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Public Works probes R100m 'graft'

POLITICAL BUREAU

MINISTER of Public Works Thulas Nxesi has blown the whistle on suspected irregularities in the R100 million renovation of ministerial houses in Cape Town as well as the renovation of the Central Government Office in Pretoria, where the price tag climbed by an astonishing R266m.

Nxesi announced yesterday in a comprehensive statement that he had embarked on a turnaround strategy in his department, where he said "collusion and corruption were endemic".

He had asked the Special Inves-

tigating Unit (SIU) to probe his department's Prestige Portfolio projects in Cape Town, in particular the high cost of renovating ministerial houses, with about R100m spent on just 11 houses, because he suspected that bills had been inflated and that there had been fruitless and wasteful expenditure.

Nxesi also noted suspected irregularities in the renovation of the Central Government Office building, which houses his department's head office, in Pretoria.

He said a preliminary investigation had indicated that although the initial 2009 budget for renovation was R59m, by the time the

project was completed in August 2011, the cost had soared to R325m.

Nxesi said the SIU had completed a probe into the renovation of ministerial houses in Pretoria, where about R27m had been spent, with R4.7m paid without supporting documents.

This probe had found that bills were "excessively inflated" and that service providers were selected irregularly.

The implicated officials would face disciplinary action, and the department intended instituting civil proceedings to recover the money unjustifiably paid.

The minister said he had asked

the SIU to further investigate the security upgrade of President Jacob Zuma's home in Nkandla following a preliminary task team probe, but provided no further details.

The ministerial houses renovation bills reportedly included R15m on a Cape Town house allocated to Rural Development Minister Gugile Nkwinti, R10.67m to overhaul a house earmarked for use by Deputy Transport Minister Lydia Chikunga, and just under R5m to upgrade a house for Agriculture Minister Tina Joemat-Pettersson.

The SIU has been helping the department since mid-2010.