

Private Bag X860, PRETORIA, 0001 – iParioli Office Park, 1166 Park, Hatfield, PRETORIA Tel: +27 12 427 8000 –Email: Media@DCDT.gov.za URL: www.dcdt.gov.za

## **MEDIA STATEMENT**

To : All Media

Date : 11 December 2024

## MINISTER MALATSI APPROACHES PUBLIC SERVICE COMMISSION TO INVESTIGATE GOVERNANCE ISSUES AT SITA

Today, I joined the Parliamentary Committee on Communications and Digital Technologies for an oversight visit to the State Information Technology Agency (SITA) offices in Pretoria.

This visit aimed to address pressing issues impacting SITA's ability to deliver on its critical mandate.

SITA faces mounting challenges, including governance concerns, irregular procurement practices, operational inefficiencies, and an alarming deterioration in service delivery.

These issues, if left unaddressed, pose a threat to the agency's mission and its ability to deliver value to South Africans.

Key issues have been brought to the fore:

 Service delivery failures: Numerous client departments, including the Ministries of Police, Home Affairs and Justice, have sought exemptions from using SITA services



due to inefficiencies. This reflects the agency's inability to meet expectations and undermines trust in its capabilities.

- Governance challenges: Allegations of corruption, maladministration, and interference at the board level have raised red flags about accountability and transparency within SITA.
- Leadership instability: High turnover at the executive and senior management levels
  has left critical positions in an acting capacity, divisions at EXCO leading to
  organisational instability and poor decision-making.
- Irregular procurement practices: The agency's alleged failure to adhere to proper procurement processes has resulted in contracts being irregularly awarded, tarnishing its reputation and raising legal concerns.
- Deteriorating audit outcomes: SITA's inability to submit its 2023/24 Annual Report for tabling highlights a worrying decline in financial and operational accountability.
- Missed performance targets: Consistently underwhelming results against predetermined objectives have further eroded confidence in the agency.

Recognising the urgency of these matters, I have formally requested the Public Service Commission (PSC) to investigate a range of critical issues affecting SITA.

The PSC investigation includes addressing governance lapses, leadership instability and infighting, mismanagement, and the absence of accountability in decision-making, probing allegations of procurement irregularities, corruption, and the approval of irregular contracts; and examining the high turnover in leadership positions, which has led to organisational instability.

The investigation will also focus on the deteriorating professional standards within SITA, and the root causes of operational inefficiencies.

The PSC has a specific mandate to investigate matters related to public administration. This includes looking into the conduct of public officials and institutions to ensure compliance with the Constitution and public service regulations.

The PSC examines issues such as corruption, inefficiencies, and misconduct within the public sector. Through its investigations, the PSC identifies areas needing improvement,



recommends corrective actions, and reports its findings to Parliament to enhance transparency, accountability, and the overall effectiveness of the public service.

Holding SITA accountable and enhancing good governance is critical to ensuring the agency can deliver on its mandate. This process will not only restore accountability and trust but also set the agency on a trajectory toward fulfilling its role as a cornerstone of South Africa's digital transformation.

ENDS...

## FOR MEDIA ENQUIRIES:

Ministry Spokesperson : Mr Kwena Moloto Cell : 083 269 3189

Email : <u>kmoloto@dcdt.gov.za</u>

URL: <u>www.dcdt.gov.za</u>

Facebook : Department of Communications & Digital Technologies.

X : @CommsZA

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