

Office of the Mec

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**Ref: Warning On Bogus Housing Project Contract Awards** 

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TO: ALL MEDIA

EMBARGO: IMMEDIATE RELEASE DATE: 25 NOVEMBER 2015

SUBJECT: WARNING ON HOUSING PROJECTS SCAMS

## **BE VIGILANT AGAINST SCAMS!!!**

## LET'S TIGHTEN THE GRIP ON FRAUDSTERS...TOGETHER

The MEC for Human Settlements and Public Works in KwaZulu-Natal Hon. Ravigasen Pillay would like to warn unsuspecting service providers particularly Implementing Agents and contractors not to fall prey to on-going scams that use the Department of Human Settlements name and its logo.

This follows a recent spate of scams in which the Departmental logo and telephone numbers with fictitious names of officials had been used to swindle unsuspecting service providers particularly Implementing Agents as having been awarded housing project tenders.

"The KwaZulu-Natal Department of Human Settlements would like to remind its clients and stakeholders to be wary of persistent scams that use the Department's name and its logo to defraud unsuspecting people, especially suppliers and contractors," warned MEC Pillay.

The Human Settlements MEC further said Implementing Agents should be wary of responding to tender awards for which they never put a bid.

Recently a Durban-based businessman sought an urgent interdict against the Department preventing it from awarding a non-existent housing project tender in Kokstad purportedly to the tune of R900 million.

However, upon further investigation it was established that the said tender was an old tender that had been awarded several years back and had since been completed. It became clear that the businessman had fallen victim to the scam and he subsequently withdrew his court interdict action against the Department in the KwaZulu-Natal High Court in Pietermaritzburg.

In most of the illicit acts that have been brought to the attention of the Department, the alleged fraudsters use what appears to be the Department's official logo, bearing the contact details of people not employed by the Department. In order not to fall prey to this scam and to stop its spread, suppliers and contractors are urged to do the following:

- \* Verify order numbers and contact details with the Department
- \* Deliver goods only to the Department's offices.
- \* Report to the Department any suspicious activity or the anti-corruption hotline.

It must be noted that any transactions between suppliers and fraudsters are beyond the liability of the Department.

Members of the public are urged to report any suspicious activities through the Anti-Corruption Hotline: 0800 701 701 or the following Departmental numbers during office hours

(033) 392 6400 / (033) 845 2000 (031) 336 5300 / (031) 319 3600 (035) 874 2697

For more information, please contact Mbulelo Baloyi on 083 320 0274