**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER:** **429 [NW468E]**

**DATE OF PUBLICATION: 24 FEBRUARY 2023**

**429. Mr R A Lees (DA) to ask the Minister of Finance:**

What are the details of all instances where (a) an accounting officer is alleged to have committed financial misconduct according to the National Treasury Regulation 4.1.3, (b) the National Treasury ensured that the relevant executive authority initiated an investigation into the matter and (c) a disciplinary hearing was held where the allegations were confirmed? NW468E

**REPLY**

(a), (b) and (c) Section 81(1) of the PFMA states that an accounting officer for a department or a constitutional institution commits an act of financial misconduct if that accounting officer willfully or negligently (a) fails to comply with a requirement of section 38, 39, 40, 41 or 42 or (b) makes or permits an unauthorised expenditure, an irregular expenditure or a fruitless and wasteful expenditure.

Section 85(1)(a) of the PFMA provides that, the Minister must make regulations prescribing the manner, form and circumstances in which allegations and disciplinary and criminal charges of financial misconduct must be reported to the National Treasury, the relevant provincial treasury and the Auditor-General including (i) particulars of the alleged financial misconduct; and (ii) the steps taken in connection with such financial misconduct.

Treasury Regulation 4.1.3 states that, if an accounting officer is alleged to have committed financial misconduct, the relevant treasury, as soon as it becomes aware of the alleged misconduct, must ensure that the relevant executive authority initiates an investigation into the matter and if the allegations are confirmed, holds disciplinary hearing in accordance with the prescripts appliable and agreement applicable in the public service. The relevant treasury may also direct that (a) an official other than the employee of the department conducts the investigation or (b) issues reasonable requirement regarding the way in which the investigation should be performed as provided in Treasury Regulations 4.1.4.

Information related to investigations conducted against accounting officers and disciplinary action instituted in departments can be found in the annual reports of those departments. In addition, the Frameworks issued by the National Treasury on unauthorised, irregular and fruitless and wasteful expenditure prescribes the process and requirements that should be followed by departments, constitutional institutions, trading entities and public entities when dealing with matters of financial misconduct linked to these expenditures. The Frameworks can be found on the National Treasury website at the following link:

<https://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/Annexure%20A%20%20PFMA%20Compliance%20and%20Reporting%20Framework%20Instruction%20No%204%20of%20202223.pdf>