



## Public Works and Roads on target in paying invoices within 30 days...

**Date:** Tuesday, February 15, 2022

At least 760 invoices totalling more than R148.2million were processed and paid within the prescribed 30-day period by the Department of Public Works and Roads in the past two months alone.

This translates into a commendable 90 percent compliance rating by the department, to settle contractual obligations, and pay claims within the agreed period, as prescribed by law.

At the time of going to press, only six invoices of more than R1,9million were older than 30 days, and yet to be paid.

A 100 invoices, according to records of the department, were paid outside the 30-day prescribed period during the months of December 2021 and January 2022.

The performance in this area of interest for many, payments to service providers on time, has forever come under sharp focus.

The remarkable performance by the department, which is still under Section 100 (1) (b) of the Constitution of South Africa, comes against the background of provincial launch, of the *30 Day Creditors Payment Intervention Programme* by MEC for Finance, Motlalepula Rosho in Mahikeng this January.

This is an ongoing stakeholder engagement session planned for all districts of the province by provincial Treasury to help fast-track payments of outstanding supplier invoices by provincial departments and their entities.

President Cyril Ramaphosa also weighed in on the 30-day payment of invoices during his State of the Nation Address a week ago

Hinting at a broader review of legislation that affects small, medium and small-enterprises to reduce the regulatory burden on informal businesses, and red tapes across government.

The President said "the red tape team" will identify priority reforms for the year ahead, including mechanisms to ensure government departments pay suppliers within the required 30 days.

For the department of Public Works and Roads, recent figures tell a good story of a remarkable turnaround time for processing and payments of invoices, provided no disputes are picked up in the process.

A total number of 100 invoices were paid after 30 days during December 2021 and January 2022.

In the month of December 2021, the department effected payments on 454 invoices totalling more than R77.2million. At least 414 invoices to the value of more than R75.2million were paid within 30 days and only 40, to the value of more than R2 million were paid after 30 days for the same month.

Turning to January 2022, more than R76million have been paid for 406 invoices of which 346 totalling more than R73million were paid within 30 days.

Only 60 invoices to the value of more than R3.9million were paid after 30 days for the above-mentioned period.

Meanwhile, some of the factors contributing to late payments include, amongst others, the late submission of invoices and service providers in some cases service providers who change their banking details without updating same on the Central Supplier Database.

Seldom, budget unavailability stalls payment of invoices particularly for projects that are running yet do not appear on the B5 list approved by the department.

**Ends**

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