



25 February 2026

Strengthening Oversight structures under PFMA



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SAQA Recognised Professional Body

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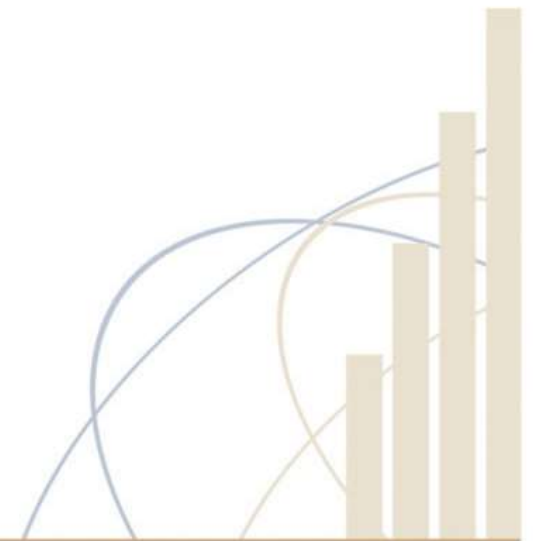
Legislative Framework

Primary Legislative Anchor

- a) Public Finance Management Act
- b) Treasury Regulations
- c) Public Service Act
- d) Public Administration Management Act
- e) Public Service Regulations

Supporting Frameworks

- a) Treasury Regulation
- b) Public Sector Risk Management Framework
- c) King IV
- d) ISO 31000
- e) ISO 2230
- d) Committee of Sponsoring Organizations (COSO)
- e) POPIA





Introduction

- Imagine we are all passengers and crew aboard a magnificent Blue Train. This is no ordinary train.
- Where there is no maladministration, where ethical leadership is the norm, where corruption cannot board, and where service delivery arrives on time.
- Its final destination is a prosperous country called: *The Republic of Batho Pele and Ubuntu.*

Introduction

- A train does not derail because it is **slow**.
- It derails because **leadership, governance and oversight fails**.
- Under PFMA, the **Accounting Officer** is like the Train Captain and the **Executive Authority** is the Owner of the railway network.



Key governance responsibilities in terms of PFMA



Navigation Crew



Independent Signal Tower : Audit Committee

- It is not inside the engine room, it sits on glass signal tower overlooking the entire railway network



The Weather and Terrain Observatory: Risk Management Committee

- Before the train departs, weather patterns, bridge stability, political unrest and sabotage risks must be identified .



Integrity and Conduct Carriage: Ethics Committee

- It sets behavioural standards for all crew, assess whether tickets were sold fairly and that all the passengers are authorised to be in the train.

Navigation Crew

Digital Control Room Carriage : ICT Steering Committee



- Ensures signals are not hacked, brakes respond electronically and passenger records are protected.

The Emergency Operations & Recovery Carriage: Business Continuity Steering Committee



- Before the train departs, weather patterns, bridge stability, political unrest and sabotage risks must be identified .

Jolts and Jostles



The Blue Train is built for excellence, but even the finest train can begin to rattle not because the destination is wrong, but because the **Governance Crew and Leadership are misaligned and ineffective.**

