC) by <b>31 May</b> of each year. Therefore, the financial disclosure forms for the 2008/2009 financial year should have been with the PSC by <b>31 May 2009</b>.</p>
<b>Purpose of the Monitoring Fact Sheet</b>	<p>The purpose of this Monitoring Fact Sheet is to give an overview of the submission of the financial disclosure forms for the financial year 2008/2009. A statistical analysis is provided on the financial disclosure forms that have been received by the Public Service Commission (PSC) and it is indicated to what extent national and provincial departments have complied (by the due date) with the Framework.</p>
<b>Progress with the</b>	<p>The submission of the financial disclosure forms for 2008/2009 at the</p>

### submission of the financial disclosure forms for 2008/2009

due date of May 2009 by National and Provincial departments has marginally increased from the compliance figure achieved for the 2007/2008 financial year. For the 2007/2008 financial year, copies of the disclosure forms of 17 national departments and 27 provincial departments were received by the PSC on or before the due date of 31 May 2008. The compliance rate for the entire Public Service on or before the due date for the 2007/2008 financial year was 48%.

As at 31 May 2009 the financial disclosure forms of 49% of the designated officials have been received by the PSC for 2008/2009 as illustrated in **Figure 1**. This represents an improvement of one percent (1%) in comparison to the previous financial year (2007/2008). Although there is a marginal improvement in the submission rate for the 2008/2009 financial year as compared to 2007/2008, the level of compliance to this regulatory requirement is still unacceptably low.

**FIGURE 1: SUBMISSION OF FINANCIAL DISCLOSURE FORMS FOR THE 2008/2009 FINANCIAL YEAR AS AT 31 MAY 2009: COUNTRY AVERAGE**



**Table 1** indicates the number of forms received and outstanding as at the due date of 31 May 2009. Evident from **Table 1** is the fact that only 39% of the forms of national departments as opposed to 58% of the forms of provincial departments were received by the PSC.

**TABLE 1: SUBMISSION OF FINANCIAL DISCLOSURE FORMS FOR THE 2008/2009 FINANCIAL YEAR AS AT 31 MAY 2009**

NATIONAL DEPARTMENT / PROVINCE	NO. OF SMS MEMBERS	NO. OF FORMS RECEIVED	NO. OF FORMS OUTSTANDING	PERCENTAGE RECEIVED
National Departments	4588	1805	2783	39%
Eastern Cape	668	382	286	57%
Free State	378	100	278	27%
Gauteng	966	261	705	27%
Kwazulu-Natal	714	486	228	68%
Limpopo	466	373	93	80%
Mpumalanga	312	140	172	45%
Northern Cape	202	162	40	80%
North West	319	287	32	90%
Western Cape	406	382	24	94%
<b>OVERALL PROVINCIAL SUBMISSION</b>	<b>4431</b>	<b>2573</b>	<b>1858</b>	<b>58%</b>
<b>COUNTRY AVERAGE</b>	<b>9019</b>	<b>4378</b>	<b>4641</b>	<b>49%</b>

A worrying tendency that has been noted is that departments submit the disclosure forms of a percentage of their SMS members and thereafter neglects to submit the remainder of the disclosure forms. Departments who did not submit any disclosure forms by the due date of 31 May 2009 and by 31 July 2009 are listed in table 2.

**TABLE 2: DEPARTMENTS WHO HAVE SUBMITTED NO FINANCIAL DISCLOSURE FORMS AS AT 31 MAY 2009 AND 31 JULY 2009.**

No Disclosures Received as at 31 May 2009	No Disclosures Received as at 31 July 2009
<b>NATIONAL DEPARTMENTS:</b>	<b>NATIONAL DEPARTMENTS:</b>
Arts and Culture	Arts and Culture
Defence <i>(Currently known as Defence and Military Veterans)</i>	Defence <i>(Currently known as Defence and Military Veterans)</i>
Correctional Services	Correctional Services
GCIS	-
Housing <i>(Currently known as Human Settlements)</i>	Housing <i>(Currently known as Human Settlements)</i>
National Prosecuting Authority	National Prosecuting Authority
Land Affairs <i>(Currently known as Rural Development and Land Reform)</i>	Land Affairs <i>(Currently known as Rural Development and Land Reform)</i>
Labour	-
Public Works	Public Works
Health	Health
ICD	ICD
Trade and Industry	-
Statistics South Africa	Statistics South Africa
Social Development	-
Science and Technology	-
Water Affairs and Forestry <i>(Currently known as Water and Environmental Affairs)</i>	-
Transport	Transport
Pensions Administration	Pensions Administration
<b>EASTERN CAPE:</b>	<b>EASTERN CAPE:</b>
Sports, Recreation, Arts and Culture	-
<b>FREE STATE</b>	<b>FREE STATE PROVINCE:</b>
Agriculture	Agriculture
Sports, Arts, Culture and Recreation	-
Office of the Premier	-
Local Government and Housing <i>(Currently known as Human Settlements)</i>	-
Provincial Treasury	-
Public Works, Roads and Transport <i>(Currently known as Police, Roads and Transport)</i>	Public Works, Roads and Transport <i>(Currently known as Police, Roads and Transport)</i>
<b>GAUTENG:</b>	<b>GAUTENG:</b>
Finance and Economic Development	-
Office of the Premier	-
Public Transport Roads and Works	-

