

New Public Works database 'will help curb corruption'

DIANNE HAWKER

NEARLY 15 000 companies registered as service providers at the Department of Public Works have to reapply to a "new and improved" supplier register, in an effort to curb corruption and collusion.

The database, which is used for projects under R500 000, will have stricter rules. Businesses who do work nationally will have to apply to be added to the database in each province and companies will only be allowed to apply for two commodities or categories of work.

This will stop building and engineering companies from getting work as toilet paper suppliers, for example.

More than 11 400 companies are registered under goods and services, the department says, while a further 3 135 companies are registered as consultants for professional services.

"The current database does not service the needs of the department. Some suppliers were found not to have the requisite capabilities to perform services for which they registered. Others do not provide responses to our calls for quotations, resulting in the department deviating from the prescribed quotation processes to obtain the service," says Public Works spokesman Thami Mchunu.

The regional office will also now have greater control, in order to "root out non-performing suppliers" and screen applicants. Only the names of those business which pass the screening process will be forwarded to head office.

The changes come in the wake of a series of scandals at the department - the most recent being the controversy over R200 million spent on the president's private residence at Nkandla.

Scandals have also arisen over leases for government buildings.

Although the database deals with relatively small amounts, some government departments have been known to use suppliers on their databases in fast-tracking contracts irregularly.

However analysts say new regulations will not work in isolation.

"The human element is the biggest hurdle and one that we continue not to overcome. People allow the unscrupulous to get away. And when it is brought to light, we have leaders who are not taking action," said acting co-director and the Public Service Accountability Monitor, Jay Kruise.

Gareth Newham, head of the Governance, Crime and Justice Division at the Institute for Security Studies, said regulations were regularly ignored by the government. "The biggest problem is that people are not adhering to the regulations. And when they are found not to be, nothing happens. I don't think many companies are being blacklisted (for defrauding the government)," he said.

Mchunu said that from December, the advert in the government gazette stated that the department "reserves the right to conduct a spot audit on the premises suppliers to affirm our commitment to the eradication and expulsion of unscrupulous and fraudulent suppliers from our database".

"The spot audits will allow the department to identify and deal with fraudulent suppliers with speed and precision," Mchunu said.

However, Kruise said the spot audits should be done regularly and not once a year, in order to be effective.

"The legislative framework presupposed competency and capacity. Officials are sometimes overburdened," he said.

Mchunu could not supply figures on how many suppliers had been blacklisted by the department since Minister Thulas Nxesi launched the turn-around strategy.

"Suppliers are put on the blacklist as a result of the outcome of investigations. Currently, there are many investigations (which) are still in progress. The outcome of these investigations will warrant the necessary action to blacklist or not," Mchunu said.

However, Newham said the evaluation of suppliers' prices before work is completed could go a long way to preventing corruption.

dianne.hawker@inl.co.za