

PROCLAMATION NO. R. 35 OF 2019

**by the
PRESIDENT of the REPUBLIC of SOUTH AFRICA**

SPECIAL INVESTIGATING UNITS AND SPECIAL TRIBUNALS ACT, 1996 (ACT NO. 74 OF 1996): REFERRAL OF MATTERS TO EXISTING SPECIAL INVESTIGATING UNIT

WHEREAS allegations as contemplated in section 2(2) of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996) (hereinafter referred to as the "Act"), have been made in respect of the affairs of the Madibeng Local Municipality (hereinafter referred to as "the Municipality");

AND WHEREAS the Municipality or the State suffered losses that may be recovered;

AND WHEREAS I deem it necessary that the said allegations should be investigated and civil proceedings emanating from such investigation should be adjudicated upon;

NOW, THEREFORE, I hereby, under section 2(1) of the Act, refer the matters mentioned in the Schedule, in respect of the Municipality, for investigation to the Special Investigating Unit established by Proclamation No. R. 118 of 31 July 2001 and determine that, for the purposes of the investigation of the matters, the terms of reference of the Special Investigating Unit are to investigate as contemplated in the Act, any alleged—

- (a) serious maladministration in connection with the affairs of the Municipality;
- (b) improper or unlawful conduct by the personnel of the Municipality;
- (c) unlawful appropriation or expenditure of public money or property;
- (d) unlawful, irregular or unapproved acquisitive act, transaction, measure or practice having a bearing upon State property;
- (e) intentional or negligent loss of public money or damage to public property;
- (f) offence referred to in Parts 1 to 4, or section 17, 20 or 21 (in so far as it relates to the aforementioned offences) of Chapter 2 of the Prevention and

Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004), and which offences were committed in connection with the affairs of the Municipality; or

(g) unlawful or improper conduct by any person, which has caused or may cause serious harm to the interests of the public or any category thereof, which took place between 18 September 2015 and the date of publication of this Proclamation or which took place prior to 18 September 2015 or after the date of publication of this Proclamation, but is relevant to, connected with, incidental or ancillary to the matters mentioned in the Schedule or involve the same persons, entities or contracts investigated under authority of this Proclamation, and to exercise or perform all the functions and powers assigned to or conferred upon the said Special Investigating Unit by the Act, including the recovery of any losses suffered by the Municipality or the State, in relation to the said matters in the Schedule.

Given under my Hand and the Seal of the Republic of South Africa at Johannesburg this 13th day of June Two thousand and nineteen.

CM Ramaphosa
President

By Order of the President-in-Cabinet:

TM Masutha
Minister of the Cabinet

SCHEDULE

1. The procurement of or contracting for goods, works or services by or on behalf of the Municipality and payments which were made in respect thereof in a manner that was—

- (a) not fair, equitable, transparent, competitive or cost-effective; or
- (b) contrary to applicable—
 - (i) legislation;
 - (ii) manuals, guidelines, practice notes, circulars or instructions issued by the National Treasury or the relevant Provincial Treasury; or
 - (iii) manuals, codes, guidelines, policies, procedures, prescripts, instructions or practices of, or applicable to, the Municipality,

and any related unauthorised, irregular or fruitless and wasteful expenditure incurred by the Municipality or the State in relation to the appointment of a service provider in terms of a maintenance lease agreement for a period of thirty-six months in respect of the Municipality's pool vehicles.

2. Any undisclosed or unauthorised interests which the personnel of the Municipality or the State may have had in contractors, suppliers or service provider bidding for work or doing business with the Municipality or to whom contracts were awarded by the Municipality, contrary to applicable—

- (a) legislation;
- (b) manuals, guidelines, practice notes, circulars or instructions issued by the National Treasury or the relevant Provincial Treasury; or
- (c) manuals, codes, guidelines, policies, procedures, prescripts, instructions, contracts of employment, conditions of service or practices of, or applicable to, the Municipality or the personnel of the Municipality,

and the extent of any actual or potential benefits derived directly or indirectly by the personnel of the Municipality or their family members from such undisclosed or unauthorised interests.

3. Any unlawful or improper conduct by the councillors, officials or employees of the Municipality or applicable contractors, suppliers or service providers, or any other person or entity in relation to the allegations set out in paragraphs 1 and 2 of this Schedule.

PROKLAMASIE NO. R. 35 VAN 2019**van die****PRESIDENT van die REPUBLIEK van SUID-AFRIKA****WET OP SPESIALE ONDERSOEKEENHEDE EN SPESIALE TRIBUNALE, 1996
(WET NO. 74 VAN 1996): VERWYSING VAN AANGELEENTHEDE NA
BESTAANDE SPESIALE ONDERSOEKEENHEID EN SPESIALE TRIBUNAAL**

AANGESIEN bewerings soos beoog in artikel 2(2) van die Wet op Spesiale Ondersoekeenhede en Spesiale Tribunale, 1996 (Wet No. 74 van 1996) (hierna na verwys as die "Wet"), gemaak is in verband met die aangeleenthede van die Madibeng Distriksmunisipaliteit (hierna na verwys as "die Munisipaliteit");

EN AANGESIEN die Munisipaliteit verliese gelyk het wat verhaal kan word;

