



public works

Department:
Public Works
REPUBLIC OF SOUTH AFRICA

Issued by Chief Directorate: Communications

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Issue Date: 03 February 2014

MEDIA STATEMENT

THE DEPARTMENT OF PUBLIC WORKS LAUNCHES A CIVIL ACTION AGAINST ALLEGED MASTERMINDS OF LEASE TENDER SCAM

THE Department of Public Works has launched a civil action against a well-known Johannesburg landlord and two ex-employees in a bid to recoup about R8-million part of proceedings of a multi-million rand scam.

The Department claimed in papers in the Johannesburg High Court that the property owner Sayed Hoosen Mia and the former Public Works officials, Desmond Simamane and Thabo Moagi, collaborated together to defraud the government in an elaborated lease scheme in 2008.

At the time, Moagi and Simamane were employees at the Department of Public Works' Johannesburg Regional Office. Moagi was dismissed after an internal disciplinary in 2012. Simamane resigned on the first day of the disciplinary hearing.

Simamane and Mia are currently facing criminal charges in the Johannesburg Regional Court arising from their alleged shady dealings.

In court papers the Department of Public Works claimed that Simamane and Moagi secured lease tenders for Mia's companies and personally benefitted from their dealings by receiving funds and luxury cars worth more than R250 000.

The Department further claimed that about R635 000 was deposited into Simamane's personal account and his soccer club Island Football Club.

Through the illicit collaboration of the three, the Department of Public Works suffered a total loss of about R8million.

In response, Mia refuted the claims that he had made fraudulent payments to Moagi and Simamane. Moagi has not yet filed papers and Simamane denied that he had received kickbacks from Mia's companies.

Legal Advisor of Minister Nxesi, Phillip Masilo, said the legal action showed that the Department was serious on implementing anti-fraud and anti-corruption measures to transform the DPW.

"While we cannot comment on the merits of the case, Minister Nxesi has stated on several public platforms that corruption would be fought at all levels. To this end, no efforts will be spared to devote resources to transform the Department to an efficient and corruption-free service delivery tool."

ENDS

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