

Big land sale scam uncovered in KZN

12 hectares of province's property 'fraudulently' changed hands

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THE KwaZulu-Natal Department of Public Works has uncovered a multimillion-rand scam involving the alleged fraudulent sale of about 12 hectares of provincial-owned land in and around Durban, and an ensuing criminal case could implicate lawyers involved.

Yesterday, the department went to court to stop businesspeople and companies, Curro Holdings, Nulane Investments and Blue Destiny Property Investment, and businessman Simon Draycott – that 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, who were not represented in court.

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 Mirriam Linda said a police investigation was under way and that the scam could be the work of a syndicate.

She did not disclose the 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 March this year, but the department became aware of this only in May.

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

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

Another four were transferred to Blue Destiny Property Investment, one with Nulane Investments and one with Draycott – all without authorisation from the department.

Of the properties which 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 day, they were in turn transferred from her, to Nulane, and from Nulane to Curro.

"Each of the powers of attorney to represent the province in disposing of the properties was signed by (a former government employee), allegedly in her capacity as the authorised representative of the (department) and the premier," Linda said.

But the ex-government employee did not have the authority. The cases were postponed to next month.