EN AANGESIEN ek dit nodig ag dat gemelde bewerings ondersoek en siviele geskille voortspruitend uit sodanige ondersoek bereg moet word;

DERHALWE verwys ek hierby, kragtens artikel 2(1) van die Wet, die aangeleenthede in die Bylae vermeld, ten opsigte van die Munisipaliteit, vir ondersoek na die Spesiale Ondersoekeenhede ingestel by Proklamasie No. R. 118 van 31 Julie 2001 en bepaal dat, vir die doeleindes van die ondersoek van die aangeleenthede, die opdrag van die Spesiale Ondersoekeenhede is om soos beoog in gemelde Wet, ondersoek te doen na enige beweerde—

- (a) ernstige wanadministrasie in verband met die aangeleenthede van die Munisipaliteit;
- (b) onbehoorlike of onregmatige optrede deur die personeel van die Munisipaliteit;
- (c) onregmatige bewilliging of besteding van publieke geld of eiendom;
- (d) onwettige, onreëlmatige of nie-goedgekeurde verkrygende handeling, transaksie, maatreël of praktyk wat op Staatseiendom betrekking het;
- (e) opsetlike of nalatige verlies van publieke geld of skade aan publieke eiendom;

- (f) misdryf bedoel in Dele 1 tot 4, of artikel 17, 20 of 21 (vir sover dit op voornoemde misdrywe betrekking het) van Hoofstuk 2 van die Wet op die Voorkoming en Bestryding van Korrupte Bedrywighede, 2004 (Wet No. 12 van 2004), en welke misdrywe gepleeg is in verband met die sake van die Munisipaliteit; of
- (g) onwettige of onbehoorlike optrede deur enige persoon wat ernstige benadeling vir die belange van die publiek of enige kategorie daarvan veroorsaak het of kan veroorsaak,

wat plaasgevind het tussen 18 September 2015 en die datum van publikasie van hierdie Proklamasie of wat plaasgevind het voor 18 September 2015 of na die datum van publikasie van hierdie Proklamasie, wat relevant is tot, verband hou met, insidenteel of bykomstig is tot, die aangeleenthede vermeld in die Bylae of wat dieselfde persone, entiteite of kontrakte betrek wat ondersoek word kragtens die volmag verleen deur hierdie Proklamasie, en om al die werksaamhede en bevoegdhede wat deur die Wet aan die gemelde Spesiale Ondersoekeenheid toegewys of opgedra is, uit te oefen of te verrig in verband met die genoemde aangeleenthede in die Bylae, insluitend die verhaal van enige verliese wat deur die Munisipaliteit gely is.

Gegee onder my Hand en die Seël van die Republiek van Suid-Afrika te Johannesburg op hede die 13 dag van Junie Twee duisend-en-negentien.

CM Ramaphosa

President

Op las van die President-in-Kabinet:

TM Masutha

Minister van die Kabinet

BYLAE

1. Die aanskaffing van, of kontraktering vir goedere, werk of dienste deur of namens die Munisipaliteit en betalings wat in verband daarvan gemaak is op 'n wyse wat—

- (a) nie regverdig, billik, deursigtig, mededingend of koste-effektief was nie; of
- (b) teenstrydig was met toepaslike—
 - (i) wetgewing;
 - (ii) handleidings, riglyne, praktyknotas, omsendskrywes of instruksies wat deur die Nasionale Tesourie of betrokke Provinsiale Tesourie uitgevaardig is; of
 - (iii) handleidings, kodes, riglyne, beleid, prosedures, voorskrifte, instruksies of praktyke van, of wat op die Munisipaliteit van toepassing is,

en enige verwante ongemagtigde, onreëlmatige of vrugtelose en verspilte uitgawes wat deur die Munisipaliteit of die Staat aangegaan is ten opsigte van die aanstelling van 'n diensverskaffer kragtens 'n instandhoudingsooreenkoms vir 'n tydperk van ses-en-dertig maande ten opsigte van die Munisipaliteit se poel voertuie.

2. Enige ongeopenbaarde of ongemagtigde belange wat die personeel van die Munisipaliteit of die Staat mag gehad het in kontrakteurs, verskaffers of diensverskaffers wat vir werk gebie het of besigheid met die Munisipaliteit gedoen het of aan wie kontrakte deur die Munisipaliteit toegeken is, strydig met toepaslike—

- (a) wetgewing;
- (b) handleidings, riglyne, praktyknotas, omsendskrywes of instruksies wat deur die Nasionale Tesourie of betrokke Provinsiale Tesourie uitgevaardig is; of
- (c) handleidings, kodes, riglyne, beleid, prosedures, voorskrifte, instruksies, dienskontrakte, diensvoorwaardes of praktyke van, of wat op die Munisipaliteit of die personeel van die Munisipaliteit van toepassing is,

en die omvang van enige daadwerklike of potensiele voordeel wat direk of indirek bekom is deur die personeel van die Munisipaliteit of hul familieleden deur sodanige ongeopenbaarde of ongemagtigde belange.

3. Enige onregmatige of onreëlmatige optrede deur die personeel van die Munisipaliteit of die betrokke kontrakteurs, verskaffers of diensverskaffers of enige ander persoon of entiteit ten opsigte van die bewerings soos in paragrawe 1 en 2 van hierdie Bylae uiteengesit.