

# Hotbed of corruption

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## Several state officials in hot water

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THE Department of Public Works paid more than five times for renovations on its Pretoria head office than the price originally quoted.

Warning that heads would roll, public works minister Thulas Nxesi said the renovations were initially estimated at R59-million but the department ended up paying R325-million on completion.

Nxesi conceded that his department was plagued by tender fraud and corruption, with contractors and officials illegally raking in millions of taxpayers' money.

He said a deputy director-general had been dismissed, while a former acting director-general and head of property management were facing disciplinary action.

Nxesi said his department would ask President Jacob Zuma to extend the Special Investigating Unit's focus to capital projects.

He said he had also requested that the unit focus on the high costs of renovating ministerial houses in Pretoria and Cape Town.

He said in Pretoria, the unit had already completed its investigation into the prestige portfolio.

The scope had revealed that R27-million had been spent on renovations, with R4.7-million paid to suppliers without supporting documents.

"The investigation found that bills of quantity were excessively inflated and supply chain prescripts were not complied with in appointing service providers," he said.

He said in Cape Town, it was found that about R100-million had been spent on renovating 11 ministerial houses.

"I suspect that similar irregularities of corruption, inflation of bills of quantity and fruitless and wasteful expenditure are likely to be discovered," he said.

Earlier this year, Nxesi said bills for ministerial houses included R15-million for Rural Development

Minister Gugule Nkwinti's Cape Town house, R10.67-million for renovating deputy transport minister Lydia Chikunga's home and about R5-million for upgrading Agriculture Minister Tina Joemat-Pettersson's ministerial house.

Cases completed by the unit so far include:

- Civil and criminal proceedings against a landlord who leased out six buildings in Braamfontein to the tune of R28-million.

Two officials were implicated in corruption — one was dismissed and the other resigned.

- At 116 Herbert Baker in Johannesburg, it was found that the lease was procured illegally.

The head of property management is facing disciplinary action and the department is trying to recover R6.3-million;

- Corruption at the Skipadhek border post settlement cost the de-

partment almost R60-million;

- At the Skipadhek, Golelo and Lebombo border posts, it was found that the programme management firm was irregularly appointed, costing the department R3.5-million.

Seven officials are facing internal disciplinary action;

- At 114 Vermeulen Street in Pretoria, it was found that the lease was procured irregularly, fraudulently and through fronting.

Two officials face disciplinary hearings;

- A police lease for the Middestad building, also in Pretoria, had been procured irregularly.

The matter was before courts; and

- Another police lease was cancelled after it was found to have been awarded irregularly. This resulted in a saving of R1.8-billion.

"Rebuilding public works is a process, not an event. Those who have illicitly gained from the previous chaos will resist change, but only the guilty need fear the turnaround process," said Nxesi.