

Business Day

FFC takes steps to clean up and fix corruption

The Financial and Fiscal Commission is willing to hand over the forensic report but all the information and the institution must be protected

19 APRIL 2018 - 05:53 LINDA ENSOR

Evidence of fraud and corruption uncovered at the Financial and Fiscal Commission (FFC) had been reported to the police, MPs were told Wednesday.

One employee faced disciplinary charges and eight others could also face disciplinary charges. Charge sheets have been drawn up and there was also a possibility of civil claims.

Parliament's standing committee on finance was briefed by the FFC on its 2016-17 annual report as well as on the forensic probe undertaken following allegations made in September 2016 by an employee. The final investigation report was presented to commissioners in May and showed evidence of wrongdoing, fraud and corruption.

The FFC was established by the Constitution to advise on fiscal policies and the fiscal framework, including the Division of Revenue Bill.

The delegation who made the presentation to the finance committee included chairman Daniel Plaatjies and newly appointed CEO Kay Brown.

Plaatjies insisted that no commissioners were implicated in the allegations but that the chief financial officer had been put on precautionary suspension, which he was contesting.

He said the FFC was willing to hand over the forensic report to the committee only if it was dealt with in a closed meeting to protect the information and the institution. Publicly revealing its contents would compromise the investigation and other clean-up processes under way.

Plaatjies told the committee an action plan was in place to address the findings of the forensic report. He said internal control systems around procurement needed strengthening and the supply chain management policy had been overhauled. A new policy would be submitted to the commission for ratification later in April.

DA finance spokesman David Maynier said the FFC "has effectively collapsed and now needs to get its act together fast so that it becomes an independent centre of excellence ... able to influence public policy".

Among the funding challenges facing the FFC was that the increases in requests from stakeholders had made it difficult to balance its wage bill with the rest of its activities. The commission's work extends across all three spheres of government.

Irregular and wasteful expenditure was incurred in 2016-17 because of noncompliance with legislative prescripts and policies. Another challenge, MPs were told, was to attract and retain talented staff.

<https://www.businesslive.co.za/bd/national/2018-04-19-ffc-takes-steps-to-clean-up-and-fix-corruption/>