

# SIU welcomes R185m SABC security tender court ruling

The Special Investigating Unit (SIU) has welcomed two judgments by the High Court against former members of the interim board of the SABC and its decision to award a multi-million rand security tender to Mafoko Security Patrols Pty Ltd.



Image source: Pxabay from [Pexels](#)

According to the SIU, the court ruled that the decision to award the R185 million physical security services tender is “invalid” and is “reviewed and set aside”.

“The interim board took a decision to award Mafoko a security tender for a period of five years commencing 1 August 2017 at a total contract price of R185,519,425.61, which was R2,300,955.43 more than the contract price for Mjayeli Security. Mjayeli was recommended by three tender committees to the board for appointment.

“In terms of the High Court judgment, Mafoko Security Patrols must, within 30 days, submit an audited statement of the expenses incurred in the performance of its obligations in terms of the tender, the income received and the net profit it would have earned at the expiry of the contract.

“The High Court also ordered the SABC to obtain an independent audited verification within 60 days. After that, the Court will determine the amount of profits to be paid back by Mafoko to the SABC or the SIU,” the unit said.

SIU head Advocate Andy Mothibi said: “The Court’s reference to the King Code on Good Governance underscores the requirements, as also provided for in the Public Finance Management Act, for the Boards of Directors to always act in the interest of State Institutions”.



## High Court sets aside multi-million rand prisons renovation contract

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In another judgment, the court dismissed an application by members of the former interim board, which sought to review and set aside a SIU report that recommended that they be declared delinquent.

The application was brought by former interim board members Khanyisile Kweyama, Mathatha Tsedu, Febe Potgieter-Gqubule and John Matisohn.

“The SIU investigation found that the interim board had irregularly awarded the security contract to Mafoko Security Services, and their action was wrongful and irregular. The SIU believes they were supposed to consider launching an investigation, cancel the tender, or remitting it for reconsideration. The SIU found that the interim board failed to discharge their fiduciary duties in that respect and failed to act in the best interests of the SABC.

“The interim board members argued that the SIU report was irrational, the SIU’s investigation was unconstitutional and contravened the principle of legality, and the SIU went beyond the scope of the President’s Proclamation. Furthermore, they contended that the SIU acted irrationally and procedurally unfairly and exceeded its powers in reaching the findings.

“However, the High Court dismissed the application and ruled that the SIU acted in accordance with the Proclamation by the President, which included investigating maladministration,” the SIU said.

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