



IMPORTANT NOTICE

02 / 2019 - 2020



MEMBERS OF THE PUBLIC, CURRENT AND POTENTIAL BIDDERS FOR CONTRACTS AT THE ELUNDINI LOCAL MUNICIPALITY

It has come to the attention of the municipality that some unscrupulous person/s and/or syndicates have been defrauding some unsuspecting bidders, desperate to secure contracts with the Elundini Local Municipality. The modus operandi of the unscrupulous person/s and/or syndicates is to use bidding information generally available to the public on such platforms as the municipality's website, to solicit bribes on the pretence that they, the unscrupulous person/s and/or syndicates, are in the process of awarding contracts to a bidder/s that they have targeted, the finalisation of the award dependant on the bidder/s paying huge amounts in bribes.

At all material times, the name of the Municipal Manager has been used in the solicitation of the bribes, in the sense that the fraudster making the contact with the bidder would impersonate the Municipal Manager. In some cases, once the "municipal manager's" bribe has been paid, another solicitation would be made to the same bidder that the mayor "will not release the letter of award" until she has received her "sweets", this being a code for a bribe. Unregistered cellular phone numbers have often been used to contact bidders.

The incidents of fraud that have been presented to the Municipal Manager have been escalated to the Provincial Commissioner for SAPS, who in turn has promptly assigned a senior member from the Hawks to investigate these matters. It is not known to us, at this stage, whether the fraudster/s is/are internal member/s of staff of the Elundini Local Municipality, or external and whether it's a collusive exercise between internal staff members and unscrupulous members of the public.

The council of the Elundini Local Municipality has adopted an Ethics and Integrity Management Strategy that is anchored, to a great extent, on the King IV Report on corporate governance.

The principles that have been embraced by the council are, inter alia:

- A commitment to lead ethically and effectively;
- A commitment to govern the ethics of the municipality in a way that supports the establishment of an ethical culture; and
- A commitment to serve as the focal point and custodian of corporate governance in the municipality.

Where an improper approach as outlined above is made to a potential bidder, the bidder is at liberty use our anonymous tips off facility to register such unethical conduct as follows:

- Anonymous hotline: 0800 117 844
- Free fax: 0800 007 788
- SMS : 32840
- Email: elundinitipsoff.com
- Free post: Free post KZN138, Umhlanga Rocks, 4320

We also take this opportunity to issue an advisory to bidders that the payment of bribes to secure contracts from the municipality is as unethical as the solicitation of the bribes by the unscrupulous person/s, fraudsters and/or syndicates. This amounts to an improper conduct of influencing a decision on the award of a tender and is an offense in terms of the prevention and combating of corrupt activities Act 12 of 2004.

Any bidder/s who has paid a bribe will not only be excluded from the bidding process but will be blacklisted and recorded in the register of tender defaulters administered by the National Treasury. When blacklisted, a company and all its directors may not do any business with the state for a period not less than 10 years.

It is our fervent hope that members of the public and bidders for contracts with the Elundini Local Municipality shall heed this important notice and work with the municipality to push back all frontiers of fraud, corruption and malfeasance to promote a culture of good governance.

Thank you.

Khaya Gashi

Municipal Manager