

# SIU approached to look into Free State housing

The Special Investigations Unit (SIU) has been approached to conduct investigations into the problematic area of housing delivery in the Free State.



(Image: GCIS)

This is according to Human Settlements Minister Tokyo Sexwale, who briefed the Portfolio Committee on housing challenges experienced in the province.

The Portfolio Committee visited the Free State in September 2011 as part of its Parliamentary oversight mandate and expressed disquiet about the state of housing delivery by the provincial Human Settlements Department.

On Wednesday, Sexwale gave feedback to the committee.

He pointed out that the national department had established, as far back as 2010, that there was serious cause for concern related to housing grant expenditure totals, which did not tally with the amount of units delivered on the ground.

This led to the Human Settlements MINMEC - a committee of all provincial human settlements MECs and the minister - taking a decision to reallocate certain funds to other provinces to avoid non-performance and failure of delivery.

National Treasury also become involved and indicated their concerns about the Free State issue, he said.

In May this year, the Office of the Auditor-General independently dispatched a team to the Free State.

After interaction with human settlements officials, the team presented a "disconcerting" analysis and findings on the housing delivery situation in the Free State.

These included wrongful housing allocation by senior managers; irregular expenditure of more than R500m; houses built without being registered with the National Home Builders Registration Council; houses recorded on the Housing Subsidy System, which could not be physically verified; and advanced payments to suppliers on behalf of contractors.

Sexwale said the SIU had been approached in respect of investigations under the Special Presidential Proclamation No.35, which empowers it to conduct forensic investigation.

The minister also applauded new Human Settlements MEC Oly Mlamleli for suspending two chief directors and three directors last month.

"No stone will be left unturned in our drive to arrive at the centre of any housing related questionable financial misconduct. This is disheartening because as this is poor people's money... I will be taking this issue to the Cabinet," he added.

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