Health	-
<b>KWAZULU NATAL</b>	<b>KWAZULU NATAL:</b>
Economic Development <i>(Currently known as Economic Development and Tourism)</i>	-
Royal Household	Royal Household
<b>LIMPOPO PROVINCE</b>	<b>LIMPOPO PROVINCE</b>
Transport <i>(Currently known as Roads and Transport)</i>	-
<b>MPUMALANGA</b>	<b>MPUMALANGA</b>
Education	Education
Finance	-
Agriculture and Land Administration <i>(Currently known as Agriculture, Rural Development and Land Administration)</i>	-
Office of the Premier	Office of the Premier
<b>NORTHERN CAPE</b>	<b>NORTHERN CAPE</b>
Transport, Roads and Public Works	-
<b>NORTH WEST</b>	<b>NORTH WEST</b>
-	-
<b>WESTERN CAPE</b>	<b>WESTERN CAPE</b>
-	-

There are a number of departments that on a year to year basis do not submit disclosures by the due date of 31 May. The following departments did not submit disclosures by the due date for both the 2007/2008 and 2008/2009 financial year.

**TABLE 3: DEPARTMENTS THAT DID NOT SUBMIT FINANCIAL DISCLOSURE FORMS BY THE 31 MAY FOR THE 2007/2008 AND 2008/2009 FINANCIAL YEARS.**

<b>2007/2008 AND 2008/2009 FINANCIAL YEAR</b>
<b>NATIONAL DEPARTMENTS</b>
Arts and Culture
Correctional Services
Housing <i>(Currently known as Human Settlements)</i>
National Prosecution Authority
Land Affairs <i>(Currently known as Rural Development and Land Reform)</i>
Public Works
Health
Trade and Industry
Statistics South Africa
Social Development
Transport
<b>EASTERN CAPE</b>
-
<b>FREE STATE</b>
Agriculture
Office of the Premier
Local Government and Housing <i>(Currently known as Cooperative Governance and Traditional Leadership)</i>
Provincial Treasury
Public Safety, Security and Liaison <i>(Currently known as Police,</i>

<i>Roads and Transport</i>
<b>GAUTENG</b>
Finance and Economic Development
Public Transport, Roads and Works
<b>KWAZULU-NATAL</b>
Royal Household
<b>LIMPOPO</b>
Transport ( <i>Currently known as Roads and Transport</i> )
<b>MPUMAMLANGA</b>
Education
Office of the Premier
Finance
Agriculture and Land Administration ( <i>Currently known as Agriculture, Rural Development and Land Administration</i> )
<b>NORTHERN CAPE</b>
-
<b>NORTH WEST</b>
-
<b>WESTERN CAPE</b>
-

As highlighted in the overview of the implementation of the Financial Disclosure Framework for 2007/2008<sup>1</sup> there are a number of repeat offenders (senior managers) whose financial disclosures are not received by the due date. The number of officials whose forms were not received by the due date for both the 2007/2008 and 2008/2009 financial years is indicated in **Table 4**.

**TABLE 4: THE NUMBER OF OFFICIALS WHO ARE REPEAT OFFENDERS AS AT 31 JULY 2009.**

NATIONAL DEPARTMENT / PROVINCE	LEVELS OF DESIGNATED OFFICIALS			
	DIRECTORS GENERAL	DEPUTY DIRECTORS GENERAL	CHIEF DIRECTORS	DIRECTORS
National Departments	7	38	148	500
Eastern Cape	1	1	5	53
Free State	0	1	1	10
Gauteng	1	2	9	29
Kwazulu-Natal	1	1	6	62
Limpopo	0	0	0	3
Mpumalanga	0	0	0	12
Northern Cape	0	0	0	0
North West	0	0	0	0
Western Cape	0	0	0	0
<b>TOTAL</b>	<b>10</b>	<b>43</b>	<b>169</b>	<b>669</b>

In order to address the challenge of non-compliance, the Chairperson of the PSC forwarded a letter to all Executive Authorities. The letter served to remind Executive Authorities of their obligation to submit copies of the disclosure forms to the PSC. The Executive Authorities were also advised that in the event where they have not received the disclosure form from a designated official by the due date they should charge such officials with misconduct for not complying with the Public

<sup>1</sup> Republic of South Africa. Overview of the implementation of the Financial Disclosure Framework for 2007/2008. Public Service Commission, 2009.

