

TURNING THE TIDE:

How the NLC Is Strengthening Integrity and Accountability during Fraud Awareness Week

As South Africa marks Fraud Awareness Week, the National Lotteries Commission (NLC) is highlighting the significant progress it has made in strengthening governance, tightening controls, and rebuilding public trust. Through enhanced oversight, digital innovation and a renewed focus on ethics, the NLC is steadily transforming how it safeguards public funds.

At the centre of this effort are two critical functions: **Internal Audit**, led by **Chief Audit Executive, Vincent Jones**, and **Enterprise Risk Management**, overseen by **Chief Risk Officer, Molemo Mogolane**. Together, their work reflects a clear message: integrity is now embedded in the way the NLC operates.

A Stronger Governance Environment
Internal Audit has become a key driver of accountability at the NLC. Operating independently and reporting directly to the Board, the division provides assurance on governance processes, and internal controls. Jones emphasises that this independence is essential for transparency and objective reporting - and it is beginning to show results.

This year, the NLC achieved an **unqualified audit opinion**, signalling improving financial controls and credible governance. Stronger systems, better risk assessments and more consistent oversight are contributing to a healthier organisational environment.

Forensic Improvements and Reduced Irregularities

One of the biggest shifts has been the adoption of a strengthened **Forensic Framework**. The framework outlines how allegations of fraud and misconduct are handled, from detection to investigation and resolution. It aligns with legislation and ensures clear escalation paths, consistent processes, and better reporting.

Importantly, forensic insights are now feeding directly into Internal Audit plans and risk assessments. This integration has led to earlier identification of weaknesses and fewer irregularities compared to previous

Digital Tools Reinforcing Transparency

A major part of the NLC's transformation is technology, particularly the **Thuthuka Online Grant Management System**. The platform digitises the entire grant lifecycle, creating automated compliance checks, digital audit trails, and real-time monitoring of milestones.

Thuthuka strengthens transparency by reducing manual handling and ensuring decisions are traceable. Combined with data analytics, it enables the NLC to detect risks earlier and improve oversight over every funded project.

“Thuthuka strengthens transparency by reducing manual handling and ensuring decisions are traceable. Combined with data analytics, it enables the NLC to detect risks earlier and improve oversight over every funded project.”

Ethics and Fraud Prevention at the Centre

Complementing these systems is the NLC's **Fraud Prevention Plan**, led by Enterprise Risk Management. The plan sets out how fraud risks are identified, assessed and mitigated, and is aligned with PFMA requirements, National Treasury regulations and King IV principles.

To build an ethical culture, the NLC conducts regular ethics training in all provinces, runs lifestyle audits, maintains whistleblower channels, and embeds conflict-of-interest management into daily processes.

Mogolane emphasises that ethics is not only a governance requirement, it is a daily practice. "Fraud prevention starts with behaviour. Technology and policies matter, but integrity begins with people," he notes.

"Fraud prevention starts with behaviour. Technology and policies matter, but integrity begins with people,"

Strengthening Anti-Bribery Efforts

The NLC has further reinforced its commitment to clean governance through its **Anti-Bribery and Corruption Policy**, which emphasises transparency, supplier vetting, and ethical leadership. This includes clear guidelines on declarations, potential conflicts, and decision-making processes.

Collaboration with external bodies, particularly the **SIU** and the **Hawks (DPCI)** - ensures that serious cases are escalated appropriately, and that consequence management extends beyond internal processes.

A Culture of Accountability

Across the organisation, a culture of integrity is being strengthened through awareness campaigns, training, leadership messaging, and consistent controls. Internal reforms such as Standard Operating Procedures (SOP) improvements; pre-funding verification and the revisiting of older projects all contribute to a more accountable environment.

A Message for Fraud Awareness Week

As Fraud Awareness Week is observed, the NLC's message is clear: **fraud prevention is a shared responsibility**. Through stronger governance, digital tools like Thuthuka, independent oversight, and a culture of ethical leadership, the NLC is committed to protecting public funds and strengthening trust with South Africans.

The organisation recognises that fraud risks evolve, and so must its systems, people and culture. Continuous improvement, ethical vigilance and transparent processes will remain central to its work in the years ahead.

