

SARS suspends rogue unit men after exposé

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Two top South African Revenue Service officials have been suspended in the wake of a *Sunday Times* exposé that they were involved in a rogue unit.



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SARS deputy commissioner Ivan Pillay and group executive of strategic planning and risk Peter Richer - the men previously exposed as the brains behind the rogue unit - were suspended on Friday by SARS commissioner Tom Moyane.

They are expected to be told this week what formal charges they will face.

Last month, SARS group executive for risk and enforcement Johann van Loggerenberg, who was the unit's manager, was placed on special leave pending an internal investigation into allegations of misconduct and bringing the agency into disrepute.

Their suspension comes after Muzi Sikhakhane SC, who led a panel of senior advocates that investigated misconduct allegations against Van Loggerenberg and the rogue unit, submitted a damning report to Moyane on 5 November.

The panel found that senior SARS officials not only tried to cover up the existence of the unit when first asked about it, but also later tried to mislead the panel by providing what appeared to be a "rehearsed narrative".

The report said the existence of the unit "was not volunteered to the panel in the early stages of its investigation".

"Even when the panel later confirmed its existence through other sources, some of the relevant witnesses within SARS management presented what seemed like a rehearsed narrative, whose object may have been first to mislead the panel, and second, to present the existence of such a unit in the positive and lawful light.

"This narrative ignored one simple legal imperative - that SARS cannot and should not engage in the intelligence or investigate functions which reside in other agencies of the state," read part of the Sikhakhane report.

Inspector-general of intelligence Faith Radebe also submitted a scathing report to Moyane that is believed to have recommended criminal charges against at least four senior SARS officials.

Pillay and Richer are former ANC stalwarts who spent many years in exile. They both worked for the National Intelligence Agency under the new dispensation before joining SARS in the late '90s during the tenure of former SARS commissioner Pravin Gordhan, who is now the minister of co-operative governance and traditional affairs.

In October, the Sunday Times reported on how a former unit leader known as "Skollie" had blackmailed SARS into paying him more than R3-million after he threatened to expose the allegedly illegal activities of the rogue unit.

The newspaper also reported that the unit spied on targeted taxpayers and followed senior politicians including Sports Minister Fikile Mbalula and Economic Freedom Fighters leader Julius Malema.

Unit members were given fake names and IDs and used to fight business battles on behalf of friends and relatives of some SARS officials.

Skollie, who personally and irregularly recruited all 28 members of the rogue unit - which ran a brothel in Durban and allegedly pimped women - went underground after he was paid.

The Sikhakhane report confirmed most of the claims made in the Sunday Times series.

A press statement issued by SARS on Friday said Sikhakhane's panel had established that:

- There was a rogue unit that operated ostensibly in a covert manner and created a climate of intrigue, fear and subterfuge within SARS;
- The establishment of the unit without having the necessary statutory authority was indeed unlawful;
- There is prima facie evidence that the unit may have abused its power and resources by engaging in activities that reside in the other agencies of government, and which it had no lawful authority to perform;
- There is prima facie evidence that the recruitment, funding and practices of the unit were in violation of SARS's human resources policy;
- There is prima facie evidence that the existence of this unit had the real possibility of undermining the work of those agencies tasked with the investigation of organised crime and the collection of intelligence; and
- There is prima facie evidence suggesting that the activities of the special projects unit may have included rogue behaviour that had the potential to damage the reputation of SARS as an organ of state.

The panel also recommended that SARS conduct a forensic investigation into all the settlements concluded with taxpayers that had been under investigation since 2005.

This followed allegations that some members of the SARS executive committee used the rogue unit to extort money from rich businessmen with outstanding taxes and used so-called tax settlements as a cover-up for their extortion ring.

Richer refused to comment on his suspension, stating: "I have been instructed not to talk to you."

Pillay could not be reached for comment: he ignored several phone calls and a text message sent to him.

Source: Sunday Times

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