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Parliamentary Precinct



**PRESENTATION OF THE
GRAVES PROJECT FORENSIC REPORT
TO THE PORTFOLIO COMMITTEE**

18 AUGUST 2015

**Presented by:
Ms Veliswa Baduza
Chief Executive Officer**

Setšhaba

**Letlotlo la
Setjhaba**

Ons Erfenis

Ilifa Lesizwe

Lifa Lesive

Ilifa Lesizwe

Ifa la Lushaba

Ilifa Lesitjhaba

**Ndzhaka ya
Rixaka**

**Bohwa bja
Setšhaba**

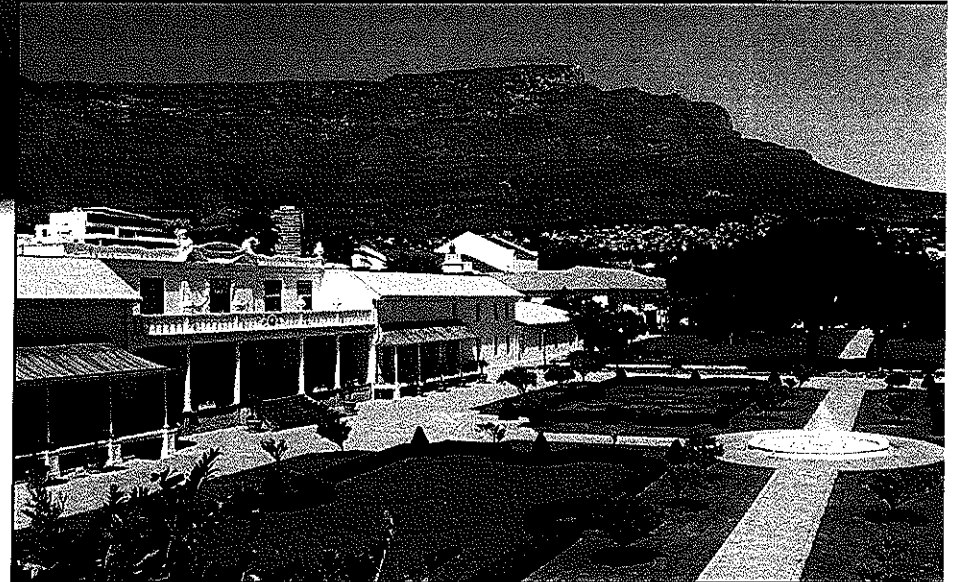
**Heritage for the
Nation**



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Tuynhuys



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Background

- The investigation of the Heritage Foundation was prompted by a discovery of an alleged irregular payment which was made to a service provider who never completed their assigned project.
- UBAC (Pty) Ltd was appointed through proper procurement processes to conduct a forensic investigation into all irregularities which were reported in the 2011/12 audit report including the funds allocated to “The Heritage Foundation” for the period 2011 to 2013.
- In total the Entity paid R1,4 million for the Forensic Investigation in the irregularities that were raised in the disclaimer audit report of 2011/12 as well as the activities of the Heritage Foundation



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Background cont.

- An MOU was entered into between SAHRA and The Heritage Foundation on 17 January 2011. SAHRA was represented by the former CEO, Ms S Van Damme and The Heritage Foundation by the Managing Director, Mr GN Opperman.
- In terms of this MOU, it is stated that *"the Parties are desirous of entering into an arrangement for the establishment of a framework for the conservation and management of mutually agreed white and black concentration camps, graves and cemeteries, including the Burgher graves (Anglo- Boer South African War (1899-1902) in South Africa."*
- Funds totalling R 2,250,000.00 were transferred from SAHRA to The Heritage Foundation for the restoration, conservation, and management of identified burial and memorial sites in terms of a MOU signed by the parties. The payments were made as follows:
 - 31 May 2011 – R 750,000.00;
 - 9 November 2012 – R 750,000.00; and
 - 31 May 2013 – R 750,000.00.



