
PROCLAMATIONS • PROKLAMASIES

PROCLAMATION NO. R. 17 OF 2017

**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 Department of Social Development of the Eastern Cape Province (hereinafter referred to as "the Department");

AND WHEREAS the State or the Department 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, and at the request of the Premier of the Eastern Cape Province, refer the matters mentioned in the Schedule in respect of the Department, 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 Department;
- (b) improper or unlawful conduct by employees or officials of the Department;
- (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 Department; 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 March 2013 and the date of publication of this Proclamation or which took place prior to 18 March 2013 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 State or the Department, in relation to the said matters in the Schedule.

Given under my Hand and the Seal of the Republic of South Africa at Pretoria this Tenth day of March Two thousand and Seventeen.

J G Zuma
President

By Order of the President-in-Cabinet:

T M Masutha
Minister of the Cabinet

SCHEDULE

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

- (a) not fair, competitive, transparent, equitable or cost-effective;
- (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, policies, procedures, prescripts, instructions or practices of or applicable to the Department,

and related unauthorised, irregular or fruitless and wasteful expenditure incurred by the Department or the State in relation to the awarding of contracts, the renewal of contracts or the extension of contracts for the following—

- (aa) the provision or management of residential care facilities in the Nelson Mandela Metro for 240 frail, aged or mentally or physically disabled persons; and
- (bb) the provision of internal audit services.

2. Maladministration in the affairs of the Department and any losses or prejudice suffered by the Department or the State as a result of such maladministration in relation to the—

- (a) the provision or management of residential care facilities in the Nelson Mandela Metro for 240 frail, aged or mentally or physically disabled persons; and
- (b) the provision of internal audit services,

including the causes of such maladministration and related unauthorised, irregular or fruitless and wasteful expenditure incurred by the Department or the State.

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