

Land resale scam probed

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THE KwaZulu-Natal Department of Public Works has successfully halted the resale of millions of rand worth of “stolen” provincial state land while it works to rectify the title deeds and reclaim the properties.

Earlier this year the department uncovered a multi-million-rand scam involving the alleged fraudulent sale of around 12 hectares of land belonging to local government in and around Durban.

Last month, the department went to court to stop the businesspeople and companies – among them independent school giant Curro Holdings – which had bought the land, for developing or reselling.

On Tuesday, the department secured a final order interdicting the buyers from “disposing of, selling, alienating or encumbering” the properties or “developing or erecting any structure that might accede to the land or making any improvements on the land”, pending the outcome of its attempts to rectify the title deeds.

Two of the three companies involved, agreed to comply.

Businessman Simon Draycott, who bought a piece of land in La Lucia, went a step further and agreed to a court order that the title deed to the property be transferred back to the department.

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 the transactions in May.

The department explained in court papers filed last month that it had made the discovery after the eThekini Municipality picked up on the use of allegedly fraudulent rates clearance certificates presented during the property transactions.

Upon further investigation, it emerged that three of the properties had been resold and ultimately landed up sold to Curro; four had been transferred to a company called Blue Destiny Property Investment; one to a company called Nulane Investments and one to Draycott.

The property transactions all took place without the necessary authorisation from the department.

Curro and Nulane have had legal representation throughout the court proceedings. Blue Destiny has not, but it is understood the department has not been able to serve the company with court papers.

In court papers the department said a police investigation was under way and it believed the scam was the work of a syndicate and of persons who may or may not be working as attorneys. It was also possible that the scam could involve more land, belonging to other state departments.