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MEC ADDRESS ON AUDITING GALA DINNER

Programme Director, Mr. Bheki Phenduka

Managing Director of the Audit Roundtable of South Africa– Mr. Talent Moyo.

DDG in the Department of Public Service and Administration, Mr. Nyiko Mabunda.

Distinguished guests gathered here this evening, I greet you all and extend a warm welcome to the province of KwaZulu-Natal to those who have travelled from afar to join us.

It is an honour and a privilege to speak on the topic of *Strengthening Public Trust Through Transparent Auditing and Ethical Governance* in a room full of experts and professionals who possess the immense potential to help us build a capable, ethical and developmental state.

It is perhaps best to admit at the onset that public trust in government has been at an undesirable level for many years. Too many people simply lost confidence in the state's ability to deliver services to their satisfaction. The slow rate at which the crises of poverty, unemployment and inequality are being resolved has also added to the negative attitudes towards government.

The outcome of this year's elections has presented us an opportunity to regain public confidence in the state. As you know, at the national level, we are being led by the government of national unity, and in our province of KwaZulu-Natal, we have a government of provincial unity.



There is renewed hope for a growing, inclusive, prosperous, and safe nation. The partnership by varying political parties has impressed upon millions of South Africans that we can all put our differences aside in the interests of the nation and its people.

We have to galvanise the current support for both the government of unity, at national and provincial level and lay a solid foundation to live up to the hopes and aspirations of our people.

We cannot tolerate fiscal delinquency and wastage. We must ensure that our public service is the envy of many, characterised by professionalism, ethical conduct and a deep sense of patriotism.

The national fiscus is facing severe constraints. It is difficult time for the nation, and we cannot afford to drop the proverbial ball. Fostering public trust has never been more important.

Public trust is the foundation of effective governance and cornerstone of any thriving society. Without it, the social contract between people and the state weakens, and progress falters. This trust is not granted unconditionally, it is earned through a steadfast commitment to transparency, accountability, and ethical leadership – values which we endeavour to uphold.

Transparent Auditing: Foundation of Accountability

Ladies and gentlemen, I invite you all to start thinking of transparent auditing as the foundation of accountability. It is common cause that auditing serves as a critical mechanism for ensuring accountability in both public and private institutions.

Transparent auditing allows us to assess the extent to which organisations comply with legislation and whether they manage resources effectively. To achieve this, audits need to go beyond compliance checklists. They also need to assess value creation, efficiency, and ethical considerations.



In a capable, ethical and developmental state – accessibility of audit findings should be common. I must stress that it is essential that audit findings are presented in a manner that is available to all stakeholders and by available, I mean produced in a manner that is understandable to the public. There must be legitimacy. This may be achieved through the utilisation of a truly independent oversight body. This not only assists in creating credibility, but it also helps in avoiding potential conflicts of interest.

Ladies and gentlemen, it is imperative for me to elucidate that as the government of provincial unity, we are committed to transparent auditing practices because of the social benefit that it derives. You can, therefore, be rest assured that we will act on audit findings without fear or compromise.

As the MEC for Finance, legislated powers vested to my office allow me to intervene in provincial government departments whereby poor decision-making, unethical conduct, and financial mismanagement has taken place.

Section 18 2(g) of the Public Finance Management Act states and I quote:

“A provincial Treasury must intervene by taking appropriate steps, which may include the withholding of funds, to address a serious or persistent material breach of this Act by a provincial department or a provincial public entity.”

Close quote.

Ethics

We must ensure that consequence management takes place where there is clear evidence of neglect, misconduct and/or malicious intent. Impunity poses a threat to the democratic values espoused by the government of provincial unity. All are equal before the law and justice must be seen to be done.

This statement, however, must not be misconstrued as to signify that we are an inherently punitive government. On the contrary, our aim is to professionalise the public service to maximise our ability to deliver services.



We want all state employees to look forward to coming to work, and to feel safe while on duty.

The upholding of ethical standards is the only way to go. In November, staff members within my KZN Treasury team signed a pledge committing to professional ethics and integrity in the public service.

It was joyful witnessing my colleagues vowing to serve our fellow residents with loyalty, respect, dignity, and integrity.

It is my aim to ensure that KZN Treasury continues to lead by example and inspires other departments within the provincial government to use public resources with respect and diligence.

I must reiterate that we expect nothing less than ethical behaviour on the part of all public servants in KZN.

By ridding government off fraud, corruption, and general inefficiencies, we may optimally use our limited public resources as well as ensure the development and improved quality of life to the most vulnerable members of our society.

In conclusion, I wish to implore all of you to resist the temptation of malfeasance and political pressure. Yours is a higher duty, meant to operate outside the realms of political machinations. I repeat, you are meant to serve and foster a culture of accountability.

I have vowed to ensure to the ensure that my KZN Team is depoliticised. It is my hope that such a standard is set for all public servants in our country.

I thank you.