



AUDITOR - GENERAL
SOUTH AFRICA

National Disaster Management Strategic Indaba – Emperors Palace

AGSA – Insights on disaster
management

14 April 2026



MISSION

The Auditor-General of South Africa has a constitutional mandate and, as the supreme audit institution of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence

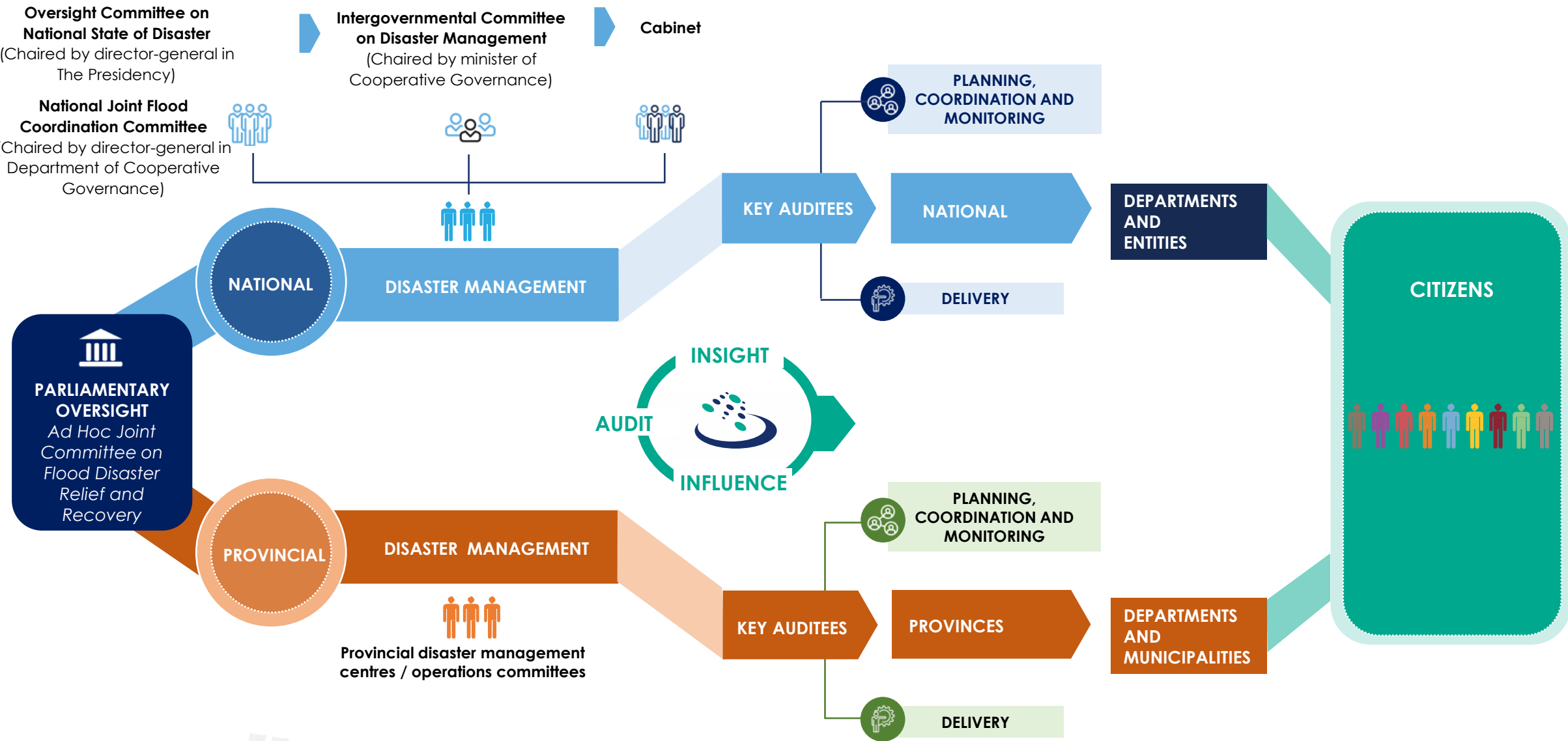


VISION

To be recognised by all our stakeholders as a relevant supreme audit institution that enhances public sector accountability



DISASTER MANAGEMENT – ACCOUNTABILITY ECOSYSTEM





Chapter 9: Section 188

AGSA's mandate: **Strengthen constitutional democracy** in the Republic. AGSA must audit and report on, accounts, financial statement and financial management of government institutions.

