



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

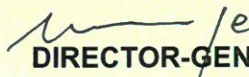
EdTM

Enquiries: Ms T Sigwaza
Telephone: 012 336 8325
Reference: 21/19/D1

MINISTER OF WATER AND SANITATION

NATIONAL ASSEMBLY: QUESTION 2350 FOR WRITTEN REPLY

A draft reply to the above mentioned question asked by Ms T E Baker (DA) is attached for your consideration.


DIRECTOR-GENERAL (Acting)

DATE: 24/08/2017

DRAFT REPLY APPROVED/AMENDED



**MRS NP MOKONYANE
MINISTER OF WATER AND SANITATION**

DATE: 25.08.17

FOR WRITTEN REPLY

QUESTION NO 2350

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 14 AUGUST 2017
(INTERNAL QUESTION PAPER NO. 26)

2350. Ms T E Baker (DA) to ask the Minister of Water and Sanitation:

Whether the internal audit function of Magalies Water has been outsourced; if so, (a) why, (b) for what period, (c) which company is performing the internal audit function, (d) what are the terms of the contract and (e) what is the total amount that has been paid to the specified company to date?

NW2595E

---0000---

REPLY:

- (a) The internal audit function at Magalies Water is outsourced because the entity currently does not have an established internal audit division.
- (b) The duration of the period is three (3) years. The contract commencement date is 01 October 2015 and will expire on 30 September 2018.
- (c) The internal audit function is outsourced to PRICEWATERHOUSECOOPERS.
- (d) Terms of the contract are as follows:
1. Provision of Internal Audit Services:
 - Evaluating adequacy and effectiveness of controls and advising managers at all levels in determining key control indicators and develop recommendations for enhancement or improvement of these controls;
 - Assisting the Chief Executive Officer in achieving the objectives of the institution by evaluating and developing recommendations for the enhancement or improvement of processes through which —
 - Objectives and values are established and communicated;
 - The accomplishment of objectives is monitored;
 - Accountability is ensured; and
 2. Corporate values are preserved:
 - Analysing operations and conformity to organisational mandate; and
 - Reviewing the Internal Audit Charter for the approval by the Audit and Risk Committee and Magalies Water Board, and thereafter adhere to the Charter;
 - Liaising with the Risk Specialist in the development of a risk-based 3-year rolling internal audit plan;
 - Conducting forensic audits as and when required;
 - Evaluating specific operations at the request of the Board or management, as appropriate;
 - Maintaining professional audit staff with sufficient knowledge, skills, experience and professional certification to meet the requirements of the internal audit charter;
 - Evaluating adequacy and effectiveness.
- (e) The total amount paid is R4 213 594.28

---0000---