

7-year fraud probe goes up in smoke

Fire at OTP hits supply chain inquiry

By ASANDA NINI
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A FIRE that destroyed documents at the Office of the Premier (OTP) in Bhisho has compromised a seven-year probe into supply chain irregularities in various government departments.

On Friday afternoon employees of the OTP had to be evacuated after the fire engulfed the archives section of the building, causing widespread panic.

The facility stored thousands of supply chain management documents while undergoing digital scanning for archiving, and the fire wiped out almost all evidence of irregularities.

Premier Phumulo Masualle was in Johannesburg attending the ANC National Policy Conference at the time.

The fire broke out hours after Gauteng premier David Makhura's offices went up in flames.

It is understood that most of the documents related to irregular expenditure by provincial government departments and municipalities.

The OTP yesterday confirmed that some of the charred documents formed part of director-general Marion Mbina-Mthembu's investigation into possible irregularities in procurement by the government.

The investigation was focused on transgressions committed since 2010.

This was confirmed yesterday by provincial government spokesman Sonwabo Mbananga.

"An assessment as to the impact the fire is likely to have on the [investigations] is being undertaken."

"It will become clearer in the coming days," said Mbananga.

Some of the reported irregular expenditure committed in recent years includes millions spent on the Nelson Mandela memorial and funeral in 2013 without processes being followed.

The O R Tambo district municipality was recently named by auditor-general Kimi Makwetu as one of the biggest culprits of irregular expenditure.

This after they incurred R1.4-billion irregular expenditure since 2012 and also spent millions during the Nelson Mandela funeral on, among other purchases, a generator and R400 000 on food and water against Treasury orders.

The Dispatch reported in 2014 that an investigation was launched



SEARCHING FOR CLUES: Premier Phumulo Masualle, centre, seen here with his advisor Sithembile Mase and spokesman Sonwabo Mbananga inspecting the damage caused by the fire that engulfed a storage room in his office on Friday. Some of the documents that were burnt include those probing irregular expenditure committed by the provincial government departments since 2010

Picture: RANDELL ROSKRUGE

by the department of cooperative governance into allegations that mayor Nomakhosazana Meth entertained and catered for more than 100 people at Mike's Kitchen in Mthatha.

Masualle yesterday together with provincial police commissioner Lieutenant-General Liziwe Ntshinga assessed the damage yesterday. Speaking to the media afterwards, Masualle said he had to rush back from Gauteng "so that I could make sense of and visualise what exactly had happened".

"We are worried about the information that has been lost because all information stored is critical to government as it speaks to all our activities."

"We are now in the age where we have to give account of all the

things we do and the documents are a repository of that information."

"When documents are lost or damaged to fire in the way we have lost these ones, then it impacts negatively on our ability to account," said Masualle.

Masualle refused to be drawn into commenting if the fire could be related to the probes.

"At this moment I would not reveal who was being investigated, but, as you may know, from the last three audit reports from the auditor-general, we have had instances of irregular expenditure which we had to investigate," said Masualle.

He said he was unable to determine whether the fire was related to the investigations or not.

"It could have been an accident

or deliberate, who knows".

He said he hoped the investigations would not be affected "but we cannot be pointing fingers at anybody until investigations are complete."

After assessing the damage Masualle said it was amazing no major casualties were reported.

He said police were "hard at work trying to piece together what could have been the cause".

The premier said his office was in a process of storing some of the documents electronically and he was hopeful some of the documents could be retrieved from electronic storage.

He said he found it "odd" that his office caught fire the same day Makhura's office caught fire.

Most staff members remained locked out of their offices

yesterday and were expected to be out for the remainder of the week while investigations progressed.

Masualle said he would arrange with the department of public works for alternative accommodation for staff.

Staff were sent text messages, telling them not to return to work "until further notice because of a possible smoke inhalation and the fact that the precinct has been cordoned off by police".

Masualle said he was hopeful that closed-circuit television footage would help determine the cause of the fire.

Ntshinga said a police team of video, forensics and fingerprint experts, as well as the dog unit, were combing the scene to identify the cause of the fire. — asandan@dispatch.co.za