

SABC lift replacement contract set aside

The Special Investigating Unit (SIU) has welcomed a high court ruling setting aside an SABC lift replacement contract after finding it to be unlawful and invalid.



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The Johannesburg High Court last week made the ruling after the SABC, later joined by the SIU, asked the court to review the consulting contract awarded to Mott MacDonald Africa (Pty) Ltd in 2015, citing contravention of procurement rules.

The SIU was given powers to join proceedings under Presidential Proclamation R29 of 2017, dated 1 September 2017, to investigate and take action in respect of contracts entered into by the SABC with various parties.

In a statement, the SIU said the matter was centred on the fact that the SABC did not award the contract on an open-bidding basis but instead, it treated Mott MacDonald as a sole provider of services contrary to the regulatory rules of the procurement scheme.

Last week, the court declared the decision to award the contract on 6 July 2015 unlawful and invalid, and was accordingly reviewed and set aside.

In its ruling, the court ordered Mott MacDonald to pay the profits it made under the contract to the SABC.

The company was also ordered to provide a detailed breakdown of its reasonable expenses verified by a duly qualified expert within 30 days.

The court also ordered the SABC to appoint an expert to verify the reasonableness of such expenses within 30 days thereafter.

The value of the contract awarded to Mott MacDonald was R7,033,464.

Welcoming the ruling, SIU head Advocate Andy Mothibi said: "This is a continuation of implementation of the SIU investigations outcomes and consequence management to recover monies lost by the SABC. There are other cases enrolled in the High Court and in the Special Tribunal awaiting adjudication and will result in further recoveries for the SABC."

The SIU is a forensic and litigation agency tasked with the role of investigating serious malpractice, malfeasance and maladministration in relation to the administration of State institutions, State assets and public money as well as any conduct which may seriously harm the interest of the State and the public.

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