

MEDIA RELEASE PSA outraged by R50-million settlement for unused government building

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The Public Servants Association (PSA) is outraged by reports that the Department of Public Works and Infrastructure is set to pay approximately R50 million to settle a lease agreement for a building that was never occupied.

This development represents a serious failure of governance, accountability, and financial management in the Department. It highlights ongoing systemic challenges in the management of public resources. Government departments are under significant financial strain and public servants are being called on to do more with fewer resources. It is unacceptable that such a substantial amount of taxpayers' money is wasted without any benefit to the public or improvement in service delivery. The situation raises critical questions, including who authorised the lease agreement under such circumstances, what due diligence processes were followed before committing public funds, why was the building never utilised, and at what stage were red flags ignored? Such failures point to weak internal controls, lack of consequence management, and potential negligence by responsible officials.

The misuse of public funds directly undermines the ability of government departments to deliver essential services and places further pressure on constrained budgets. Funds that could have been used to fill critical vacancies, improve working conditions, and enhance service delivery to communities are being diverted to cover the costs of poor decision-making.

The PSA calls on relevant authorities, including the Auditor-General and law enforcement agencies, to urgently investigate this matter and ensure that people responsible are held accountable, appropriate disciplinary and legal actions are taken where warranted, and measures are implemented to prevent similar incidents. There must be clear and visible consequence management to restore public confidence. The PSA reiterates that wasteful and fruitless expenditure cannot be tolerated, especially in a context where public servants are expected to deliver quality services under increasingly difficult conditions.

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