

# Public utility in R4.9m jam

## THULI TO INVESTIGATE COUNCIL OF GEOSCIENCE TENDER SCANDAL

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A TENDER scandal which is likely to be investigated by public protector Thuli Madonsela has been unearthed at the Council for Geoscience (CGS) which has now suspended its procurement officer.

Spokesperson for Madonsela Oupa Segalwe has confirmed that Madonsela would investigate the public entity scandal.

“The public protector has decided to investigate,” he said.

The council is a public entity established to develop and publish world-class geoscience knowledge products and to render geoscience-related services to the South African public and industry.

According to leaked documents, which The New Age has seen, the R4.9m strategic organisational transformation and repositioning tender by the council was “rigged”.

The council placed its procurement officer Michael Nkuna on suspension for his alleged role in the awarding of the tender. The tenders were awarded to auditing firm PricewaterhouseCoopers (PwC) last year.

However, a group of whistleblowers, who reported the matter to the office of the public protector, have fingered the council’s senior management as having an existing relationship with PwC which was kept a secret. They accused senior management of using Nkuna as a scapegoat.

The leaked letter from the public protector office makes a list of allegations.

“Senior management had an existing friendship which was never declared and influenced the decision to award a tender. A panel to functionally evaluate the bidders is alleged to have been influenced. The tender was awarded to friends who were privy to internal information.”

Evidence before the office of the public protector includes a bid report for tender CGS 2013-005. PwC submitted the third most expensive bid. PwC bid for R7.5m while Business Enterprise at University of Pretoria’s bid for R1.7m while Work Dynamics bid for R1.1m. PwC later resubmitted a bid offering the same services at a much lesser amount.

According to the letter, after PwC failed to deliver the project the losing Business Enterprise at University of Pretoria was appointed to complete the work for R1.1m.

CGS spokesperson Nomkhosi Cele said: “CGS does not tolerate corruption and or any unethical behaviour or conduct and will act accordingly should there be any concrete evidence that could be provided.”

PwC spokesperson Sanchia Temkin said, “We are unable to provide comment on your questions as we are bound by client confidentiality.”

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**Thuli Madonsela**