

Nkandla cash came from other projects

The decision to upgrade security was made after Zuma's 2009 inauguration

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The R206-million spent on security at President Jacob Zuma's Nkandla estate was not budgeted for, and "funds were sourced from other prestige projects that were underutilising the funds that had been allocated to them", the department of public works said in court papers this week.

The extraordinary claim — that the most expensive known security upgrade for a South African digitally — is contained in an affidavit answering an M&G Centre for Investigative Journalism court application for access to details of the public spending at Nkandla.

It suggests the upgrade came as an afterthought after Zuma's May 2009 inauguration and raises new questions about the decision to secure the president's private residence when he has the use of several official residences.

The department turned down a request from the journalism centre under the Promotion of Access to Information Act in August, saying all information about state procurement at the estate was protected

under the National Key Points Act and other secrecy measures.

After an appeal to Public Works Minister Thulas Nxesi went unanswered, the centre turned to the North Gauteng High Court in November, arguing that "there is a significant public interest in the disclosure of the records."

In his answering affidavit, filed on January 29, public works director general Mziwonke Dlabantu reiterated the refusal, arguing that "the records sought are so replete with security-related information that they cannot be disclosed."

And, although he quotes Nxesi's admission at a press conference on January 27 that a task team found irregularities in the procurement, he denies that the public interest "clearly outweighs the harm" that would flow from disclosure.

Dlabantu says that experts reviewed Zuma's security after his inauguration. "As part of this process, new security capacity was requested for the Nkandla residence and its [immediate surroundings]."

From previously leaked public works records it appears that the project was initiated during the third quarter of 2009, but that it was largely stalled until mid-2010.

The scale of the transfer of funds to Nkandla from the department's other prestige projects can be deduced from figures the department released to a National Council of Provinces committee in May.

They showed a R138-million cash flow at Nkandla in 2011-2012. This is a significant amount — 38% — of the R360-million cash flow for all prestige projects during that period. At his press conference, Nxesi said the total spent "to date" at Nkandla was R206-million, lower than the R238-million allocation the M&G previously reported using the figures given to the committee. But Nxesi's figures may still escalate.

Of the total, Nxesi said R71-million went to actual security upgrades and R135-million went to "the operational needs" of state departments providing the security-related services. This appears to refer to the construction of guard accommodation, medical facilities and the like.

"Key Points Act a flimsy cover for Nkandla", Page 31



Amabhungane, the investigators of the M&G Centre for Investigative Journalism, produced this story. All views are ours.

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Who paid for it, and what did JZ know?

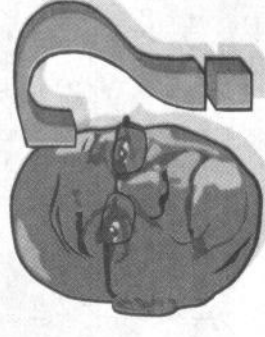
Two critical questions about Nkandla

A public statement made by government last week revealed that more than R200-million has been spent upgrading Jacob Zuma's residence near Nkandla

1 Was Jacob Zuma aware of the scale of the spending at Nkandla?

What we know

In November 2010 Gwen Mahlangu-Nkabinde, then minister of public works, sent a letter to Zuma at his Pretoria office to update him on the status of the development because he was frustrated by the slow pace of work. The letter and attached documents did not specify rand amounts. This week Public Works Minister Thulas Nxesi claimed Zuma did not know the details of the development and never expressed interest in such details.



What was said

"Public Works Minister Thulas Nxesi is on record that he has not seen this correspondence nor is it in possession of DPW (dept of public works)." Phillip Masilo, January 2013

"[The Zuma family] were not involved with the design and installation of security measures." Syabonga Gwele, January 2013

"The president was not involved and no money was used for the upgrade of the residence." Jeff Radebe, January 2013

"These are matters that the government ... don't ask me, don't ask me ... I do not know how much [the upgrades] cost..." Jacob Zuma, November 2012

Graphic: JOHN MCCANN Research: PHILLIP DE WET

2 Who paid for the residences used by the Zuma family, and was state money involved?

What we know

First National Bank granted Zuma a home loan of R900 000 in 2002. He says he is still paying off a bond but it is not clear whether that is the loan he is referring to. Businessman Vivian Reddy stood surety for that loan and repaid part of it. Businesswoman Nora Fakuide-Nkuna also made some payments towards the construction, as did at least one unknown party.

What was said

"... the family started the extensions out of their own pockets ... the Zuma family will continue to pay for all the upgrades in Nkandla which are not linked to state security imperatives." Presidency statement, October 2012

"... there is no evidence that public money was spent to build the private residence of the president or that any house belonging to the president was built with public money." Thulas Nxesi, January 2013

"... clear separation must be made of expenses that are for the private account of the principal and that which arose from the state's duty to provide appropriate security ... we have taken special care to allocate expenses to private and public entities, as appropriate." Thulas Nxesi, October 2012

"My residence in Nkandla has been paid for by the Zuma family. All the buildings and every room we use in that residence, was built by ourselves as family and not by government." Jacob Zuma, November 2012

"We have noted requests for proof of the evidence of a mortgage bond for the first phase of the Nkandla residence ... the evidence will be readily made available to an authorised agency or institution empowered by the law of the land." Presidency statement, November 2012