



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

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Auditor General Tsakani Maluleka
Auditor General of South Africa

19 Park Lane
Milnerton
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11 March 2026

Dear Auditor General Maluleke,

I trust this letter reaches you well.

I am, writing to you following a meeting of the Parliament Portfolio Committee on Higher Education and Training held today.

In this meeting, it was brought to light that the Administrator of the Local Government Sector Education and Training Authority (LGSETA) has moved to extend the lease contract of the SETAs current office building. The Auditor General of South Africa (AGSA) has pronounced this contract irregular and your department has suspended official who awarded the contract of this lease.

Mr. Mvalo's extension of this contract constitutes financial misconduct. It contravenes section 51 of the Public Finance Management Act (PFMA) which strictly indicates that accounting authorities must prevent irregular, fruitless and wasteful expenditure. Section 83 of the PFMA indicates that officials who deliberately or negligently allow irregular expenditure may be guilty of financial misconduct. In this case, Mvalo's extension of the LGSETA office lease was deliberate.

Mr. Mvalo as administrator knows fully well that the contract he wishes to extend was awarded irregularly. Expending the contract is extending the term of irregularity and increasing the amount of irregularity. It is my professional view that Mr. Mvalo is guilty of the same financial misconduct that he ought to correct at the LGSETA.

I, therefore, request the General's processing of this flag.

Yours in public service.

Karabo Khakhau, MP
DA Member of Higher Education and Training Portfolio Committee
RSA National Assembly