

Acsa gets acting finance head

By <u>Karl Gemetzky</u> 13 Jan 2017

Airports Company SA (Acsa) has appointed Dirk Kunz as its acting chief financial officer following the resignation of incumbent Maureen Manyama. Among his responsibilities, Kunz is expected to clean up Acsa's procurement systems.



Image Source: Airport Technology - OR Tambo Airport

Three executives in the parastatal, which operates nine of the country's airports, have been suspended for procurement irregularities. Disciplinary proceedings are continuing against CEO Bongani Maseko, who remains in his position.

Kunz, a chartered accountant who has been with Acsa for more than eight years, has led a number of key strategic initiatives as group manager: corporate finance. He was responsible for the implementation of its economic regulatory framework, Acsa said on Thursday. He introduced a 10-year financial planning horizon to facilitate improvements in the permission to levy airport charges, consultation and application process, Acsa said.

Manyama resigned from her position as chief financial officer and as executive director on the board of Acsa. The company has begun a recruitment process for a permanent chief financial officer.

Several executives contravened the Public Management Finance Act

In September, Acsa's board suspended procurement manager Percy Sithole; GM regional airports Jabulani Khambule; and legal counsel Bongani Machobane. A decision was made not to suspend Maseko, who remains CEO as disciplinary proceedings continue.

This followed a report in August from Dr VS Mncube Consulting, which conducted an investigation into allegations of irregularities and corruption in Acsa's supply chain management. The audit firm's explosive report said several executives

had contravened the Public Management Finance Act and should face disciplinary action and further investigation.

The transgressions pertain in part to the award in 2008 of a hotel management contract to City Lodge and the decision in 2014 to award a retail contract at OR Tambo International Airport to Amger Retailing instead of to Exclusive Books.

Exclusive Books lodged an application to review Acsa's decision and successfully challenged Acsa when it sent notices to vacate the store in July 2015. The High Court in Johannesburg found this to have been an illegal eviction, with the Supreme Court of Appeal dismissing an Acsa appeal against this decision in September 2016.

Acsa and Exclusive Books concluded a lease for five years following a tender process. The lease was scheduled to end on 31 August 2013, but by the middle of that month Acsa had not begun the process to request bids for the lease. The court found that Acsa had no right to evict Exclusive Books on a month's notice. This was about four months after the lease had expired.

The forensic report did not make any findings of wrongdoing but it concluded that further investigations were necessary because the Acsa executives might have exposed the company to risks of reputational damage and litigation.

Acsa declined to comment on Thursday save to say that disciplinary proceedings were continuing.

Source: Business Day

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