Publication: Mercury (First Edition)
Date: Friday, October 05, 2018
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DEBT

More than R397m owed to special unit by state-owned institutions

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STATE institutions owe the Special Investigating Unit (SIU) more than R397 million for forensic services it rendered during the 2017-18 financial year. This emerged from the units annual report recently tabled in Parliament.

SIU head Andy Mothibi said revenue collection remained a serious challenge for the unit. Only R310 406 073 was generated in cash from the recovery of debt for the 2017/18 financial year, bringing the total outstanding debt to R397 910 343.

He said the unit would take up the issue of outstanding debt with heads of departments and chief executives of state-owned entities, and where necessary with portfolio ministers.

"The SIU will also engage National Treasury, as it has been doing, on cases where the state institutions have requested exemption from payment of the SIU debt."

Mothibi said the SIU has submitted invoices for forensic services rendered to state institutions.

"Whilst recovery has been slow, the SIU continues to remind state institutions that it is legislated to recover costs incurred in rendering such services," he said.

The SIU disclosed that it only collected R302.6m from state institutions.

The unit said it conducted 1 556 forensic investigations and 15 reports submitted to the president.

The value of money or assets potentially recoverable for the state was R299m .

"In one investigation, overpayments were identified in respect of parking bays, lettable space or a shortage of space.

"In only nine matters the value of the overpayments identified was R150m. The total value of the contribution of this investigation was R232m," the report said in reference to a Department of Public Works tender.

> In one matter, the value of the litigation was R1.3bn which contributed to us significantly exceeding the target.
>
> **Andy Mothibi**
> SIU Head

The SIU also reported that the value of money and assets recovered stood at R34m, falling short of their R120m target.

"There were a number of matters where potential recoveries were identified which we had hoped would be recovered during this financial year. Meetings have been held with the departments concerned and they are doing a full reconciliation of all matters referred to them."

The entity has put the figure for contracts set aside at R797m while prevention of potential losses stood at R407m, including SA Post Office lease contract valued at R493m and another R301m contract for Department Correctional Services.

There was a total of R2.7 billion that was referred for civil proceedings using SIU evidence.

"In one matter, the value of the litigation was R1.3bn which contributed to us significantly exceeding the target."

There were 148 cases referred to the National Prosecuting Authority for prosecution and 319 for disciplinary hearing of employees.

Justice and Constitutional Development Minister Michael Masutha said the SIU played a critical role in rooting out maladministration and enforcing anti-corruption.

"Work is underway to ensure that the Special Tribunal is fully operational in the 2018-19 with a sufficient budget for the required infrastructure," he said.

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