Objectives of the Heritage Foundation Investigation

- Conduct a review of the respective MOU's entered into between SAHRA and The Heritage Foundation and to establish compliance
- Investigate any irregularities identified with regards to the restoration and conservation management of identified burial and memorial sites in term of the MOU;
- Determine if there was any preferences and / or segregation in respect of work undertaken by the "The Heritage Foundation
- Reconcile and review all payments made to "The Heritage Foundation "by SAHRA;
- Request and review the Statements of Income and Expenditure for the respective years relating to funds received from SAHRA;



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Objectives of the Heritage Foundation Investigation

- Request and review the breakdown of expenditure incurred in respect of funds received from SAHRA;
- Identify and investigate any irregularities in terms of the Statement of Income and Expenditure and breakdown of expenditure as provided by “The Heritage Foundation”;
- Conduct physical site inspections where necessary;
- Determine ownership of sites and investigate any irregularities identified;
- Conduct interviews , where necessary with relevant stakeholders at SAHRA and “ The Heritage Foundation”;



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List of Projects agreed upon

Site	Major Repairs	Continuous Maintenance	Total
Berg-en-dal (ZARP Monument)	R 20 000.00	0	R 20 000.00
Bethulie Concentration Camp Sites	R 510 000.00	R 35 000.00	R 545 000.00
Marthinus Oosthuyse Voortrekker Cemetery	R 39 000.00	R 7 000.00	R 46 000.00
Doornbult (Orange River Camps)	R 450 000.00	R 35 000.00	R 485 000.00
Merebank Concentration Camp Cemetery	R 487 500.00	R 17 500.00	R 505 000.00
O' Neils Concentration Camp cemetery	R 30 000.00	R 7 000.00	R 37 000.00
Mafikeng Project	R 540 000.00	0	R 540 000.00
Winburg Concentration Camp Cemetery	R 200 000.00	R 28 000.00	R 228 000.00



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List of Projects agreed upon

Site	Major Repairs	Continuous Maintenance	Total
Winburg Concentration Camp Cemetery	R 200 000.00	R 28 000.00	R 228 000.00
Springfontein Concentration Camp Cemetery	R 375 000.00	R 17 500.00	R 392 500.00
Turffontein Concentration Camp Cemetery	R 112 500.00	R 26 500.00	R 139 000.00
Bronkhorstpruit Monument	R 15 000.00	0	R 15 000.00
Kroonstad Concentration Camp Cemetery	R 450 000.00	R 35 000.00	R 485 000.00
Burgher Graves Maitland	R 20 000.00	0	R 20 000.00
Other adhoc projects to be identified through year			R 100 000.00
Subsistence and Travel Costs			R 304 900.00
TOTAL	R 3 249 000.00	R 208 500.00	R 3 457 400.00



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Additional Projects to the initial list

SITE	SPEND ON PROJECT YEAR TO DATE
Balmoral concentration camp cemetery	R 1 864,61
Barberton concentration camp graves	R 13 292,73
Belfast concentration camp graves	R 64 477,81
Bloemfontein (including memoriam and pres brand cemeteries)	R 30 741,16
Brandfort concentration camp cemetery	R 27 555,48
Heidelberg, Fenter street municipal cemetery	R 38 931,88
Heidelberg, Jacobs street municipal cemetery	R 24 382,82
Heilbron concentration camp cemetery	R 13 488,20
Klerksdorp concentration camp cemetery	R 67 542,75
Krugersdorp concentration camp cemetery	R 47 765,17
Middelburg gp cemeteries (including Oranje street, Totius street, Kanonkop)	R 17 341,86



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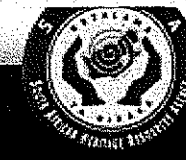