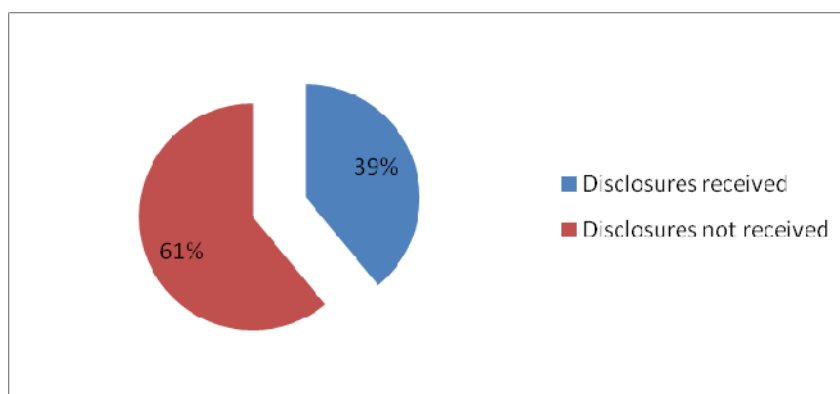
Service Regulations Chapter 3, in terms of the Disciplinary Code of Procedures as contained in the SMS Handbook.

### Disclosures by National Departments

Of the thirty-seven (37) national departments, nineteen (19) submitted disclosure forms by the due date. This is a marginal decrease if compared with the previous financial year (2007/2008) in which the forms of only twenty (20) national departments were received by the due date. The disclosure forms of six (6) national departments were received after the due date i.e. 31 July 2009. This implies that by 31 July 2009, the disclosure forms of twelve (12) national departments were still outstanding (see **table 2**).

As illustrated by **Figure 2** below this represents a compliance rate, by the due date, of 39% by national departments. This is a very low compliance rate and is a matter of great concern given that national departments take a lead in policy development and should also lead in complying with such policy.

**Figure 2: SUBMISSION OF FINANCIAL DISCLOSURE FORMS FOR THE 2008/2009 FINANCIAL YEAR AS AT 31 MAY 2009: NATIONAL DEPARTMENTS**



Significant to note is that financial disclosure forms from departments that are involved in big programmes and tenders, for example, the departments of Housing, Public Works, Transport and Trade and Industry, are not forthcoming timeously. This impedes the PSC's ability to scrutinize their disclosures in order to identify potential conflicts of interest. Given the large tenders awarded by these departments such lack of compliance may put these departments at great risk to potential corrupt practices.

There was a marginal improvement in the compliance rate after the due date. Comparatively speaking 2698 disclosure forms were received before the due date whilst 1911 disclosure forms were received after the due date. This implies that as at 31 July 2009 the compliance rate for national departments stands at 59%.

A breakdown of National Departments and the status of compliance per department is provided for in **Table 5** below. As mentioned before, a worrying trend that emanates from this table is that many departments fail to submit all the disclosure forms by the due date and then further neglect to submit the outstanding disclosure forms.

**Table 5: SUBMISSION OF FINANCIAL DISCLOSURES: COMPLIANCE BY NATIONAL DEPARTMENTS FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No of SMS Members	No. of Forms Received on the due date	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Defence (Currently known as Defence & Military Veterans)	287	0	0	287
Agriculture (Currently known as Agriculture, Forestry & Fisheries)	60	59	59	1
Arts and Culture	45	0	0	45
Education (Currently known as Basic Education)	100	83	83	17
Communications	73	69	69	4
Provincial and Local Government (Currently known as Cooperative Governance and Traditional Affairs)	121	120	120	1
Correctional Services	176	0	0	176
DPSA	80	80	80	0
Environmental Affairs and Tourism	129	117	117	12
Government Communications and Information Systems	51	0	45	6
Health	105	0	0	105
Home Affairs	69	69	69	0
Housing (Currently known as Human Settlements)	73	0	0	73
ICD	16	0	0	16
Foreign Affairs (Currently known as International Relations & Cooperation)	244	159	188	56
Justice and Constitutional Development	234	2	224	10
Labour	78	0	67	11
Minerals and Energy (Currently known as Energy)	111	1	54	57
National Prosecuting Authority	244	0	0	244
National Treasury including Pensions Administrations	298	213	219	79
Office of the Public Service Commission	42	42	42	0
PALAMA	43	41	41	2
Public Enterprises	42	39	39	3
Public Works	132	0	0	132
Land Affairs (Currently known as Rural Development & Land Reform)	107	0	0	107
Science and Technology	87	0	4	83
Social Development	101	0	84	17
South African Police Service	656	636	655	1
South African Secret Service	1	1	1	0

