



22 January 2019

Zondo Commission: prisons catering deal a cash cow for Bosasa and DCS officials

Linda Mti, the man at the centre of the alleged dodgy catering contract between the Department of Correctional Services and Bosasa, continued to benefit for his part for years, despite his resignation from government in late 2006. Mti was the national commissioner for the department – a level similar to that of a director-general – and was privy to the needs of prison facilities across the country. Bosasa manages the catering and security services contracts at correctional services across the country.

Mti has been implicated by former Bosasa COO Angelo Agrizzi, who continues to testify before the commission of inquiry into state capture. Bosasa – which now trades as Africa Global Operations – has had the catering contract since 2004 at the cost of over R1-billion to date, while the security contract was awarded to one of their subsidiaries, Sondolo IT, in 2006 and has an initial value of R224-million, much to the benefit of Mti.

According to Agrizzi, the reason Bosasa continued to pay his monthly cash bribe of R65 000 is that Mti and the company's CEO Gavin Watson had agreed that the former would get the money as long as the contract was in place. Other benefits enjoyed by Mti and his family include holidays and travel expenses footed by Bosasa, as well as payment towards tuition of two of Mti's children. In both instances, extensions to the contracts were awarded without the contracts going to tender.

A travel account, opened by Agrizzi with Blake Travel, is registered in the name of Agrizzi's father-in-law JJ Venter, he told the commission. This was done to conceal Mti's identity in the travel deals entered into.

A house in Savannah Hills estate in Midrand, built for him by Bosasa through an associate, was furnished, maintained and secured at no cost to Mti. Instead, an arrangement was entered into among himself, Bosasa and Riekele Construction – owned by Riaan Hoeksma – that Mti would pay what on paper looks like monthly rental fee, but in reality was an "investment" to Hoeksma towards funds that would be made available to Mti once he leaves the public service and is no longer earning a salary.

Things, however, did not go according to plan because once Mti resigned in November of 2006, he only stayed in the house for a while longer, before moving to another property close by. Hoeksma did not abide the original agreement: he registered a bond for the house and later sold it, without informing Mti. When Mti enquired with Watson and Agrizzi, the pair met with Hoeksma to discuss the matter, and were told the house was sold for between R4-million and R5-million.

To hide any connections between the construction of the house and Bosasa, invoices relating to the building costs were falsified to represent work being done by Hoeksma for Bosasa at Lindela Repatriation Centre and other facilities managed by Bosasa. Riekele was in actual fact doing a lot of work at Lindela, so the assumption was that there would be few suspicions regarding the payments. As it stands, Mti has nothing on paper connecting him to the Savannah Hills property.

It was around this time that the Special Investigating Unit (SIU) had started probing Mti's links to Bosasa. The SIU recommended, in their report on the matter, that criminal charges be brought against Mti, but to date there have been none.

According to Agrizzi, at the time of the issues regarding the house – which he estimated to be valued then at R6-million – Mti was given two options, to either fight to get the house in his name and risk possible prosecution, or let it go. He opted to let it go, given the circumstances.

Agrizzi continues to testify.

Useful links:

[Zondo Commission website](#)

[Department of Correctional Services](#)