

**PROCLAMATION NO. R. 18 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 Thabazimbi Local Municipality (hereinafter referred to as "the Municipality");

AND WHEREAS the Municipality 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 councillors, officials or employees 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 1 September 2012 and the date of publication of this Proclamation or which took place prior to 1 September 2012 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, 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 Municipality and payments made in respect thereof in a manner that was—

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

and related irregular or fruitless and wasteful expenditure incurred by the Municipality in relation to—

- (aa) fleet related goods or services;
- (bb) auctioneering or asset disposal related services;
- (cc) the drafting or implementation of an asset disposal policy;
- (dd) waste management services for the Northam landfill site;
- (ee) the provision of office equipment;
- (ff) the conversion of conventional prepaid meters to smart meters;
- (gg) human resources related goods or services;
- (hh) the provision of meter reading related services;
- (ii) the provision of debt collection related services;
- (jj) the provision of credit control related services; and
- (kk) the drafting or implementation of a credit control management policy and the management of such a policy.

2. Maladministration in the affairs of the Municipality in respect of employees' tax deductions and the payment of such deductions to the South African Revenue Service, and any losses, prejudice or fruitless and wasteful expenditure incurred by the Municipality as a result of the non-payment or late payment of such deductions to the South African Revenue Service, including the causes of such maladministration.

3. The failure or refusal of the Municipality to—

- (a) timeously act upon conclusions or findings which were made; or
- (b) implement recommendations contained, in a final report entitled "Possible abuse of office: Forensic Investigation", dated 29 October 2014.

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