

Media Statement

To: All Media Date: 03 February 2021 Embargo: For Immediate Release

## PRASA NOTES THE INACURACIES IN THE ARTICLE PUBLISHED BY GROUNDUP ENTITLED "Executive who saved PRASA billions has been fired"

It is regrettable that the article by GroundUp penned by one James Stent, contains factual inaccuracies and falsehoods intentionally peddled to discredit the decisions of the Board. It is untrue that Ms. Ngoye was fired, her contract came to an end. Like other executives in a similar situation.

It is untrue that Ms. Ngoye saved PRASA billions of rands. It is also factually incorrect that Ms. Ngoye was ever cleared by PRASA for unlawfully approving R 58m that was advanced to the SA Fence and Gate when she had no requisite authority to do so. Further, there was never a consequence management process to ensure Ms. Ngoye is subjected to a disciplinary hearing for her to be cleared. GroundUp cannot furnish the public with evidence of any internal disciplinary hearing outcome whereat Ms. Ngoye was cleared by anyone externally or internally for unlawfully approving R58m to SA Fence and Gate. There was no rational basis in law or fact for Ms. Ngoye to have escaped being disciplined for contravening the provisions of the PFMA.

The facts are that, Ms. Ngoye was a member of the Bid Adjudication Committee in 2015 that recommended the Swifambo's bid which amounted to billions of financial loss to PRASA. In respect of Werksman, the law firm was never registered on PRASA's database of suppliers when it was appointed. Neither was Werksman on the legal panel of PRASA.

The Auditor General has found that Werksman's appointment to render legal services at PRASA was irregular and incompliant with the supply chain management processes. Werksman was paid more than R300m with the approval of the legal division led by Ms. Ngoye. In 2016/17 the Auditor General when evaluating PRASA established that Werksman was paid R130m and such payment was not compliant with relevant SCM regulations and it was an irregular expenditure.

The Board has also established that all these material facts set out above were never disclosed by Ms. Ngoye during her testimony at the State Capture Commission. The State Capture Commission was not informed that in fact Ms. Ngoye recommended the appointment of Swifambo when she was a member of the Bid Adjudication Committee. It is unknown to the Board why such material facts were deliberately omitted or concealed by Ms. Ngoye to the Deputy Chief Justice and to GroundUp itself.

We call on GroundUp to manage the veracity of what it deems to be facts and not fiction before they publish an article riddled with falsehoods. Director General has been appointed by the Minister of Transport to sit in the PRASA Board. The current Board was appointed by the Minister of Transport consistent with the provisions of the Legal Succession Act and it includes officials from government departments such as the National Treasury, the National Transport and SALGA.

## Ends

Issued By: Chairperson of PRASA on behalf of the Board



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