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MEDIA STATEMENT

KWAZULU-NATAL PUBLIC WORKS AND INFRASTRUCTURE TO INITIATE FORENSIC INVESTIGATIONS ON ALL STALLED AND DELAYED PROJECTS DUE TO ALLEGED IRREGULARITIES

The KwaZulu-Natal Department of Public Works and Infrastructure has declared war on all stalled and delayed projects in the province. The decision comes after the department unearthed sufficient evidence of alleged financial collusion between contractors and department officials, interference in the Supply Chain Management (SCM) processes which resulted in some projects being delayed by up to 10 years and costing the department millions of Rands. These developments also come after the department held its Infrastructure Service Delivery meeting to confront the challenges of infrastructure delivery, and the causes of the delays.

When MEC Martin Meyer was appointed as the MEC for KZN Public Works and Infrastructure, his priority commitments included the improvement of the department's financial outlook and enhanced financial controls, efficient and speedy completion of projects within budget. Considering these priority commitments, the department established the Rapid Response Team (RRT) to address the department's challenges and re-establish it as an effective implementing agent of choice. Part of RRT's immediate mandate is to promptly address the challenges of persistent Material Irregularities (MI), financial management, procurement process delays, fraud and corruption, and non-compliance with regulatory requirements, particularly in supplier payment.

Last week, the department tackled, and wiped-out years of debt owed to contractors by paying over 1 billion Rand to service providers in one year. This resulted in every contractor being duly paid in full, and the department being 100% compliant with the 30-day payment policy to contractors.

"The issue of deliberately delayed and stalled projects is now a major burden on the province's fiscal budget, and it's costing taxpayers a lot of money which could be channelled towards building more critical infrastructure. As with the new Public Works and Infrastructure, the issue of not delivering in time is unavoidable and we need to work with speed and increase efforts. We are aware that part of the reasons we have delayed projects is because of serious collusion between senior officials and prominent contractors. We are also investigating the possible exchange of monies, and we will ensure that the perpetrators are brought to book," said MEC Martin Meyer.

The department has also cited the alleged dereliction of duties by some officials which has also led to some projects taking a very long time to get off the ground.

It is against this context that the department will also explore the option of instituting consequence management after sufficient evidence has been presented to the office of the acting Head of Department.

The department will also explore the possibility of opening criminal cases where necessary with the relevant law enforcement agencies and is encouraging members of the public with information of wrongdoing to come forward.

The department has also committed to work with oversight bodies such as the office of the Auditor General. MEC Meyer and the acting Head of Department, Dr Vish Govender, have committed that accountability will be the cornerstone of all decisions made.

END.

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