Sports and Recreation	24	24	24	0
NIA (Currently known as State Security)	2	2	2	0
Statistics South Africa	187	0	0	187
The Presidency	81	47	47	34
Trade and Industry	187	0	187	0
Transport	125	0	0	125
Water Affairs and Forestry (Currently known as Water and Environmental Affairs)	198	0	178	20

### Disclosures by Provincial Departments

As illustrated by **Table 1** the compliance rate for provincial departments as at the due date of 31 May 2009 was only 58%. Given the objective of building integrity and thereby preventing corruption at provincial level the submission of the financial forms is extremely important as this is the sphere where actual service delivery takes place. The low compliance rate at provincial level is therefore a cause for concern.

A breakdown of Provincial Departments and the status of compliance per province are provided for in the tables below.

**TABLE 6: EASTERN CAPE: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of forms Received on the due date	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Agriculture (Currently known as Agriculture and Rural Development)	43	30	43	0
Economic Affairs, Environment and Tourism (Currently known as Economic Development and Environmental Affairs)	25	19	19	6
Education	68	41	41	27
Health	215	48	48	167
Housing, Local Government and Traditional Affairs (Currently known as Local Government and Traditional Affairs)	82	68	76	6
Office of the Premier	50	30	45	5
Provincial Treasury	43	41	41	27
Public Works (Currently known as Roads and Public Works)	26	16	23	3
Roads and Transport (Currently known as Transport)	51	47	47	4
Safety and Liaison	7	2	6	1
Social Development	40	35	35	5
Sports, Recreation, Arts and Culture	23	0	21	2

In the Eastern Cape only the Department of Sports, Recreation, Arts

and Culture did not submit financial disclosure forms to the PSC. The compliance rate for the province by the due date is 57%. This is a marginal increase as compared to the 2007/2008 financial year where the compliance rate was 50% before the due date. By 31 July 2009 this percentage increased to 66%.

As at 31 July 2009 the province had seven (7) officials at the level of Director-General of which five (5) submitted disclosure forms. For the same period the province had twenty-four (24) officials on the level of Deputy Director-General of which fourteen (14) submitted financial disclosure forms. Hence the compliance rate for top management in the province is 61%.

**TABLE 7: FREE STATE PROVINCE: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of Forms Received on the due date	No. of Forms Received as at 31 June 2009	No. of Forms Outstanding
Agriculture	17	0	0	17
Education	42	2	2	40
Health	141	53	60	81
Office of the Premier	29	0	24	5
Social Development	24	7	7	17
Local Government and Housing (Currently known as Cooperative Governance and Traditional Leadership)	40	0	22	18
Public Safety and Liaison (Currently known as Police, Roads and Transport)	12	0	0	12
Tourism, Environment and Economic Affairs (Currently known as Economic Development, Tourism and Environmental Affairs)	19	16	16	3
Sports Arts, Culture and Recreation	13	0	0	13
Provincial Treasury	19	0	17	2
Public Works, Roads and Transport (Currently known as Public Works and Rural Development)	23	22	22	1

In the Free State only five (5) departments submitted disclosure forms by the due date.

As illustrated by table 7, no other department in the province complied by the due date and by 31 July 2009 three departments must still submit disclosure forms. By 31 July 2009, 170 disclosure forms were received from the province which represents a compliance rate of 45%. At the same time during the last financial year the compliance rate for the province was 71%.

As at 31 July 2009 the province had ten (10) officials at the level of Director-General of which six (6) submitted disclosure forms. For the same period the province had sixteen (16) officials on the level of Deputy Director-General of which five (5) submitted financial disclosure forms. Hence the compliance rate for top management in the province is 42%.

