Contracts for SA’s billion-a-month private prisons negotiated 'in bad faith

AT LEAST three correctional services officials who negotiated the multi-billion rand contracts for the two private prisons in South Africa that are managed by American and British companies, left the department to join the same entities after the deal was signed and sealed. The 25-year contract for Mangaung Correctional Centre in Bloemfontein, Free State was awarded to British security firm, G4S. It was signed on March 24, 2000, and is expected to end on June 30, 2026. The second 25-year contract for Kutama Sinthumule Correctional Centre in Limpopo, was awarded to American company, GEO Group. It was signed on August 16, 2000, and will end on February 15, 2027. G4S partnered with a local consortium, Mangaung Correctional Contracts (MCC), while GEO Group roped in a local consortium, South African Custodial Services (SACS). The government is currently spending almost R1-billion a month for the 5 952 prisoners incarcerated in these facilities. It has come to light that three correctional services officials, Pieter Jordaan, Steven Korabie and Frikkie Venter, negotiated and signed the contracts with G4S and GEO Group before joining the same companies after the contracts were signed. Venter joined Mangaung as managing director, while Korabie occupied the same position in Kutama. When Korabie left Kutama, he was replaced by Jordaan. Venter and Korabie later presented Mangaung and Kutama's plans and ambitions to Parliament's correctional services portfolio committee and its standing committee on public accounts (Scopa) on October 12, 2001, on behalf of their new employers. Former Scopa chairperson, Themba Godi, yesterday told Sunday Independent that the prison contracts were negotiated in bad faith.

"We weren't aware at the time that these officials are the same ones that negotiated these contracts on behalf of our government. Although there was no legislation for a cool-off period at the time, what they did is morally unacceptable. As you see, the terms and conditions of these contracts are in favour of these companies. "There is no doubt in my mind that these officials negotiated in bad faith and for self interests. These private firms, that are foreign owned, are making a killing while our government is losing billions in these deals," said Godi. A senior correctional services official known to the paper said: "Now it explains why numerous complaints of human rights abuse, prisoners torture and forced injections reported in these prisons are ignored and covered up by the department of correctional services (DCS), because these prisons have bought their protection by employing these former DCS officials". However, correctional services spokesperson Singabakho Nxumalo yesterday said it was "misleading and totally unfortunate to insinuate that former officials", who were recruited by the two companies running the prisons, "could have played an influential role in the process for self-gain". "DCS could not prevent citizens from being employed by other entities merely because they are ex-DCS officials," he said. Nxumalo added that the department "has made it its obligation to investigate matters in conflict with the act, such as ill-treatment of inmates or human rights abuse". He said Mangaung was fined R748 718.81 for breaking the rules, while Kutama was slapped with a penalty of R1 566 453.39 to date for all violations of their contracts where prisoners were allegedly abused and violated. "South Africa is a democratic state and the treatment of inmates can never be outside basic human rights." Award-winning journalist Ruth Hopkins published a book in 2020, titled The Misery Merchants: Life and death in a private South African prison, which exposes the alleged corruption and cover-ups of human rights abuse at Mangaung Correctional Centre. The Sunday Independent investigation has uncovered similar alleged human rights abuse in Kutama. A former prison official this week told the newspaper how he had witnessed abuse and torture during his tenure at the prison. "The prisoners are tortured, beaten up and sometimes are being force-injected with drugs that turn them into robots or zombies. They won't even remember their names after they are injected. That injection is being used as a weapon; any prisoner who would like to raise his concerns or lodge a complaint against some of the officials, is threatened with the injection," the official said. When Justice Edwin Cameron visited Kutama on April 24, 2012, some of the complaints the prisoners raised to him included:

- Unlawful solitary confinement, where one prisoner claimed he was kept in isolation for 42 days and beaten up, though nothing happened to his abuser;
- A prisoner had his arm broken after a security gate was closed on him;
- An offender was brutally assaulted by officials, then bribed with "two cold drinks" not to report the case;
- Another prisoner was shot by an official and also prevented from opening a case;
- Another prisoner lost his three front teeth after being assaulted by officials and never taken to hospital; and,
- Another prisoner was assaulted and left in crutches, while another had his thumb broken.
The facility is supposed to be high security, but Justice Cameron was told how two prisoners managed to successfully escape from there in 2009. Another former employee at Kutama told us this week that "there's too much corruption and maladministration in that prison". SIU spokesperson Kaizer Kganyago yesterday confirmed that three of the prison directors and two managers are under investigation after they allegedly applied for Covid-19 relief funds. Kganyago said the centre was paid R6.4-million until SIU investigation established that "the whole application was flawed" and their application even included the names of two officials who are no longer working there. "The money was recovered in full and paid back with interest. This is a prison and their workers were not disadvantaged during the lockdown as none of them lost their income as the government is servicing their contract in full with the facility," he said.

Nxumalo confirmed there was an SIU investigation at Kutama into allegations around Covid-19 relief funds, and that the matter "was dealt with and resolved". "The management responsible for the facility was informed that they do not qualify to submit the UIF claim because the company did not close for a period of two weeks. The contractor initiated a process of paying back the money to the UIF," he added.