Additional Projects to the initial list

SITE	AMOUNT
Modimole concentration camp cemetery	R 37 139,52
Norvalspont concentration camp cemetery	R 5 465,80
Potchefstroom concentration camp graves	R 21 948,47
Pretoria concentration camp cemeteries heroes acre, church street	R 430,00
Church street/ Van der hoff road / Ossewabrandwag cemeteries	R 733,36
Van der hoff road concentration camp graves	R 3 121,18
Standerton concentration camp cemetery	R 11 310,39
Vechtkop heritage site	R 702,04
Vereeniging concentration camp graves	R 20 670,51
Volksrust concentration camp graves	R 26 417,59
Vredefort road concentration camp graves	R 9 814,64
Vryburg concentration camp graves	R 19 574,52
Totals	R 504 712,49



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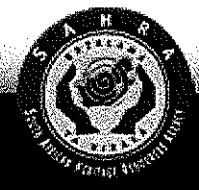


Findings

- That SAHRA notifies the Heritage Foundation of the breach of clause 15(9) of the MOU and require immediate refund of the unspent funds together with any interest that may be due.
- The Heritage Foundation has contravened section 11, and section 15(6) of the MOU (Additional Projects without consultation).
- It would appear that the former CEO Ms S Van Damme, Mr D Sibiya and Mr T Phili failed to protect the interest of the Black Concentration Camps/ Heritage sites by allowing the MOU to focus only on White Concentration Camps/ Heritage sites.
- There was no budget provided for the following:
 - Salaries;
 - Security;
 - Purchasing of new vehicles; and
 - Other general expense
- That SAHRA recover R1,6 million from the Heritage Foundation.



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Management Comments

We have reviewed the forensic report and do not agree with the conclusions reached;

- All work executed by the Heritage Foundation was in line with the MOU. UBAC incorrectly linked the expenditure to projects which were preliminary indentified in an email, while the MOU did not identify any specific sites. The work done by General Opperman included Black and white concentration camps as per the MOU. It should be noted that sites were only identified after the funds were transferred.
- The finding that only R313 502 of the expenditure is legitimate is not correct. It should further be noted that project reports with photos were provided by the Heritage Foundation to UBAC, which served as physical evidence of the work done by the Heritage Foundation.



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Management Comments cont.

- The findings that the Heritage Foundation breached clause 15(9) which indicates that the funds should be expensed within 6 months, was not strictly adhere to, however the audited reports submitted by the Heritage Foundation indicate that the total expenditure for the 2011/2012 financial year amounted to R765 040 and the 2013/2014 financial year amounted to R750 043. The funds were thus spent in full in the respective financial years except for 2011/2012 year for which a saving of R15 645 was realized.
- It should be noted that The Heritage Foundation did expense more funds than received over the 3 year period.



Management Comments cont.

- In terms of clause 11 of the MOU, "VARIATIONS," it is stated that "No variation, modification, or relinquishment of any of the terms in this Agreement or deviation by consent will be valid unless stated in writing and signed by both parties. Such variation, modification, relinquishment, or consent shall only apply to a specific case and only for the purpose and to the extent it was made for."
- The finding that the Heritage Foundation breached clause 11 is unfounded as the projects which were outside the list of projects was condoned by SAHRA by providing more funding.
- The fact of the matter is that the project was not properly managed by SAHRA which then allowed the Heritage Foundation to include other graves as and when they saw the need.



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Management Comments cont.

- Therefore the amount of R1,6 million which the forensic report suggests that should be recovered if the projects done were not part of the initial approved list is not advisable as the projects undertaken related to same intended purpose of rehabilitating the concentration camps.
- The assets bought during the 3 year period by The Heritage Foundation are small assets with a cost value of R37 000 and two vehicles with a market value of R165 000, as per the list submitted by General Opperman in the report dated 08 November 2014. The MOU is silent about the assets acquired for the execution of the project. Our view is that these assets should remain with the Heritage Foundation as they are continuing to maintain the graves.



Conclusion

- Based on the analysis of the report and the meetings held with the Heritage Foundation, SAHRA concluded that there were no material irregularities and that all work undertaken falls within the ambit of our mandate.
- The report is now closed and there are plans to further engage the Heritage Foundation for continued partnership.



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THANK
YOU!



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