Jolts and Jostles

27 to appear in court over R100 million Mpumalanga Education fraud



Image Credits : X_@SAPoliceServices

SABC News

23 February 2026, 11:11 [SAST]

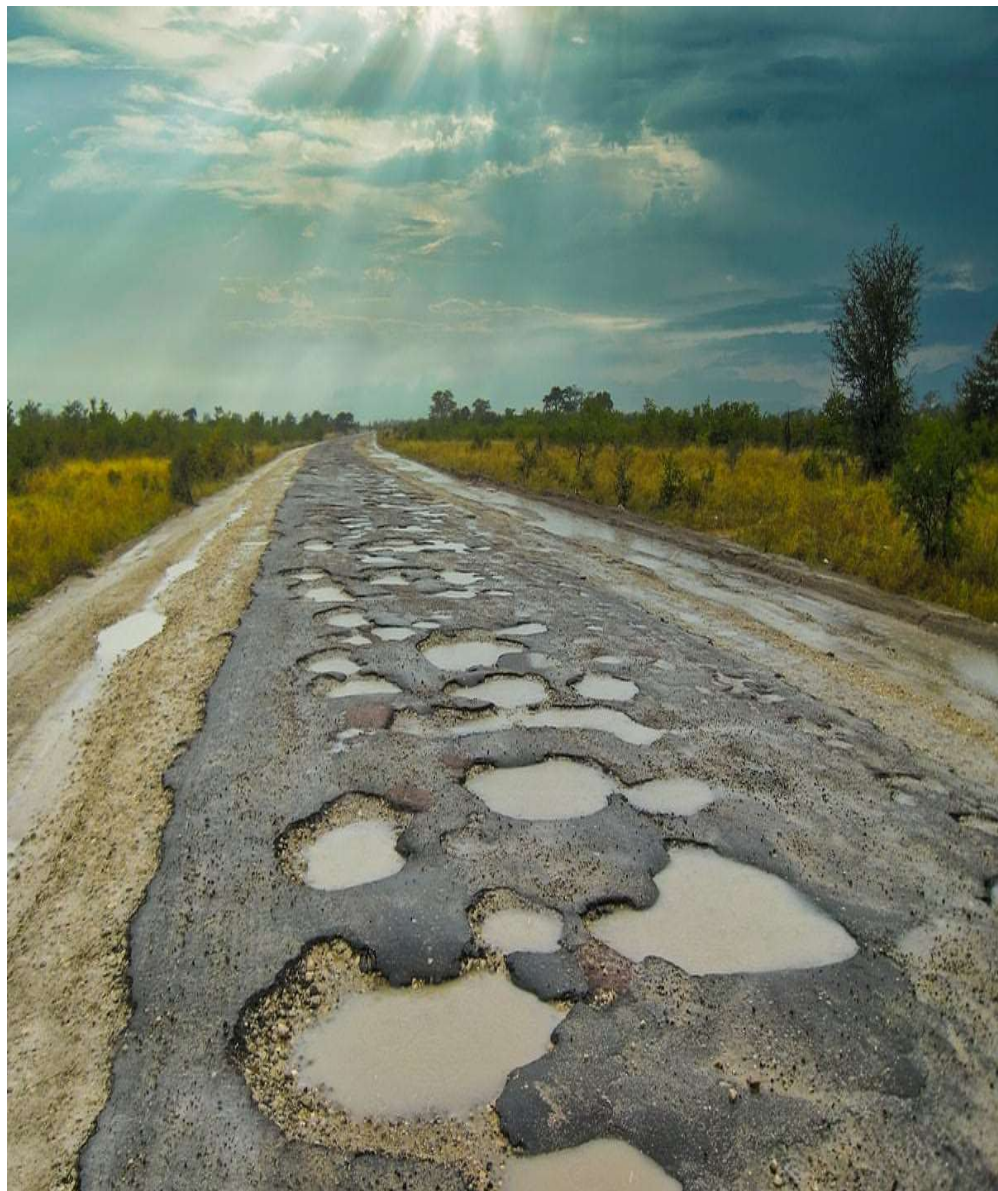


The *Hawks say that 27 people arrested* for allegedly defrauding the Mpumalanga Education Department of more than R100 million will appear in the Nelspruit Magistrate's Court on Monday.

Twenty-one suspects were arrested in Mpumalanga, four in Gauteng, one in Limpopo and one in the Western Cape.

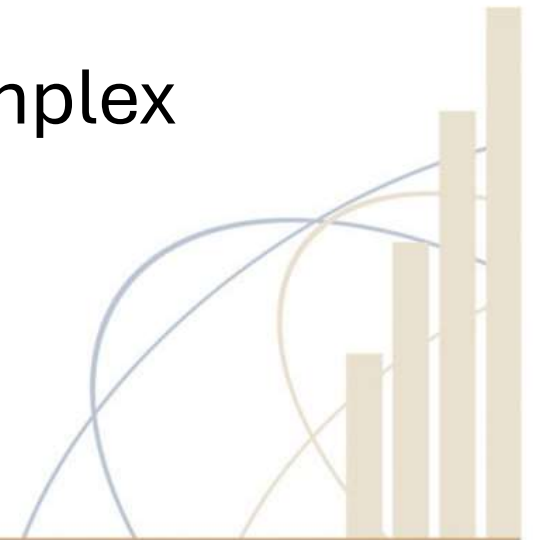


Jolts and Jostles



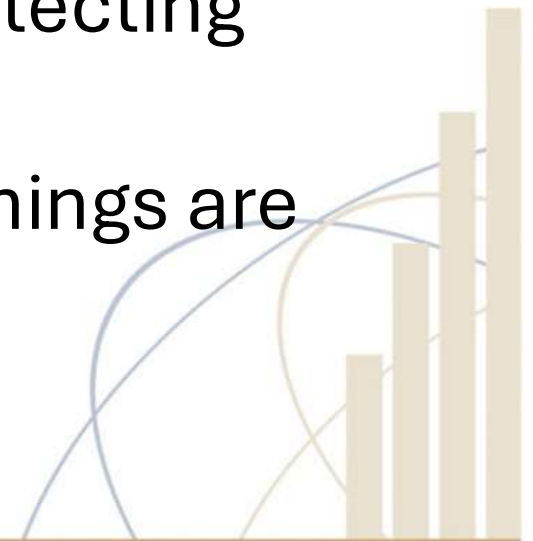
DIAGNOSIS

- **Inadequate Capacity** in Risk, Audit and ICT Functions/Operations Team:
 - a) Insufficient technical expertise,
 - b) Lack of modern tools.
 - c) Inadequate digital audit skills.
 - d) Inadequate skills on Cybersecurity.
 - e) Inadequate capacity to analyze complex risks.



