

State land fraudulently sold for millions in scam

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THE KwaZulu-Natal Department of Public Works has uncovered a multi-million-rand scam involving the alleged fraudulent sale of about 12 hectares of provincial state land in and around Durban.

Yesterday, the department went to court to stop businesspeople and companies – Curro Holdings, Nulane Investments and Blue Destiny Property Investment, and businessman Simon Draycott – who bought the land apparently unaware of the alleged scam, from developing or reselling it.

Curro, Nulane and Draycott were all legally represented in court yesterday, and the court orders asked for by the Public Works Department were granted with their consent.

The court granted the order against Blue Destiny Property Investment.

In terms of the interim court orders granted, the companies and businesspeople were interdicted from “disposing

of, selling, alienating or encumbering” the properties and/ or “developing or erecting any structure that might accede to the land or making any improvements on the land”, pending the outcome of the department’s attempts to rectify the title deeds.

In an affidavit before the court, Public Works official Miriam Linda said a police investigation was under way, and that the scam could be the work of a syndicate.

She did not disclose details of the investigation, but said it could suggest “criminal conduct on the part of inter alia persons who may or may not be conveyancers involved in aspects of the transfers of the properties”.

Ten provincial state properties in Ashley, Pinetown and La Lucia were transferred, in November 2015 and this March, but the department only became aware of this in May.

This was after the eThekweni Municipality picked up on the use of allegedly fraudulent rates clearance certificates in the transfers.

PUBLIC WORKS OFFICIAL MIRIAM LINDA SAID A POLICE INVESTIGATION WAS UNDER WAY

Upon further investigation, it emerged that three properties had ultimately landed up with Curro.

Another four were transferred to a company called Blue Destiny Property Investment; one, with a company called Nulane Investments and one, with businessman Draycott.

This all without the necessary authorisation from the department.

Of the properties that had landed up with Curro, Linda said that after she discovered they had been transferred,

she began investigating. She found that on March 8, the properties were transferred from the provincial government to a woman identified as a businessperson.

On that same day, they were in turn transferred from her to Nulane, and from Nulane to Curro.

“Each of the powers of attorneys to represent the province in disposing of the properties was purportedly signed by a former government employee, allegedly in her capacity as the authorised representative of the department and the premier,” Linda said.

However, she said the former government employee did not have the authority to sell the properties, and she had left their employ in 2012.

She did not, however, appear to be implicated.

“Her signature has been deliberately forged in an attempt to facilitate the process of fraudulently transferring the three properties,” Linda said.

The cases were adjourned to next month.