

Troubled Prasa tests MPs' patience

The Passenger Rail Agency of SA (Prasa) will have to give monthly or quarterly reports to Parliament on its interventions to stem an internal crisis if the portfolio committee on transport has its way.



MPs have also made no qualms about sitting in on Prasa board meetings in the future.

Several investigations under way

This parliamentary oversight is in addition to five investigations under way at the state-owned agency. These include a forensic investigation by the auditor-general and a skills audit, both requested by Transport Minister Dipuo Peters.

In six months' time, Public Protector Thuli Madonsela is expected to release the second part of a report into the award of tenders at the agency. Last week, Peters called for the consolidation of these investigations so that they do not interfere with Prasa's day-to-day operations.

Prasa has been in the news following disclosure that it might have mispent taxpayers' resources in a R3.5bn locomotive contract. It was claimed that the locomotives - one which derailed at a trial run - were not suitable for local operations. CEO Lucky Montana, who had clashed with the board, left before Madonsela presented her report and as it emerged that several senior managers, including head of engineering services Daniel Mthimkhulu, had lied about their qualifications.

Committee needs to get up to speed

On Friday Prasa representatives were grilled by the portfolio committee on transport, with committee members bemoaning the fact that it took the agency more than a month to report to the legislature on years of maladministration.

Transport committee chair Dikeledi Magadzi said the committee needed to get up to speed with the state of affairs at Prasa following a leadership collapse. She said that this could include sitting in on Prasa board meetings or regular visits to Parliament by Prasa. "Stations are on the verge of being closed because of operational weaknesses. When the stories on Prasa began, we were taking these things from the newspapers because we don't get them from you. These are the things

that members have issues on," Magadzi said.

Manny de Freitas of the Democratic Alliance said Prasa would have to brief the committee regularly on matters including the vetting of employee qualifications and progress into the probe of irregular tenders. "In the beginning, sources said that Prasa said they would cooperate. Frankly they don't have a choice. Their objective is to get to the bottom of how these things happened. They speak about processes in terms of new applicants going to be vetted. I'm amazed that this is not the norm already," he said.

Tenders and contracts under scrutiny

In her report, Madonsela found that tenders were extended beyond their advertised scope, contracts to service providers were terminated without notice and other contracts were irregularly extended.

Prasa chairman Popo Molefe told the committee that the agency embraced the outcome of Madonsela's investigation and would continue to update Peters and the portfolio committee on its interventions.

He said the National Treasury would investigate all contracts that were worth more than R10m that Prasa had awarded since 2012. It would assess any irregular spending on contracts to determine whether to pursue legal action to recoup funds.

"We are investigating anything that reflects maladministration. We have a strong and robust audit committee. We do have a very weak internal audit system in that these are in the employ of Prasa, but these are externally reviewed," he said.

Committee member for the African National Congress Leonard Ramatlakane said while tenders should be probed, service providers assisting with key projects should continue their functions, especially those that were critical. "My big worry going forward is bringing Prasa to a standstill. It's going to be a protracted legal battle and at some point, you will be forced to pay without anyone doing any work," he said. With Andiswa Maqutu

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