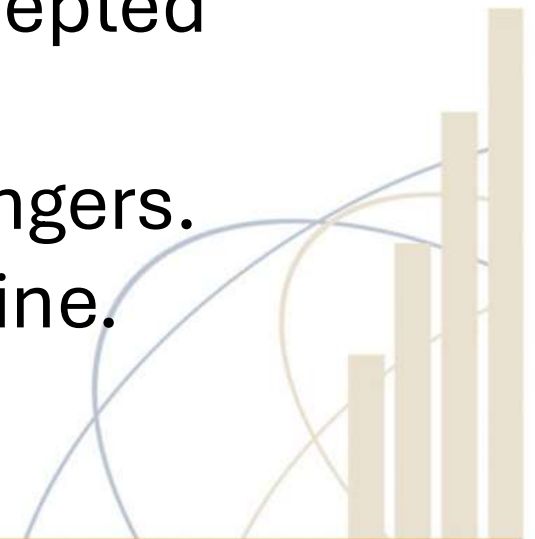
DIAGNOSIS

- **Combative Approach** between Audit, Risk Committees and Management:
 - a) Instead of collaborating, the Signal Tower and the Weather Observatory argue about whose responsibility the storm is.
 - b) Meetings become battlefields, energy that should protect the train is spent protecting egos.
 - c) As a result signals are delayed, warnings are ignored and the train continues into unstable terrain.



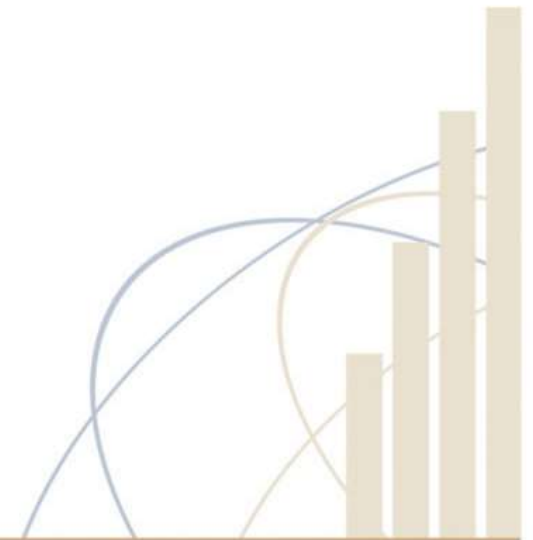
DIAGNOSIS

- Oversight Committees too **lenient with Management:**
 - a) The Signal Tower notices that brakes were not tested, but instead of stopping the train, it merely “notes the matter.”
 - b) Repeated mechanical faults are accepted as routine.
 - c) The oversight crew becomes passengers. and the train gradually loses discipline.



DIAGNOSIS

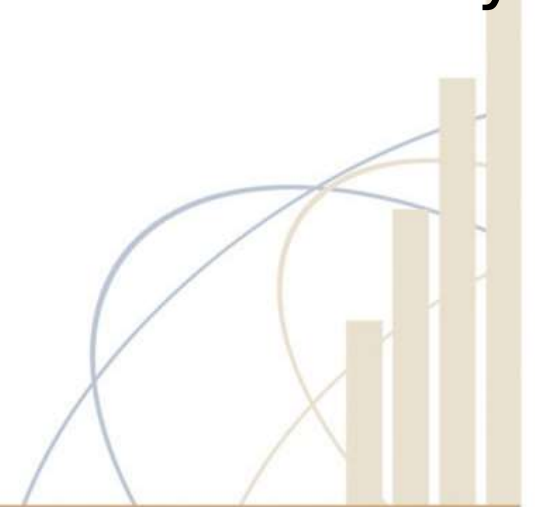
- The **Train Captain** frequently misses Signal Tower briefings.
 - a) The Observatory Reports are postponed.
 - b) Emergency drills are delayed.
 - c) When the Captain is absent, the train loses strategic direction.
 - d) Crew morale weakens.
 - e) Governance culture deteriorates.



Restoring the Journey

Inadequate Capacity

- a) Conduct a formal skills gap assessment of Risk, Internal Audit and ICT oversight functions.
- b) Benchmark capacity against institutions with improved audit outcomes.
- c) Provide these functions with appropriate authority.



