

## **Public works to recover R1.2bn lost through lease irregularities and corruption**

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Alex Mitchley

While the Department of Public Works turns to the court for the recovery of around R1.2bn lost to collusion, corruption and irregularities in leases, Minister of Public Works Thulas Nxesi is singing President Cyril Ramaphosa's praises.

"We now have a leader, in President Cyril Ramaphosa, committed to stamping out corruption and turning the tide of state capture which brought this country to the brink of disaster," he said.

Nxesi held a joint press conference with the Special Investigating Unit (SIU) in Tshwane on Thursday to disclose some of the outcomes of investigations within the department.

"I also need to make the point that the political environment in which we operate has been transformed," said Nxesi.

"But this is not going to happen overnight and not without a massive struggle against the state capture forces which are still entrenched and desperately striving to keep open access to state coffers – yes, including here in public works."

Imtiaz Fazel, the acting director general and deputy director general of governance, risks and compliance, said through SIU investigations around R1.2bn would now be recovered through civil court processes.

Fazel added that more than R296m was recovered through landlords by offsetting payments on a monthly basis because of overpayments made in the past.

"To date, we have recovered R30 222 000 in that regard," Fazel said.

This money related to lease agreements with landlords and the department, whereby the department overpaid, or landlords overcharged because the rates per square were incorrect.

SIU head Andy Mothibi explained that landlords have lied about parking bays or the actual floor size of buildings.

He added that investigations also found that some of the buildings leased did not comply with occupational health and safety standards.

Investigations also uncovered that, in some cases, false clearance certificates were submitted by landlords in order to ensure that leases were procured or that they continued. Mothibi said all the findings were being dealt with and that money owed was being recovered.

Another SIU investigation at the department found that 2 496 employees had a conflict of interest.

Mothibi revealed that of these employees, 19 disposed of their outside interests before they were employed by the public works department. Five hundred and thirty-six people are still employed, but the entities that they have an interest in did not conduct business with the department. Ninety-four officials resigned from the department and are currently employed at other government departments.

"We do follow up with other departments where these employees are still employed to make sure that we take action of those," said Mothibi.

"The department is expected to go deep into this and find out if they got permission and do what's required in terms of the conflict of interest."

Fazel said work by the department's anti-corruption unit had also resulted in 190 disciplinary hearings which resulted in seven dismissals, 12 suspensions without pay, and 16 final written warnings. Written warnings and verbal warnings had also been issued. Sixty-eight matters were not pursued because of a lack of evidence, while 65 matters are ongoing.