**TABLE 8: GAUTENG: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of Forms Received on the due date	No. of Forms Received as 31 July 2009	No. of Forms Outstanding
Agriculture Conservation and Environment	37	37	37	0
Community Safety	24	20	20	4
Education	76	9	58	18
Finance and Economic Development	46	0	15	31
Gauteng Treasury	59	46	48	11
Health	344	0	221	123
Housing	67	43	45	22
Gauteng Shared Services Centre	80	65	65	15
Local Government	26	1	25	1
Office of the Premier	37	0	27	10
Public Transport Roads and Works	125	0	30	95
Social Development	25	25	25	0
Sports, Arts, Culture and Recreation	20	15	18	2

The compliance rate for the Gauteng Province for the previous financial year (2007/2008) by the due date was 47%. However, by the due date for this financial year (2008/2009) the compliance rate was 27%. As at 31 July 2009 this percentage increased to 66%.

As at 31 July 2009 the province had twenty-one (21) officials at the level of Director-General of which fourteen (14) submitted disclosure forms. For the same period the province had fifty-six (56) officials on the level of Deputy Director-General of which thirty-six (36) submitted financial disclosure forms. Hence the compliance rate for top management in the province is 65 %.

**TABLE 9: KWAZULU-NATAL: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of Forms Received on the due date	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Agriculture (Currently known as Agriculture, Environmental Affairs and Rural Development)	44	30	32	12
Arts, Culture and Tourism (Currently known as Arts and Culture)	25	25	25	0

Community Safety and Liaison (Currently known as Safety and Security)	11	11	11	0
Education	93	85	85	8
Economic Development (Currently known as Economic Development and Tourism)	23	0	23	0
Health	268	137	137	131
Housing (Currently known as Human Settlements)	19	15	15	4
Local Government and Traditional Affairs	36	24	26	10
Office of the Premier	51	40	40	11
Public Works	23	21	21	2
Provincial Treasury	39	39	39	0
Royal Household	2	0	0	2
Social Welfare and People Development (Currently known as Social Development)	37	15	27	10
Sports and Recreation	12	12	12	0
Transport	32	32	32	0

For the 2008/2009 financial year KwaZulu-Natal achieved 68% in the submission of the disclosure forms by the due date. As illustrated by Table 9, the department of the Royal Household did not submit disclosure forms at all.

As at 31 July 2009 the province had ten (10) officials at the level of Director-General of which six (6) submitted a disclosure form. For the same period the province had thirty (30) officials on the level of Deputy Directors-General of which twenty-one (21) submitted financial disclosure forms. Hence the compliance rate for top management in the province is 68%.

**TABLE 10: LIMPOPO PROVINCE: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of forms Received on the due date	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Agriculture	34	34	34	0
Education	50	32	42	8
Economic Development (Currently known as Economic Development, Environment and Tourism)	35	35	35	0
Health and Social Development	100	66	67	33
Local Government (Currently known as Local Government and Housing)	42	42	42	0
Office of the Premier	79	75	75	4
Public Works	27	26	26	1
Provincial Treasury	41	39	41	0

Safety, Security and Liaison	13	13	13	0
Sports Arts and Culture	11	11	11	0
Transport (Currently known as Roads and Transport)	35	0	33	2

As illustrated by Table 10, only the Department of Transport in of the Limpopo Province did not submit disclosure forms by the due date. It must be noted that for two consecutive years, this department has failed to submit the disclosure forms before the due date. By 31 July 2009 the disclosure forms of the Department of Transport were still outstanding.

The Province achieved a compliance rate of 80% by the due date. By 31 July 2009 the compliance rate increased to 90%.

As at 31 July 2009 the province had five (5) officials at the level of Director-General who all submitted disclosure forms. Their compliance rate is the same as for the 2007/2008 financial year. For the same period (2008/2009) the province had twenty-seven (27) officials on the level of Deputy Director-General of which all submitted financial disclosure forms. Hence the compliance rate for top management in the province is 100%. This is one of two provinces where top management achieved a 100% compliance rate, illustrating that top management is leading by example.

**TABLE 11: MPUMALANGA: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of forms Received on the due date	No. of Forms Received as at 31 June 2009	No. of Forms Outstanding
Agriculture and Land Administration (Currently known as Agriculture, Rural Development and Land Administration)	24	0	8	16
Culture Sports and Recreation	10	10	10	0
Economic Development and Planning (Currently known as Economic Development , Environment and Tourism)	25	20	24	1
Education	31	0	0	31
Finance	17	0	16	1
Health and Social Services (Currently known as Health)	57	34	34	23
Local Government and Housing (Currently known as Cooperative Governance and Traditional Affairs)	26	9	9	17
Office of the Premier	45	0	0	45
Public Works	29	24	24	5
Roads and Transport	34	30	30	4
Safety and Security (Currently known as Community Safety, Security and Liaison)	14	12	12	2

In the Mpumalanga Province only the following four departments did not submit disclosure forms by the due date:

- Office of the Premier
- Agriculture and Land Administration
- Education
- Finance

The compliance rate for the province by the due date was 45%. The disclosure forms of the Department of Agriculture and Land Administration and Department of Finance were received by the PSC by 31 July 2009. As at 31 July 2009 the disclosure forms of the Office of the Premier and Department of Education were still outstanding. It must be noted that for two consecutive years, the Office of the Premier and Department of Education have failed to submit the disclosure forms before the due date. Furthermore, as illustrated by table 11 these departments have not submitted the disclosure forms at all. The compliance rate for the province as at 31 July 2009 stands at 54%. This is a significant decrease as compared to the submission of the disclosure forms for the previous financial year (2007/2008) as at 30 June 2008 the Mpumalanga Province had a 84% compliance rate.

As at 31 July 2009 the province had two (2) officials at the level of Director-General of which all did not submit their disclosure forms. For the same period the province had seventeen (17) officials on the level of Deputy Director-General of which all submitted financial disclosure forms. Hence the compliance rate for top management in the province is 8%.

**TABLE 12: NORTHERN CAPE: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of forms Received on the due date	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Agriculture and Land Reform	13	13	13	0
Economic Affairs	15	10	10	5
Education	26	21	21	5
Health	33	27	27	6
Housing and Local Government	16	15	16	0
Office of the Premier	29	26	26	3
Provincial Treasury	16	15	15	1
Safety and Liaison	6	6	6	0
Social Services and Population Development	15	13	13	2
Sports Arts and Culture	9	8	8	1
Tourism Environment and Conservation	10	9	9	1
Transport, Roads and Public Works	15	0	14	1

All the departments of the Northern Cape Province submitted disclosure forms, except the Department of Transport, Roads and Public Works, by the due date. The compliance rate for the province by the due date was 80% and the compliance rate as at 31 July 2009 was 88%. There is marginal decrease in the submission of the disclosure forms as for the previous financial year (2007/2008) the compliance rate was 88% before the due date and 84% after the due date. With only 25 individuals that still need to submit their disclosure forms it is trusted that the province will achieved 100% for the 2008/2009 financial year as they did for the 2007/2008 financial year.

As at 31 July 2009 the province had no officials at the level of Director-General and thirteen (13) on the level of Deputy Director-General of which eleven (11) submitted disclosure forms. Hence the compliance rate for top management in the province is 85%.

**TABLE 13: NORTH WEST: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of forms Received on the due date	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Agriculture, Conservation and Environment (Currently known as Agriculture Conservation , Environment and Rural Development)	22	21	22	0
Developmental Local Government and Housing (Currently known as Local Government and Traditional Affairs)	21	21	21	0
Economic Development and Tourism	14	13	14	0
Education	40	36	38	2
Finance	26	25	25	1
Health (Currently known as Health and Social Development)	89	72	79	10
Office of the Premier	32	32	32	0
Public Works (Currently known as Public Works, Roads and Transport)	18	18	18	0
Social Development	17	15	15	2
Sport, Arts and Culture	16	14	16	0
Transport, Roads and Community Safety	25	24	25	0

Albeit after the due date, the North West Province had a compliance rate of 100% for the previous (2007/2008) financial year. By the due date of 31 May 2009 the compliance rate for the province is 90%. By 31 July 2009 the compliance rate is 95% with only 15 designated officials that still need to submit their disclosure forms to the PSC.

Generally, the province always has a good compliance rate. However, this was achieved in the past mainly after the due date. This trend is shown again for the 2008/2009 financial year.

As at 31 July 2009 the province had four (4) officials at the level of

Director-General of which all submitted a disclosure form. For the same period the province had sixteen (16) officials on the level of Deputy Director-General of which fourteen (14) submitted financial disclosure forms. Hence the compliance rate for top management in the province is 90%.

**TABLE 14: WESTERN CAPE: DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE 2008/2009 FINANCIAL YEAR**

Departments	No. of SMS Members	No. of forms Received	No. of Forms Received as at 31 July 2009	No. of Forms Outstanding
Agriculture	16	16	16	0
Cultural Affairs and Sports	9	9	9	0
Community Safety	20	19	19	1
Economic Development and Tourism	14	14	14	0
Education	56	54	54	2
Environmental Affairs and Development Planning	12	10	10	2
Health	133	127	127	6
Local Government and Housing	24	24	24	0
Office of the Premier	45	43	44	1
Provincial Treasury	22	21	22	0
Social Development	15	15	15	0
Transport and Public Works	35	24	24	11

Albeit after the due date, the Western Cape achieved a 100% compliance rate for the 2007/2008 financial year. By the due date of 31 May 2009 for the 2008/2009 financial year the compliance rate was 94%. This is a significant increase compared to the compliance rate for the previous financial year (2007/2008) where the compliance rate was 75% before the due date and 85% after the due date. With only 23 designated officials that still needs to submit their disclosure forms, the province should achieve a 100% compliance rate for 2008/2009 financial year.

