

Joburg left reeling by billing scam

Another billing scandal has left the City of Joburg reeling after it was revealed that a syndicate has been swindling Joburg residents of millions of rand over the past three years.

Things got a lot worse for the council yesterday when one of its own employees was nabbed by the police, forcing City management to vow strong action in closing the net on more people they believe are involved in one of the biggest fraud and corruption scandals to hit the municipality.

The arrested employee, a 37-year-old woman who works in the revenue collections department, was escorted out of Thuso House in Braamfontein.

Her arrest follows revelations that she gave her accomplices billing information containing residents' confidential details. This included outstanding monies owed for services. The group allegedly operates in the Westbury, Newclare and Coronationville areas.

According to a city official, the scamsters used the billing information to create fake legal notices of demand. If paid, the payments were made into the group's personal account.

"They threatened terminating customer services if they failed to pay. They went for people in arrears and those who owed substantial amounts. They would approach them with forged legal notices and tell them to pay half the money or be switched off."

It was only when residents received their billing invoices that they noticed the discrepancies. No payments reflected on their statements.

The syndicate is believed to consist of the arrested woman, a former City of Joburg employee, a City Power contractor and a Colin Vincent Hall, who has been described as the mastermind behind the dodgy operations.

The official said as soon as money was paid into the group's account, services were restored but the monies never made it into the City's coffers.

City of Joburg spokesman Nthathisi Modingoane said yesterday's arrest came after police arrested Hall two weeks ago with 12 other people.

Hall allegedly spilled the beans on the city employee. Modingoane said so far 31 residents had logged complaints about the scamsters. "We have since reconnected all of them and reworked their accounts," Modingoane said.

He said the arrested woman is due to appear in the Joburg Specialised Commercial Crime Court on Monday.

The city has warned customers to be on the lookout for another con, the "Changing of Banking Details" e-mail scam, which was brought to their attention by a vigilant customer who had received a fraudulent e-mail alleging that the municipality had changed its banking account.

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