

MEDIA RELEASE PSA angered by R145 million irregular and wasteful expenditure at Government Pension Administration Agency, calls for decisive action

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The Public Servants Association (PSA) the majority trade union at the Government Pensions Administration Agency (GPAA), is deeply concerned and strongly criticises the latest audit outcome at GPAA, which revealed R145 million in irregular and wasteful expenditure.

The fact that R62 million has already been paid to Shula developers without any work done is outrageous and unacceptable. The agency is responsible for managing R3 trillion in pension assets for 1,7 million government employees. The R2 billion in irregular transactions recorded in the audited financial statement is alarming. The payments made for services not rendered and procurements procedures not followed are disturbing. The Auditor-General further found that the agency failed to investigate the identified transgressions and no consequence management was implemented.

The PSA calls for the immediate implementation of stringent control measures and the comprehensive overhaul of governance structures of the agency. The continued weaknesses in governance, financial controls, oversight are contributing to recurring irregularities. Such failures undermine accountability and compromise service delivery and public confidence in the agency would be eroded quickly. The PSA stresses the need for firm consequence management to ensure that those responsible for financial misconduct and governance failures are held accountable. The corrective actions must be swift and decisive to prevent further losses and restore integrity at GPAA.

The PSA urges the Portfolio Committee on Public Service and Administration to summon GPAA executive management to account for these negative findings. The committee must use all avenues within the scope of the law to obtain all documents linked to the scandal so that Parliament can hold those responsible to account. Furthermore, the PSA calls for the immediate arrest and prosecution of all individuals involved financial mismanagement and the recovery of the monies.

The PSA will continue to advocate for transparency, proper governance and protection of taxpayer's monies and calls for a comprehensive reform of the pension sector to prevent future abuse of retirements savings by Administrators and trustees.

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