As at 31 July 2009 the province had seven (7) officials at the level of Director-General of which all submitted disclosure forms. For the same period the province had nineteen (19) officials on the level of Deputy Director-General of which all submitted disclosure forms. Hence the compliance rate for top management in the province is 100%. The second province to achieve a 100% compliance rate by its top management. This illustrates that the top management is leading by example.

The rate of compliance with the Framework by Heads of Department at National and Provincial level is reflected in **Table 15**.

**TABLE 15: DISCLOSURES RECEIVED AND OUTSTANDING: HEADS OF DEPARTMENTS FOR 2008/2009 FINANCIAL YEAR AS AT 31 JULY 2009**

NATIONAL DEPARTMENT / PROVINCE	Number of HODs	Disclosures received	Disclosures outstanding	Percentage
National	38	20	18	53%

Departments				
Eastern Cape	13	9	4	69%
Free State	12	5	7	42%
Gauteng	13	11	2	85%
Kwazulu-Natal	15	13	2	87%
Limpopo	11	8	3	73%
Mpumalanga	13	10	3	77%
Northern Cape	12	11	1	99%
North West	11	10	1	99%
Western Cape	12	10	2	83%
<b>OVERALL PROVINCIAL SUBMISSION</b>	<b>112</b>	<b>87</b>	<b>25</b>	<b>78%</b>
<b>COUNTRY AVERAGE</b>	<b>150</b>	<b>107</b>	<b>43</b>	<b>71%</b>

Heads of Department (HoDs) are the decision makers who control and manage their respective departments. They are supposed to lead by example. The compliance rate of the National Departments as at 31 July 2009 was 53% which is not satisfactory. As at 01 April 2009 the National Departments had thirty-eight (38) HoDs of which twenty (20) submitted their disclosure forms and seventeen (18) still had to submit their disclosure forms to the PSC.

### Submission of Disclosures by Heads of Department

The compliance rate of HoDs of Provincial Departments as at 31 July 2009 was 78%. As at 01 April 2009 Provincial Departments had one hundred and thirteen (112) HoDs of which eighty-seven (87) submitted their disclosure forms and twenty-five (25) still had to submit their disclosure forms to the PSC.

**Table 16** illustrates the submission of disclosure forms by Directors-General of National Departments and Offices of Premiers. Of the forty-seven (47) Directors-General, only fifteen (15) complied by the due date. A further twelve (12) submitted disclosure forms after the due date. Therefore, as at 31 July 2009, twenty (20) Directors-General must still submit disclosure forms to the PSC. This represents a submission rate of 53%.

**Table 16: Submission of Financial Disclosure forms by Directors-General for the 2008/2009 Financial Year.**

NAME OF DEPARTMENT	NAME OF DIRECTOR – GENERAL	RECEIVED BEFORE 31 MAY 2008	RECEIVED AFTER 31 MAY 2008	OUTSTANDING
Agriculture, Forestry and Fisheries	Ms N. Nduli	✓		
Arts and Culture	Mr T. Wakashe			✓
Communications	Ms G. Grabe		✓	
Correctional Services	Ms X. Sibeko			✓
Defence	Mr T. Motumi			✓
	General G. N. Ngwenya			✓
Education (Currently known as Basic Education)	Mr D. Hindle	✓		
Minerals and Energy (Currently known as Energy)	Adv S. Nogxina		✓	
Environmental Affairs	Ms N. Ngele (Act)		✓	

