

Corruption Watch (RF) NPC
Reg. No. K2011/118829/08
8th Floor Heerengracht Building, 87 De Korte Street
Braamfontein 2001 Johannesburg
P O Box 30630 Braamfontein 2017
T +27 (0)11 242 3900 F (0)11 403 2392
info@corruptionwatch.org.za www.corruptionwatch.org.za



4 May 2017

Mr Nelson Themba Godi
Member of Parliament and Chairperson of the
Standing Committee on Public Accounts ("Scopa")
Per email: ngodi@parliament.gov.za

c/o Nadiema Jackson
Secretary to the Chairperson
Per email: njackson@parliament.gov.za

And to: Members of Parliament and of Scopa

Ms TD Chiloane
Per email: tchiloane@parliament.gov.za

Dr H Chewane
Per email: hchewane@parliament.gov.za

Mr LR Mbinda
Per email: lmbinda@parliament.gov.za

Mr DC Ross
Per email: dross@parliament.gov.za

Mr VG Smith
Per email: vsmith@anc.org.za

Mr M Hlengwa
Per email: mhlengwa@parliament.gov.za

Ms GK Tseke
Per email: gtseke@parliament.gov.za

Ms NW Madikizela-Mandela
Per email: nmadikizela-mandela@parliament.gov.za

Ms NP Khunou
Per email: nkhunou@parliament.gov.za

Ms MO Matshoba
Per email: mmatshoba@parliament.gov.za

Mr TJ Brauteseth
Per email: scopa@saol.com

Mr E Kekana
Per email: ekekana@parliament.gov.za

Mr AM Shaik Emam
Per email: mshaik-emam@parliament.gov.za

Mr MS Booï
Per email: mbooï@parliament.gov.za

Ms NV Mente-Nqweniso
Per email: vmente-nqweniso@parliament.gov.za

Mr TJ Bonhomme
Per email: tbonhomme@parliament.gov.za

Ms EN Louw
Per email: elouw@parliament.gov.za

Dear Mr Godi

Corruption Watch Request: Participation in Committee Meetings

1. Corruption Watch (CW) is a civil society organisation that opened its doors to the public in January 2012. We are registered as a non-profit company in terms of the Companies Act.
2. Corruption Watch seeks to expose corruption and the abuse of public funds. We aim to expose those who engage in corrupt activities, nepotism and abuse of public funds in both the public and private sector.
3. As part of our mandate, we are committed to strengthening the criminal justice system, including efforts to address financial crime; to the refinement of our planning and procurement systems; and to supporting and strengthening the ability of private and public bodies to better detect and address corruption in their spheres of operation.

4. We note that Scopa has recently adopted a tough and enhanced approach to the issue of combatting corruption in government and we applaud the committee for its outstanding work so far. We are particularly encouraged by the Committee's inclusion of representatives of the Hawks and the Auditor General in its meetings. These measures will hopefully bolster accountability and ensure criminal sanctions against state officials responsible for fraud, corruption and maladministration.
5. In this regard, we note an article published by Parliamentary Writer, Khulekani Magubane in BusinessDay dated 14 December 2016, in which he details the steps being taken by Scopa to address corruption and to ensure that corrupt officials are held criminally liable for their actions. In particular, he mentions that *"the committee was looking into roping in the Public Service Commission, the Office of the Public Protector and civil society organisations to ensure that the information they possessed would help Parliament to hold the executive to account."*
6. As a civil society organisation committed to ensuring accountability and transparency, particularly in relation to the expenditure of state resources, we are greatly interested in working more closely with Scopa and in providing any relevant information in our possession.
7. We note for example, that Scopa held a hearing on 23 November 2016 in respect of irregular, fruitless and wasteful expenditure in the South African Social Security Agency ("SASSA"). SASSA and the Minister were requested to explain SASSA's irregular expenditure, including irregular expenditure relating to SASSA's payment of R316 million to Cash Paymaster Services ("CPS") for the "re-registration" of beneficiaries.
8. We are very well acquainted with this particular matter as we are the main applicant in litigation pending against SASSA, the former CEO of SASSA and CPS in respect of the irregular payment of R317 million to CPS.
9. We wish to inform the Committee of SASSA's recent withdrawal from the litigation after utilising state resources for almost two years to defend this matter. Our attorneys in the matter have written to SASSA to request detailed reasons for withdrawing from

the matter but have not received a response to date. A copy of this correspondence is attached hereto.

10. We are very concerned about the manner in which SASSA has abused state resources in order to defend litigation, only to withdraw from such litigation at a very late stage and without providing reasons for doing so. In this regard, we understand that SASSA spent nearly R30 million on legal costs in the 2013/14 financial year and have generally adopted a reckless approach to litigation, as evidenced by the recent Constitutional Court proceedings.
11. The CEO of SASSA and ultimately the Minister of Social Development are responsible for ensuring that SASSA's expenditure is not wasteful, fruitless or irregular. We do not believe that they have discharged their duties and therefore appeal to the Committee to enquire about the wasted legal costs in relation to this matter and more generally into the manner in which legal costs have been incurred by the institution.
12. We hope that our information is useful to the Committee. Please indicate if any further information is required or if there are other ways in which we could assist the Committee.

Yours faithfully,

Leanne Govindsamy
Head: Legal and Investigations
Corruption Watch
[Unsigned due to electronic transmission]