Chapter 5, Section 92 (2)

Members of the Cabinet are accountable collectively and individually to Parliament for the exercise of their powers and the performance of their functions

Chapter 5 Section 92 (3) (b)

Members of the Cabinet must provide Parliament with full and regular reports concerning matters under their control.

Public Audit Act 25 of 2004

Section 20: AGSA must prepare audit reports reflecting an opinion, conclusion or finding:

S20(2): An audit report must reflect such opinions and statements as may be required by any legislation applicable to the auditee, which is the subject of the audit, and must reflect an opinion, conclusion or findings

- ❑ **The financial statements** in accordance with applicable financial reporting framework and legislation
- ❑ **Compliance with applicable legislation**
- ❑ Reported performance against predetermined objectives

Also includes as per section 5:

- ❑ Discretionary audits (including special audits, investigations and performance audits)

Section 1: Material irregularities

1(A) The AG may refer any suspected material irregularity identified during an audit to a relevant public body for investigation.

1(B) The AG has the power to:

- ❑ Take any appropriate remedial action, and
- ❑ Issue a certificate of debt ...where an accounting officer or authority has failed to comply with remedial action



Chapter 7 of the PFMA, Section 63

The financial responsibilities of executive authorities:

(1) (a) Executive authorities of departments must perform their statutory functions within the limits of the funds authorised for the relevant vote.

(b) In performing their statutory functions executive authorities must consider the monthly reports submitted to them in terms of section 39 (2) (b) and 40 (4) (c).

(2) The executive authority responsible for a public entity under the ownership control of the national or a provincial executive must exercise that executive's ownership control powers to ensure that that public entity complies with this Act and the financial policies of that executive.



AUDIT SCOPE

- Focus on **KwaZulu-Natal and Eastern Cape** flood relief funds and the scope was on:
 - **Procurement, contract management and payments**
 - **Economical, efficient and effective delivery of relief projects (value for money)**
 - **Effectiveness of monitoring and oversight**

SUMMARY OF FINDINGS

- **Delivery failures** as result of lack of capacity and inadequate project management:
 - **Impact assessments** did not enable appropriate planning and response
 - **Ineffective monitoring of contractors** and of the quality of goods and services they delivered
- Overall **response too slow** compared to planned milestones
- **Procurement:** instances of non-compliance with requirements, potential unfair processes and disparity in pricing for similar services, deviations, non-compliance with processes and non-submission of documentation
- Delays in spending **grant funding**, contrary to conditions of grant

OUR CONCLUSION

Government's **ability to respond to the disaster was not adequate** – from impact assessment to delivering relief.

Compromised control environments, pre-existing system and process deficiencies, lack of capacity, and inadequate intergovernmental coordination weaken delivery on even best disaster response plans.

IMPACT

Residents and businesses in affected areas **continued to experience hardship more than three months after flood with little relief**

GOOD PRACTICES IDENTIFIED

- Establishment of **oversight committees** – commitment by government to better oversee and monitor relief efforts and use of funds
- National Treasury provided **early guidance** on available funding sources and reporting requirements
- KwaZulu-Natal provincial treasury **implemented pre-audit processes** to reduce the risk of procurement irregularities.
- Combined assurance approach followed with **internal audit** in KwaZulu-Natal – identified similar findings
- **Payments were withheld** where poor quality delivery or procurement risks identified to avoid losses
- **Social relief system** responded well to disaster
- **Positive response** to our findings on delivery – we will closely track the implementation of our recommendations



FOCUS

Assess preparedness and readiness of department to respond to disaster. The specific focus areas were on the **capacity** including funding, risk assessment and risk reduction.

