

MEDIA RELEASE	PSA calls for suspension of Road Accident Fund CEO amidst R79 million lease scandal
DATE	15 April 2025
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The Public Servants Association (PSA) is disturbed about recent revelations implicating the Road Accident Fund (RAF) CEO in a R79 million lease scandal.

According to a preliminary report by the Special Investigating Unit (SIU), the CEO is accused of manipulating the procurement process to favour *Mowana Properties*, a losing bidder that ultimately secured the five-year lease for the RAF's Johannesburg offices.

The PSA is committed to upholding the principles of integrity, transparency, and accountability in the public service. The recent revelation is disturbing as the RAF is experiencing significant financial challenges with a deficit of more than R25 billion. The CEO's appointment was hailed as the turning point for the entity that has been plagued by maladministration and corruption where legal practitioners were submitting duplicate and falsified claims amounting to vast amounts. These allegations undermine the integrity and transparency of public service operations.

The preliminary SIU findings point at tender manipulation where it is reported that the CEO overturned the decision of the Bid Committee to favour *Mowana Properties*. There are other questionable contracts, totalling R372 million, for cleaning and security, backlog project, and office furniture. These actions violate ethical standards and compromise the efficient use of public funds. It is commendable that the SIU is ensuring a thorough investigation into all implicated contracts and procurement processes to ensure accountability and transparency.

Keeping the RAF CEO at the helm whilst the investigation is underway can, however, result in hindered investigations and further misconduct. The PSA therefore calls for the immediate suspension of the CEO pending the final SIU report.

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