



public works
& infrastructure

Department:
Public Works and Infrastructure
REPUBLIC OF SOUTH AFRICA

Issued by Chief Directorate: Communications

Enquiries: Thamsanqa Mchunu 079 519 6997

Issue Date: 09 February 2021

MEDIA STATEMENT

DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE DELIGHTED AT BEING VINDICATED

TO ALL EDITORS

The Department of Public Works and Infrastructure has noted the release of the report of the Public Protector into the department's award of a lease contract to the media company, Tiso Blackstar Group. The lease was for the premises located at Hillside House, 17 Empire road, Parktown, in Johannesburg, which housed the Judicial Commission of Inquiry into State Capture.

On 12 November 2018 the Public Protector received a complaint regarding a procurement transaction by the Department. It was alleged that the Department awarded a lease agreement to Tiso Blackstar, a privately owned company from England without following due processes and contrary to supply chain management processes as stipulated in terms of the Public Finance Management Act, 1 of 1999 (the PFMA). It was further alleged that Tiso Blackstar is not a historically disadvantaged enterprise nor owned by historically disadvantaged individuals, thus not complying with the prescribed prescripts.

The Department is pleased to note that the Public Protector found that the Department did not break any prescript or law in terms of the award to Tiso Blackstar. It has been cleared of any wrongdoing and non-compliance as the award was made in strict compliance with the regulations. National Treasury also sanctioned it.

The Department made requests to National Treasury dated 08 March 2018 and 13 March 2018 for approval in order to deviate from the competitive bidding process to negotiated procedure in line with clause 8 of the National Treasury Regulation Instruction Note 3 of 2016/2017. On 23 March 2018 the National Treasury issued the

department with the Approval. The allegations that were made, are therefore factually incorrect.

The Department of Public Works and Infrastructure is committed to ensuring compliance with the regulatory and constitutional framework governing procurement.

Ends

Issued by: Thamsanqa Mchunu

Director: Media & Stakeholder Relations

Mobile: 079 519 6997

Landline: 012 406 1841