

# PROCLAMATION

by the  
President of the Republic of South Africa

No. R. 74, 1998

SPECIAL INVESTIGATING UNITS AND SPECIAL TRIBUNALS ACT, 1996 (ACT  
No. 74  
OF 1996):

## REFERRAL OF MATTERS TO EXISTING SPECIAL INVESTIGATING UNIT AND SPECIAL TRIBUNAL

WHEREAS allegations as contemplated in section 2(2) of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996), have been made in respect of the affairs of the State institutions mentioned in the Schedule and/or their predecessors in law (hereinafter referred to as "the State institutions");

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

NOW, THEREFORE, I hereby, under section 2 (1) of the said Act, and after consultation with the Premiers of the Provinces concerned, refer the matters in the Schedule for investigation to the Special Investigating Unit and for adjudication of justiciable civil disputes emanating from such investigation to the Special Tribunal established by Proclamation No. R. 24 of 14 March 1997 and determine that, for the purposes of the investigation of these matters, the terms of reference of the Special Investigating Unit are to investigate as contemplated in the said Act, any-

- (a) serious maladministration in connection with the affairs of any such State institution;
- (b) improper or unlawful conduct by employees of any such State institution;
- (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) corruption in connection with the affairs of any such State institution; 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 has taken place between 1 January 1986 and the date of publication of this Proclamation.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Eighteenth day of July One thousand Nine hundred and Ninety-eight.

N. R. MANDELA  
President

By Order of the President-in-Cabinet:

A. M. OMAR  
Minister of the Cabinet

#### SCHEDULE

Province of the Eastern Cape

Department of Education

1. The appointment of persons by officials of the provincial Department of Education in return for certain favours or against payment.
2. The promotion of certain officials in the provincial Department of Education in return for certain favours or against payment.
3. The unlawful, unauthorised and/or irregular re-employment and payment, by the provincial Department of Education, of teachers who have accepted severance packages.
4. The unlawful, unauthorised and/or irregular overpayment of officials of the provincial Department of Education.
5. The theft and/or loss of cheques from the provincial Department of Education, the fraudulent drawing of the cheques and the subsequent

presentation of such cheques for payment.

6. The non delivery to and/or non installation at various schools and technical colleges of the provincial Department of Education of computers and computer software by businesses which received payment therefor.

7. The unlawful, unauthorised and/or irregular receipt of commission by officials of the provincial Department of Education for allocating contracts to certain firms.

8. The misuse of vehicles allocated to the provincial Department of Education and the misuse of telephones by officials of the said Department.

9. The irregular supply of books to the provincial Department of Education by privately owned bookshops in which officials of the said Department have an interest.

10. The unauthorised and/or irregular lease agreements entered into by sub-offices of the provincial Department of Education in respect of -

(a) buildings; and

(b) houses owned by officials of the said Department.

11. The unauthorised and/or irregular purchase of inferior and unnecessary equipment and woodworking tools for technical colleges in the former Transkei by officials of the provincial Department of Education.

#### Department of Health and Welfare

1. The unlawful, unauthorised and/or irregular payment of pension moneys to officials of the provincial Department of Health and Welfare.

2. The theft of pension money of the provincial Department of Health and Welfare.

3. The inadequate and improper safekeeping of pension moneys of the provincial Department of Health and Welfare by officials of the said Department.

4. The theft of an amount of R207 788,25 from the provincial Department of Health and Welfare.

5. The unauthorised and/or irregular payment by the provincial Department of Health and Welfare for services and/or goods which were not rendered and/or delivered.

6. The unlawful, unauthorised and/or irregular payment of claims to district surgeons in the Eastern Cape by the provincial Department of Health and Welfare.

7. The unlawful, unauthorised and/or irregular purchase of goods and/or use and/or theft thereof for private purposes by employees of Komani Hospital, Queenstown.

8. The unlawful, unauthorised and/or irregular receipt of payment or goods by employees of Komani Hospital, Queenstown from businesses for contracts entered into for the supply of goods and delivery of services.

9. The unauthorised and/or irregular procurement of supplies by the Umtata General Hospital at exorbitantly high prices from businesses in which employees of the Hospital have an undisclosed interest.

10. The unauthorised and/or irregular procurement of supplies by the Department of Health, Umtata Central Region at exorbitantly high prices.

11. The unlawful, irregular and/or improper management, functioning and administration of State feeding schemes in the Eastern Cape by various non governmental institutions.

#### Department of Public Works

The submission of quotations for building material at inflated prices by a business trading as Hanum's Trading on its own behalf and on behalf of non-existent companies and the payments by the provincial Department of Public Works for building material in terms of inflated quotations and invoices to Hanum's Trading and non-existent companies.

#### Public Debt Commission

1. The theft and/or loss of cheques of the Public Debt Commission.

2. The unlawful, unauthorised and/or irregular withdrawal and investment of State funds by an official of the Office of the Public Debt Commission in Umtata.

3. The unlawful, unauthorised and/or irregular receipt of payment from investment brokers for the investment of State funds by an official of the Office of the Public Debt Commission in Umtata.

#### Department of Water Affairs

The unlawful, unauthorised and/or irregular appropriation by a sub-consultant of the provincial Department of Water Affairs of foreign funds donated to that Department.

