

BILLIONS INVOLVED

# Public Works bids to curb irregular spend

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THE Department of Public Works says it is trying to cut down on irregular expenditure – after it shot up to R34 billion a few years ago.

Senior officials in the department told MPs yesterday they were implementing measures to stop the increase in irregular expenditure, and to make sure officials found involved in this were dealt with.

Deputy Director-General Lesetja Toona said they have appointed service providers to look at transactions over the past few years.

This followed disclaimer audit opinions by the Auditor-General relating to irregular expenditure amounting to billions of rand.

“One of the disclaimer items was both irregular and fruitless expenditure, and for us to deal with that, the requirement from the Auditor-General was that they were not satisfied that irregular and fruitless expenditure at that time were complete.

“We were requested to revisit the population from 2009/10, all payments, all tender documents and all quotations that were awarded.

“We had to go and review all the documentation. In 2014/15, when we eventually dealt with irregular



Minister of Public Works and Infrastructure, Patricia de Lille, Deputy Minister, Noxolo Kiviet and Dr Kgosientsho Ramokgopa, head of infrastructure investment in the Presidency visited one of the DPW's small harbours development projects at the Saldanha Bay Harbour. slipway. | African News Agency(ANA)

expenditure, when it was no longer a qualification issue, we disclosed in the annual report about R34 billion in irregular expenditure in PMTE (Property Management Trading Entity),”

said Toona. This came as a shock to the country, and now they needed to fix this, he added.

“I think that shocked the entire country, but we had to go back about

five years, starting from 2009/19 at that time,” he said.

“The R34 billion we then had to deal with, and conduct an investigation to make sure that those who

contributed towards that irregular expenditure were held to account,” said Toona.

He said because they did not have internal capacity to deal with those transactions because of the magnitude and quantum, they brought in interim capacity to deal with it, and eventually a company was helping them.

This company was not helping with the new transactions, but the old transactions dating back to the 2009/10 financial year, when the irregular expenditure of R34 billion was revealed in the annual report in the 2014/15 period, he said.

The investigation had to be done because the Auditor-General had complained that this was not done in time.

“We had to deal with the transactions, because the concern from the A-G was that those transactions were not timeously investigated.

“But we had to ensure that we stopped the bleeding, meaning that all current and future transactions would not result in irregular expenditure,” said Toona.

He said they were now putting in place preventive measures to stop irregular expenditure. He added that there would be consequences for those found to be responsible for irregular expenditure.