Risk assessment

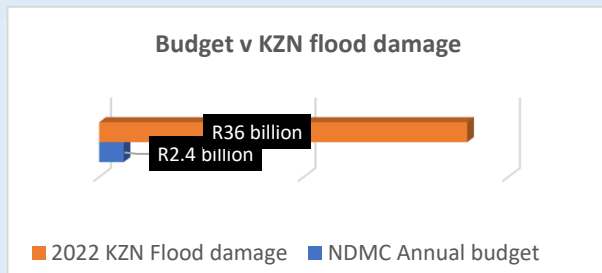
- NDMC collaborates with other government agencies to identify disaster early warnings. E.g. NDMC is working with SA Weather Services on refining the new impact-based model for early warnings that will include geographical vulnerability in the forecast notices to assist in the planning for severe weather impacts.
- Most municipalities indicated that their budget does not allow them to conduct a detail risk assessment.
- The Municipal Disaster Management Plans may not adequately identify and respond to the risk of disasters.

Risk reduction

- All municipalities are required to perform risk assessments. *NDMC has assessed numerous municipal disaster management plans* to enhance implementation of Disaster Risk Reduction (DRR) strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management. The weather impact model will also assist with risk reduction because of the anticipation of disaster risks which will assist in preparing for the disaster by reducing exposure on time.
- The main challenges remain adequate funding for disaster management and lack of coordination between the different spheres of government and other relevant stakeholders to ensure the required level of readiness and preparedness.

Insufficient budget allocation for disasters

- The National Disaster Management Centre (NDMC) operates with an estimated budget of R2.4 billion for disaster management. However, the financial impact of major disasters in South Africa far exceeds this allocation.
- The graphic below depicts the estimated KZN flood damage in 2022 compared to the annual budget of NDMC.



- Some municipalities do not budget for disasters as required, which further puts pressure on the limited budget allocated to NDMC.

Institutional capacity

- The **National Disaster Management Centre (NDMC)** is established as a Presidential assigned function to the minister of COGTA.
- The **provincial and regional NDMCs have been set up**. However, the capacitation of the centers still requires attention to respond to disasters.
- The framework requires all provinces and municipalities to have a disaster management plan.
- *We noted that provinces and municipalities have plans*, however some plans were outdated as they were last reviewed a long time ago, e.g. the KZN Provincial Disaster Management Plan (PDMP) was last **updated in 2016**.

Achievement of Targets relating to disaster management

- Most of the key performance indicators targets relating to disaster management were achieved by DCOG. However, targeted related to **review of system of Disaster Management was not achieved**.
- Non-achievement was due to **consultations that required to be concluded**.



Non-compliance with Division of Revenue Act (DORA) requirements regarding classified disasters

- Section 26 and 56 of the Disaster Management Act requires that once a disaster is declared, organs of state, including DCoG, must act promptly and coordinate response efforts in line with national disaster response and recovery arrangements
- Section 25(3)(a) of the Division of Revenue Act (DORA) requires that the transferring officer may, with the approval of the National Treasury, make one or more transfers of a Schedule 7 allocation to a province or municipality for a classified disaster, within 100 days after the date of the classification of the disaster.
- During the audit of the Disaster Response Grant, it was noted that the department did not transfer the Disaster Response Grant to affected municipalities within the prescribed 100-day period after the disaster was classified by the National Disaster Management Centre (NDMC).
- This was caused by, amongst other factors, the budget prioritization, longer assessment and verification periods, and delays in obtaining relevant approvals from the National Treasury for funding in line with the prescripts.
- Refer to the table below depicting instances where transfers were not made within 100-days after classification of the disaster:

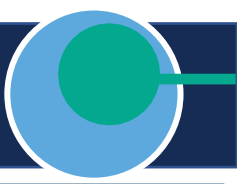
Details per payment Schedule				Within 100 days?			
Province	Municipality	Amount	R' 000	Date of Classification	Date of transfer	Number of days till	Within 100 days?
Eastern Cape	Buffalo City	44600	44600000	05-Jun-24	28-Nov-24	176	FALSE
	Nelson Mandela Bay	53999	53999000	05-Jun-24	28-Nov-24	176	FALSE
KwaZulu-Natal	Ethekwini	8015	8015000	05-Jun-24	28-Nov-24	176	FALSE
	Msinga	3203	3203000	05-Jun-24	28-Nov-24	176	FALSE
	Mthonjeni	4250	4250000	05-Jun-24	20-Mar-25	288	FALSE
	Newcastle	5500	5500000	05-Jun-24	28-Nov-24	176	FALSE
	Ray Nkonyeni	22760	22760000	05-Jun-24	28-Nov-24	176	FALSE
	Ugu District Municipality	15500	15500000	05-Jun-24	28-Nov-24	176	FALSE
	Ulundi	5505	5505000	12-Jan-25	20-Mar-25	67	TRUE
	uMdoni	14853	14853000	05-Jun-24	28-Nov-24	176	FALSE
Northern Cape	Umzumbe	23700	23700000	05-Jun-24	28-Nov-24	176	FALSE
	Nama Khoi	24444	24444000	21-Sep-23	11-Sep-24	356	FALSE
Western Cape	Namakwa District Municipality	8556	8556000	21-Sep-23	11-Sep-24	356	FALSE
	Breede Valley	7266	7266000	21-Sep-23	11-Feb-25	509	FALSE
	Cedeberg	6100	6100000	21-Sep-23	11-Feb-25	509	FALSE
	City of Cape Town	17544	17544000	21-Sep-23	11-Feb-25	509	FALSE
	Drankstein	1976	1976000	21-Sep-23	11-Feb-25	509	FALSE
	Kynsna	114	114000	21-Sep-23	11-Feb-25	509	FALSE
	Langeberg	2848	2848000	21-Sep-23	11-Feb-25	509	FALSE
	Saldanha Bay	590	590000	21-Sep-23	11-Feb-25	509	FALSE
	Stellenbosch	6000	6000000	21-Sep-23	11-Feb-25	509	FALSE
	Swartland	9241	9241000	21-Sep-23	11-Feb-25	509	FALSE
	Witzenberg	3612	3612000	21-Sep-23	11-Feb-25	509	FALSE

Recommendation

- To effectively respond to the disasters, the departments should put measures in place to ensure coordinated efforts to fund the disasters and ensure that such funding is released timeously.



SUMMARY OF OUR RECOMMENDATIONS AND STATUS OF IMPLEMENTATION



Root causes identified through special audits

- **Lack of strengthened intergovernmental processes and coordination** resulting in failure in the infrastructure rebuilding phase.
- The national, provincial and municipal **leadership does not take urgent action** where delivery is slow or compromised.
- **Lack of intensified activation** of the accountability ecosystem which allows all **role players to function collaboratively** with an awareness of how their respective roles influence and affect each other.
- **Lack of strengthened disaster management capacity and capabilities to respond** to catastrophes, resulting in poor project management.
- **Weak preventative controls** which results in accountability failures within future spending of disaster relief funding.

Root causes identified through regularity audit and audit of service delivery themes

- **Weak intergovernmental support to capacitate institutions** through coordinated and collaborative efforts to promote strong governance within municipalities.
- **Outdated disaster response plans** which remained a challenge across all spheres of government
- **Insufficient funding and capacity constraints** preventing robust risk assessment, effective implementation risk reduction measures and timeous responsiveness to disasters.



Status of implementation

- The implementation of the recommendations is ongoing and the AGSA will continue to assess the effectiveness when government respond to any disaster.
- The following progress is noted
 - Continued review of Disaster management plans of municipalities and other organs of state by the **NDMC**
 - The department is currently **developing a new model of disaster management**.
 - Discussions with National Treasury on the adequacy of the disaster management budget
 - NDMC commitment to strengthen capacity-building, promote multi-sectoral engagement, highlighting innovative financing solutions.



Preparedness of intergovernmental activities is core in responding to residents in disasters – act with urgency to restore livelihoods and improve services

1

National, provincial and municipal leadership should **take urgent action** where delivery is slow or compromised

2

Strengthen intergovernmental processes and coordination to avoid failure in the infrastructure rebuilding phase

3

Intensify activation of the accountability ecosystem so that all role players function collaboratively with an awareness of how their respective roles influence and affect each other

4

Embed preventative controls to prevent accountability failures within future spending of disaster relief funding and, when they do occur, deal with them appropriately

5

Strengthen disaster management capacity and capabilities as catastrophes such as the floods are becoming more common due to climate change. This must be done with the requisite level of discipline and capability in relation to addressing the poor project management observed



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