Province of KwaZulu/Natal

Department of Education

The unlawful, unauthorised and/or irregular use of Government motor vehicle credit cards allocated to Government motor vehicles by officials of the provincial Department of Education.

Department of Local Government and Housing

1. The unlawful and/or irregular payments by the provincial Department of Local Government and Housing -

- (a) for purported labour in terms of a contract to perform work; and
- (b) for services rendered on contract for which payments have already been made.

2. The unlawful, unauthorised and/or irregular making and granting of applications and making of payments under the housing subsidies scheme for disadvantaged people, administered by the provincial Department of Local Government and Housing, to acquire property.

Department of Transport

1. The unlawful, unauthorised and/or irregular payment of an amount of R41 368 by the provincial Department of Transport which is connected to a settlement pertaining to a motor vehicle accident in which an official of the said Department was involved.

2. The theft of motor vehicles of the provincial Government Garage.

3. The unlawful, unauthorised and/or irregular use of Government motor vehicle credit cards by government officials.

Mpumalanga Province

Department of Agriculture

1. The fraudulent use of requisition and order books of the provincial Department of Agriculture by an official of the said Department in respect of the hiring of motor vehicles.

2. The unlawful, unauthorised and/or irregular private use of motor vehicles hired by the provincial Department of Agriculture and the subsequent payment of the rentals for and damages to such vehicles by the said Department.

3. The unlawful and/or unauthorised removal of and subsequent damages caused to a computer system of the provincial Department of Agriculture, by an official of the said Department.

#### Department of Education

1. The unauthorised and/or irregular supply of chemicals to schools in Mpumalanga by Senoko Enterprises and the subsequent payments made by the provincial Department of Education.

2. The unlawful, unauthorised and/or irregular payments by the provincial Department of Education to Senoko Enterprises for goods not delivered.

#### Department of Environmental Affairs

The unauthorised and/or irregular payments by the provincial Department of Environmental Affairs to businesses and/or individuals in Nelspruit for goods supplied and/or services rendered.

#### Department of Inland Revenue

1. The shortcomings in the Office of the Receiver of Revenue in the former KaNgwane in respect of -

- (a) outstanding revenue returns;
- (b) unevaluated tax assessments;
- (c) arrear taxes which were not collected;
- (d) interest not charged in respect of amounts due to the State;
- (e) taxes on fringe benefits received by certain persons which were not raised;
- (f) insufficient tax records; and
- (g) lack of control over files.

2. Outstanding taxes which the Office of the Receiver of Revenue in the former KaNgwane could not account for.

3. The substantial losses that the State suffered as a result of poor internal checking in the Office of the Receiver of Revenue in the former KaNgwane.

#### Department of Safety and Security

The unlawful, unauthorised and/or irregular

- (a) claiming of subsistence allowances by officials of the provincial Department of Safety and Security;
- (b) claiming of motor vehicle expenses by officials of the provincial Department of Safety and Security;
- (c) use of hired vehicles by officials of the provincial Department of Safety and Security and/or other persons, and the subsequent losses suffered by the State as a result of damages during such use of the vehicles;
- (d) use of government motor vehicles by officials of the provincial Department of Safety and Security;
- (e) payment to the amount of R27 228,53 by the provincial Department of Safety and Security to the private secretary to the Member of the Executive Committee of Safety and Security of Mpumalanga in respect of overtime claims;
- (f) payments by the provincial Department of Safety and Security to various officials of the said Department in respect of house rentals and/or housing subsidies; and
- (g) payments by the provincial Department of Safety and Security in respect of private telephone expenses of officials of the said Department.

#### Department of Public Works, Roads and Transport

1. The issuing of invoices by businesses in respect of fictitious services or supplies, and the subsequent unlawful, unauthorised and/or irregular payments by the provincial Department of Public Works, Roads and Transport.

2. The unlawful, unauthorised and/or irregular receipt of commission by

officials of the provincial Department of Public Works, Roads and Transport.

3. The issuing of fraudulent invoices by businesses in respect of supplies delivered to the State, and the subsequent unlawful, unauthorised and/or irregular payments by the provincial Department of Public Works, Roads and Transport.

4. The unlawful, unauthorised and/or irregular -

- (a) payments by the provincial Department of Public Works, Roads and Transport to businesses which have already received payment;
- (b) appropriation of goods delivered to the provincial Department of Public Works, Roads and Transport by officials of the said Department for private purposes; and
- (c) conducting of private businesses during official hours and the utilisation of transport and material belonging to the State for these purposes by officials of the provincial Department of Public Works, Roads and Transport.

#### Provincial Legislature

The unlawful, unauthorised and/or irregular use of hired vehicles by officials of the Provincial Legislature and/or other persons, and the subsequent losses suffered by the State as a result of damages during such use of the vehicles.

#### Provincial Service Commission

The unlawful, unauthorised and/or irregular use of hired vehicles by officials of the Provincial Service Commission and/or other persons, and the subsequent losses suffered by the State as a result of damages during such use of the vehicles.

#### State or public property

The unlawful, unauthorised and/or irregular sale of State or public land in Mpumalanga by the Department of Home Affairs of the former KaNgwane Government.