



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

NATIONAL ASSEMBLY
MEMBER OF PARLIAMENT

PO Box 15 Cape Town 8000 Republic of South Africa
Tel: +27 (21) 403-2998, Fax: +27 (21) 461 0092
e-mail: sgraham@parliament.gov.za
www.parliament.gov.za
www.da.org.za

30 June 2023

Minister of Public Works and Infrastructure
Private Bag X65
Pretoria
0001

ATTENTION: MINISTER SIHLE ZIKALALA

Dear Minister Zikalala,

RE: INDEPENDENT DEVELOPMENT TRUST ACTING CEO

While on the Portfolio Committee for Public Works and Infrastructure, I started to receive information from various sources within the IDT with respect to questionable conduct on the part of management, in particular, the Acting CEO, Ms Tebogo Malaka.

The first of these issues emanated from the decision to lease an office building. Through various individuals, I was provided with evidence that allowed me to ask questions of the former Minister De Lille on the reasons behind the proposed lease, the processes followed and other pertinent issues. To my knowledge, that process has now been halted. However, it was the subject of a Protected Disclosure which has now lead to what appears to be victimisation of the whistle blower on that issue by the Acting CEO. I have written to you in connection with this matter earlier this month.

Another issue raised with me was around the appointment of a service provider to develop an organogram for the IDT. Allegations were made that the initial service provider was appointed without meeting the advertised requirements for the appointment and that the service provider failed to meet the objectives of the appointment. It was alleged that a further tender was advertised for the drafting of an organogram but the advertisement was subsequently withdrawn. I have, however, received documentation that speaks to the secondment of a specialist for 6 months at a cost of R50 000 per month for the drafting of an organisation design, amongst other things. This was not done on a tender basis but on a request from the IDT to the supplier.

In the ensuing months, I have received further information from employees in the IDT, the bulk of which relate to the appointment and functioning of the Acting CEO, Ms Malaka. While I appreciate that a forensic audit process has been initiated, it has not yet commenced and I am concerned that should the following questions not be answered, the IDT will be in contravention of a number of laws and its own Trust Deed. In addition, the fruitless and

wasteful expenditure will continue to increase unabated creating further material irregularities and negative findings by the Auditor General.

Ms Malaka was appointed in October 2021 in an acting capacity. She was, at the time, the Chairperson of the Board. I have been advised that Ms Malaka was never provided with a letter of appointment or a contract of employment in this respect. It has further been alleged that there was no formal determination of a salary payable to Ms Malaka and that she was merely paid in accordance with the salary of the previous CEO, ostensibly at around R2.8 million per annum. This despite her apparent lack of experience and expertise.

If there is no contractual relationship between Ms Malaka and the IDT, this could have catastrophic results for the organisation. This must be investigated as a matter of urgency.

I have been informed that under Ms Malaka, there have been a number of CCMA matters arising from unfair dismissals which have resulted in legal fees in the amount of R8 million, all payable to one legal firm, despite there being 193 legal firms on the supplier database. In addition, the compensation payable as a result of findings against the IDT are alleged to be around R12 million. This is extremely concerning and should be a red flag for you.

This also speaks to the culture of fear and victimisation at the IDT which has been raised with me by several individuals.

A further worrying trend is the ongoing secondment of individuals to the IDT without following due process. I have been provided with several documents that indicate that this is a regular occurrence with urgency being cited as a reason for deviating from normal procurement processes. The secondment of finance interns, or a Chief Information Officer are not urgent matters that would warrant such a deviation. The costs involved are wide ranging but substantial. Of particular concern is the secondment of a Mr William Kaipa as a Programme Manager where the request was made some 18 days after the individual had represented himself as being from the IDT on an attendance register. In addition, his letter offers him R778 000 per annum, while the job in question offered only R388 999.99.

Finally, there appears to be a trend around settlements being signed off by the Acting CEO. These settlements run into the millions of rands and should be of great concern.

It is also my understanding that both the Acting CEO and the CFO, Ms Clarinda Simpson have been forced to retain the services of bodyguards. Surely it should raise red flags with the Board and with you, Minister, that the two most senior members of management require personal protection while working at the IDT. If that, in and of itself, is not cause for concern, then I hope that the rest of the information provided herein will be sufficient for you to look into the very core of what is happening in the IDT.

If you wish to discuss anything further, please do not hesitate to contact me.

Kind regards,



SAMANTHA GRAHAM-MARÉ, MP
SHADOW MINISTER OF ELECTRICITY