

MEDIA RELEASE	PSA welcomes suspension of GPAA CEO over allegations of financial misconduct
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The Public Servants Association (PSA), representing the majority of employees at the Government Pensions Administration Agency (GPAA), welcomes the decision by the Minister of Finance to place the GPAA CEO on precautionary suspension following serious allegations of financial misconduct, irregular expenditure, and governance failures at the GPAA.

The suspension, which takes immediate effect, follows a series of revelations of alleged irregularities at the GPAA. The PSA has consistently condemned maladministration in state institutions and regards this step as critical to ensuring that investigations are conducted without interference. It is alleged that the CEO aided and oversaw gross financial irregularities that could cost the GPAA more than R1 billion. Reports indicate that the GPAA entered into an irregular ten-year lease agreement, which included refurbishment costs of approximately R1.2 billion, to relocate the GPAA to Brooklyn Bridge Office Park. Despite the massive financial implications, the move has been kept secret, with no consultation or transparency towards employees. It is further reported that the GPAA has already paid more than R60 million upfront to the developer in contravention of the *Public Finance Management Act (PFMA)*.

The PSA is extremely concerned that the CEO signed off on these irregular procurements and allegedly pressured employees to process questionable transactions. Alarmingly, a senior finance and compliance manager was suspended last week for refusing to authorise R21 million flagged by the GPAA's audit committee. Such abuse of power is unacceptable and undermines ethical governance in the public sector.

Whilst the PSA acknowledges the presumption of innocence until proven guilty, the precautionary suspension is a necessary step to protect the integrity of the investigation. The PSA calls on law enforcement agencies and oversight institutions to urgently and fully probe the allegations. The GPAA must also implement and enforce stricter financial controls to prevent similar misconduct. Public servants' hard-earned pensions cannot be put at risk by poor leadership, corruption, or maladministration. Senior public-service managers are entrusted with safeguarding public resources. Any failure to do so represents a betrayal of this trust. Accountability is not negotiable. Those found guilty of wrongdoing must face the full consequences of the law.

The PSA urges the Minister of Finance to fast-track the investigation, ensure transparency throughout the process, and act decisively on its findings. Prolonged uncertainty will undermine the GPAA's critical mandate and affect employees' morale. Restoring public confidence requires visible accountability, fiscal responsibility, and good governance.

The PSA is committed to defending the rights of the Union's members, safeguarding public funds, and promoting ethical leadership across the public service. Corruption and mismanagement cannot be allowed to flourish at the expense of service delivery to South Africans.

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