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Gauteng finances in a dire state - Mike Moriarty

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DA MP says FFC report paints a much darker picture than expected

DAMNING REPORT ON GAUTENG FINANCE WOES

The Financial and Fiscal Commission (FFC) report on last year's intervention by the National Treasury in the Gauteng Provincial Health Department paints a much darker picture than previously communicated publicly.

The FFC report reveals that the intervention, in terms of section 100 of the Constitution, was not only motivated by the poor performance of the Gauteng Health Department, but also due to significant failures by the provincial treasury.

The underlying causes of the financial problem in Gauteng, according to the FFC, include:

- Late payments
- Overpricing / contract manipulation
- Vacant critical positions
- Accumulated unauthorised expenditure
- Accumulated outstanding debt
- Project overspending
- Unaccounted-for assets

In addition, Gauteng is singled out for a lack of "transparency".

I will be submitting questions to the Finance MEC Mandla Nkomfe and new Health MEC Hope Papo to determine how they intend to address the FFC concerns in their respective departments.

The MECs must ensure that adequate financial controls and procurement guidelines and procedures are instituted and compliance enforced.

Statement issued by Mike Moriarty, DA Gauteng Finance Spokesperson, July 23 2012

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