

A REVIEW OF EVENTS/INTERNATIONAL TRIPS IN KZN DEPARTMENTS

Compiled by Jeremy Upfold, using data from 2015/16 - 2018/19

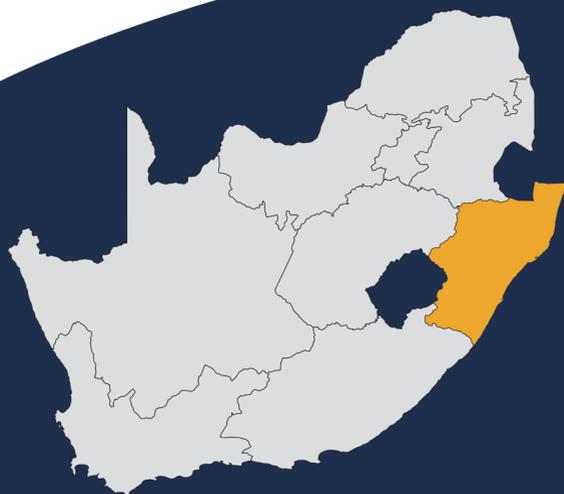
BACKGROUND

- There is a large gap of **R145.996 million** between approved spending on events requests and actual costs as per the Basic Accounting System.
- Over the past four financial years (2015/16 to 2018/19), the province has spent more than **R1.411 billion** on events, averaging more than **R350 million** per year.

INSTITUTIONAL CONTEXT

- The programme of monitoring departmental/public entity events and international trips began after the financial crisis of **2008**, as well as the more than **R3 billion** bank overdraft incurred by the province in 2009/10.
- Provincial Treasury was thus mandated by **EXCO** to verify and monitor areas of potential cost containment.
- **The Public Finance unit** within Provincial Treasury was identified as the centre where this programme would be controlled from.

PERFORMANCE



SPENDING ON EVENTS FOR THE PROVINCE AS A WHOLE WAS SIGNIFICANTLY HIGHER THAN ANTICIPATED

IT WAS EXPECTED THAT EVENTS WOULD TOTAL APPROXIMATELY

R100

MILLION PER YEAR

based on the number of events requested for approval by departments & their values

THE ANNUAL TOTAL FOR THE PROVINCE FOR 2015/16 TO 2018/19

AVERAGED MORE THAN

R350 MILLION

WITH 2018/19 THE HIGHEST AT ALMOST

R390 MILLION

MORE THAN

R257 MILLION

WAS SPENT IN THE FIRST

8 MONTHS

OF 2019/20

ON TRACK TO EXCEED THE YEARLY AVERAGE

The department attributes the high spending to its programme of moral regeneration and Social cohesion, which is aimed at addressing a variety of Social ills including Gender-based violence, declining family values and Xenophobia, among others

RECOMMENDATIONS

Provincial Treasury needs better controls to be implemented in the compiling of its events register

Departments need to be encouraged to centralise the submission of event requests to one component, which would then co-ordinate all events from all line function programmes

Provincial events are costing far more to the fiscus than initially thought