

Gordhan says irregular spending tops R28bn

Irregular spending by government departments and entities has shot up by more than R17bn in the past three years, according to Finance Minister Pravin Gordhan.



Pravin Gordhan has confirmed that government departments are wasting billions of rands. Image: GCIS

"[There has been] an increase in the amount of irregular expenditure from R11bn in 2009/10, to R28.3bn in 2011/12," he said in a written reply to a parliamentary question, tabled on Tuesday (19 November).

So-called irregular expenditure is spending incurred without compliance with applicable legislation.

Gordhan said that over the same period, fruitless and wasteful expenditure - spending made in vain, which could have been avoided had reasonable care been taken - rose from R437m to R1.8bn.

"The extent of irregular, fruitless and wasteful expenditure incurred over [the period] is high and in this regard departments, constitutional institutions and public entities need to urgently institute measures to prevent the occurrence of such unwanted expenditure," he said.

A similar call was made by Auditor General Terence Nombembe in his consolidated general report on national and provincial audit outcomes earlier this month.

Gordhan said the National Treasury was drawing up a set of guidelines to help accounting officers deal with the problem.

Source: Sapa via I-Net Bridge

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