Foreign Affairs (Currently known as <i>International Relations and Cooperation</i> )	Dr A. Ntsaluba			✓
Government Communications and Information System	Mr T. J. Maseko		✓	
Health	Mr T. D. Mseleku			✓
Higher Education and Training	Dr M. Qhobela (Act)			✓
Home Affairs	Mr M. Msimang	✓		
Housing (Currently known as <i>Human Settlements</i> )	Mr I.W. Kotsoane			✓
Justice and Constitutional Development	Adv. M. Simelane		✓	
Labour	Mr S. Morotoba (Act)		✓	
Land Affairs (Currently known as <i>Rural Development and Land Reform</i> )	Mr T. Gwanya			✓
Minerals and Energy (Currently known as <i>Minerals Resources</i> )	Adv S. Nogxina		✓	
Provincial and Local Government (Currently known as <i>Cooperative Governance and Traditional Affairs</i> )	Mr E. Africa (Act)	✓		
Public Enterprises	Ms P. Molefe	✓		
Public Service and Administration	Prof R. Levin		✓	
Public Works	Mr M. Moroka			✓
SAPS	Mr B. Cele			✓
Science and Technology	Dr P. Mjwara			✓
Social Development	Mr V. Madonsela		✓	
Sport and Recreation	Mr V. Peterson	✓		
Transport	Ms M. Mpopu			✓
Independent Complaints Directorate	Mr F. Beukman			✓
National Intelligence Agency	Mr M. E. Manzini	✓		
National Prosecuting Authority (NPA)	Adv M. Mpshe			✓
National Treasury	Mr L. Kganyago	✓		
Office of the Public Service Commission	Ms O. Ramsingh	✓		
Presidency (including Youth Comm)	Mr V. Mavimbela			✓
Public Administration Leadership and Management Academy (PALAMA)	Dr M. Orkin		✓	
South African Secret Service	Mr H. Dennis	✓		
Statistics South Africa	Mr P. Lehohla			✓
Trade and Industry	Mr T. Matona		✓	

Water Affairs and Forestry (Currently known as Water and Environmental Affairs)	Ms N. Ngele (Act)		✓	
Women, Youth, Children and People with Disabilities	Ms V. Nxasana (Acting)			✓
Eastern Cape	Dr S. Muthwa	✓		
Free State	Dr M.C. Nwaila		✓	
Gauteng	Mr M. Petje		✓	
KwaZulu-Natal	Mr R. Govender (Acting)	✓		
Limpopo	Dr H.N. Manzini	✓		
Mpumalanga	Mr J.S. Mgidi			✓
North West	Ms N. Magomola	✓		
Northern Cape	Ms M. Marais-Martin (Acting)	✓		
Western Cape	Adv b. Gerber (Acting)			✓
<b>TOTAL</b>	<b>47</b>	<b>15</b>	<b>12</b>	<b>20</b>

The total number of financial disclosure forms received for the financial year 2008/2009 as at 31 July 2009 is displayed in **table 17**.

**TABLE 17: FINANCIAL DISCLOSURE FORMS RECEIVED AND OUTSTANDING FOR THE FINANCIAL YEAR 2008/2009 AS AT 31 JULY 2009**

NATIONAL DEPARTMENT / PROVINCE	NO. OF SMS MEMBERS	NO. OF FORMS RECEIVED	NO. OF FORMS OUTSTANDING	PERCENTAGE RECEIVED
National Departments	4609	2698	1911	59%
Eastern Cape	673	445	228	66%
Free State	379	170	209	45%
Gauteng	966	634	332	66%
Kwazulu-Natal	715	525	190	73%
Limpopo	467	419	48	90%
Mpumalanga	312	167	145	54%
Northern Cape	203	178	25	88%
North West	320	305	15	95%
Western Cape	401	378	23	94%
<b>COUNTRY AVERAGE</b>	<b>9045</b>	<b>5919</b>	<b>3126</b>	<b>65%</b>
<b>OVERALL PROVINCIAL SUBMISSION</b>	<b>4436</b>	<b>3221</b>	<b>1215</b>	<b>73%</b>

## Conclusion

The PSC is very concerned about the low compliance rate to the Financial Disclosure Framework. Senior managers are entrusted with public funds and therefore they need to show a high level of professional ethics by disclosing their financial interests. In so doing they will not only prove their accountability but also promote the ideals of integrity in the Public Service. In the event where a designated official does not disclose his/her financial interest by the due date to the Executive Authority such officials should be charged with misconduct for not complying with the Public Service Regulations Chapter 3, in terms of the Disciplinary Code of Procedures as contained in the SMS Handbook.

However it has been noted that many designated officials submit their financial disclosure forms on or before the due (i.e. 30 April) but the Executive Authorities delay in submitting the forms to the PSC. On

perusal of the disclosure forms it has been found that on forms submitted by some departments there is a significant lapse of time where a designated official has signed his/her form and the date on which the form is signed by the Executive Authority. The obligation to submit the disclosure forms to the PSC rests with the Executive Authority. **If the disclosure forms are not submitted timeously, it places the PSC in a position where it would have to summons an Executive Authority for failure to submit the disclosure forms.**

Given that the submission of the financial disclosure forms is a regulatory requirement intended to minimize corrupt practices, only a 100% rate of compliance is acceptable to the PSC. The non-submission or late submission of disclosure forms undermines the integrity of the Framework.