



MEDIA RELEASE **R15.3 million Tzaneen shack project: PSA welcomes SIU report**

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The Public Servants Association (PSA) welcomes the Special Investigation Unit's (SIU) report, confirming alleged fraud and corruption in the awarding of the R15.3 million tender for the controversial Talana Informal Settlement project in Tzaneen in Limpopo.

The PSA was alarmed by the exorbitant costs of the project, where a two-roomed shack without windows, costs R60 000. The PSA viewed this as wasteful expenditure warranting investigation and called for the recovery of the money already paid.

The SIU has set aside the R15.3 million tender in Tzaneen and the process to recover R2.5 million already paid, will begin. Furthermore, a recommendation was made to restrict the service provider from doing business with government with the matter being escalated to National Treasury for consideration. Whilst the service provider and five officials are facing charges for alleged corruption relating to the tender, the PSA calls on government to tighten the rules governing the awarding of tenders, as criminals are enriching themselves at the cost of poor communities.

Lack of consequence management creates fertile ground for corruption. The PSA therefore again calls on the Premier of Limpopo to guard against the squandering of public money. Compliance with the *Public Finance Management Act* is a requirement for proper governance. The PSA believes that a 'hands-on' approach by the administration of the Limpopo government would have avoided the embarrassment of launching such a project, which was an insult to the people of Limpopo and Tzaneen in particular.

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