

# Ministerial housing - evidence of collusion

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The investigation by public works of "prestige" projects such as the renovation of ministerial houses has been extended to Cape Town where about R100m was spent on renovating 11 ministerial houses, Public Works Minister Thulas Nxesi said on Tuesday (7 May).



Image: GQIS

The minister said that the investigation of all prestige projects in Pretoria had been completed.

Nxesi said the department had worked closely with the Special Investigations Unit to investigate a number of irregular leases and projects. Of a total of 40 investigations, 23 had been completed.

"This has resulted in successful disciplinary actions, the dismissal of six officials, including one deputy director-general, and court actions to recover monies wrongly paid by the department," Nxesi said.

The SIU had completed investigations into the renovation of ministerial houses - which in some cases cost more than the houses themselves - and had recommended that the officials involved be disciplined.

"SIU investigations together with recent findings of the Competition Commission tell the same story: over-pricing and collusion between some officials and sections of the construction industry and that corruption and greed in the private and public sectors are mutually reinforcing each other," he said.

He said the prestige projects - related to top political leaders - constituted a "major area of collusion and irregular expenditure". The prestige unit in the department had been centralised to exercise tighter control.

Nxesi said the leadership of the department had been stabilised with the appointment of a new director-general and a chief financial officer.

Addressing the scandal around the over R200m spent on President Jacob Zuma's residence in Nkandla, Nxesi said many of the problems surrounding the security upgrade of the complex were rooted in the failure of supply chain management processes, poor management and a lack of accountability. The SIU is still investigating the matter.

He gave the assurance that "no stone is being left unturned" in the drive to expose corruption. Action would be taken against any official where evidence of wrong-doing existed, Nxesi said.

Source: Business Day via I-Net Bridge

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