Restoring the Journey

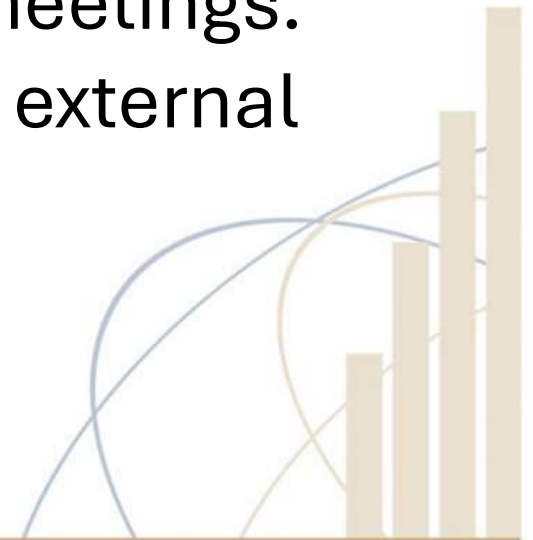
Inadequate Capacity

- d) Recruit or co-source specialized ICT audit and risks expertise.
- e) Provide continuous professional development aligned to COSO and ISO 31000 including training on soft skills.
- f) Development and implementation of the Capacity Building Plan for the Committees.
- g) Committees must be appraised with the E.A. performance agreement.

Restoring the Journey

Combative approach

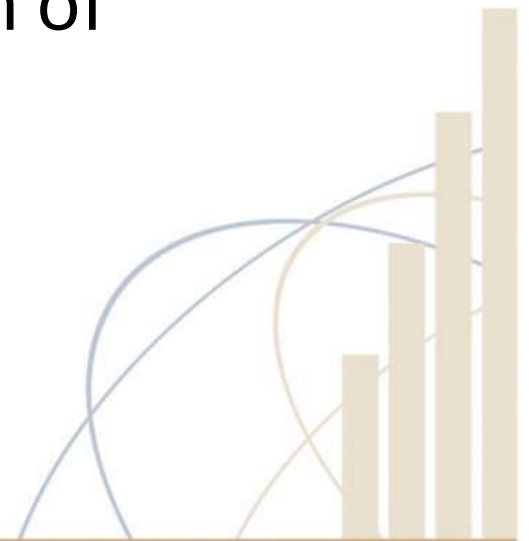
- a) Clarify roles in formal Terms of Reference.
- b) Adopt a Combined Assurance Model.
- c) Facilitate joint annual planning between Audit and Risk and Ethics Committees.
- d) Establish behavioral protocols for meetings.
- e) Motivate for the appointment of the external member where necessary.



Restoring the Journey

Oversight Committees too lenient with Management

- a) Implement consequence management tracking dashboards.
- b) Escalate repeat findings to the Executive Authority.
- c) Conduct external annual committee assessments.
- d) Introduce and implement evaluation of committees effectiveness.

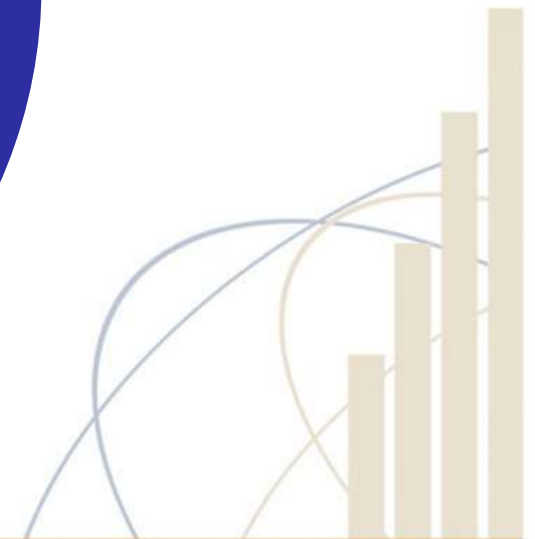


Restoring the Journey

Accounting Officer not prioritizing Oversight Meetings

- a) Formalize annual governance calendars let them be approved by the Accounting Officer.
- b) Require minimum attendance standards.
- c) Include governance performance in the Accounting Officer's performance agreement.
- d) Conduct structured pre-meeting briefings for strategic focus.

Restoring the Journey: Integration



Restoring the Journey: Integration

- Effective planning and budget for mitigations.
- Improved Risk Analysis.
- Improved coordinated governance approach.
- Improved Integrated Reporting



ARRIVAL AT THE REPUBLIC OF BATHO PELE AND UBUNTU



- a) No procurement manipulation
- b) No ghost passengers
- c) No unexplained fuel losses
- d) No signals overridden

The train arrived because risk was monitored, controls were enforced, oversight was independent and Ethics guided the decisions

CONCLUSION

Governance is not proven when the weather is clear. Governance is proven when the storm arrives and the Blue Train continues moving.





Thank You!



CIGFARO
Chartered Institute of
Government Finance, Audit & Risk Officers

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