



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

ENQUIRIES: HESTER VAN DER MERWE
TELEPHONE: 012 336 7725
REFERENCE: 02039/2026/1

ACTING DIRECTOR-GENERAL

WD560: REQUEST APPROVAL FOR DEVIATION FROM NORMAL PROCUREMENT PROCESS TO APPOINT OF ABACUS FINANCIAL CRIME ADVISORY (PTY) LTD AS THE PREFERRED SERVICE PROVIDER TO SUPPORT THE DEPARTMENT BY TESTIFYING AT THE DISCIPLINARY HEARING(S) AND POSSIBLE LITIGATION OF OFFICIALS IMPLICATED IN THE INVESTIGATION INTO ALLEGATIONS OF FRUITLESS AND WASTEFUL EXPENDITURE REPORTED BY CONSTRUCTION WEST DURING THE 2021/2022 FINANCIAL YEAR

1. PURPOSE

- 1.1 Request Director-General's approval to deviate from normal procurement processes to appoint Abacus Financial Crime Advisory (Pty) Ltd as the preferred service provider to support the Department by testifying at the disciplinary hearing(s) and possible litigation of officials implicated in the investigation into allegations of fruitless and wasteful expenditure reported by construction west during the 2021/2022 financial year. for a period of six (6) months.

2. BACKGROUND AND DISCUSSION

- 2.1 On 07 May 2026, the Director-General granted approval to deviate from normal procurement processes to Abacus Financial Crime Advisory (Pty) Ltd as the preferred service provider to support the Department by testifying at the disciplinary hearing(s) and possible litigation of officials implicated in the investigation into allegations of fruitless and wasteful expenditure reported by



NATIONAL DEVELOPMENT PLAN
Our Future - make it work

PUBLIC

construction west during the 2021/2022 financial year. **(Annexure A)**

2.2 Subsequent to the approval mentioned in paragraph 2.1 SCM sent a request for quotation to appoint Abacus Financial Crime Advisory (Pty) Ltd to support the Department by testifying at the disciplinary hearing(s) and possible litigation of officials implicated in the investigation into allegations of fruitless and wasteful expenditure reported by construction west during the 2021/2022 financial year **(Annexure B)**.

2.3 A response was received from Abacus Financial Crime Advisory (Pty) Ltd to support the Department by testifying at the disciplinary hearing(s) and possible litigation of officials implicated in the investigation into allegations of fruitless and wasteful expenditure reported by construction west during the 2021/2022 financial year. **(Annexure C)**.

3. IMPLICATIONS

3.1. Personnel

None

3.2. Financial

Funds are available under the following SCOA codes. **(Annexure D)**

Hourly rate: R1 900.00 (VAT exclusive) on a need basis

Travel rate: R 4.95 /km

Total : R2 190.69 (VAT inclusive)

Estimated amount: R150 000.00

Funds VOTED FUNDS

Objective INTERNAL AUDIT

Responsibility DIR: FORENSIC INVEST: QUAL AUDITS

Item CNS: BUS&ADV SER: ACCNT & AUDITRS

3.3.

3.4. Legal

None

3.5. Regulatory Compliance

Item 217 of the Finance Delegations of 2021 is delegated to the Director General for approval.

3.6. Communication

None

4. OTHER COMPONENTS CONSULTED

4.1 None

5. RECOMMENDATION

It is recommended that DG

- 5.1. grants approval to deviate from normal procurement processes to appoint Abacus Financial Crime Advisory (Pty) Ltd as the preferred service provider to support the Department by testifying at the disciplinary hearing(s) and possible litigation of officials implicated in the investigation into allegations of fruitless and wasteful expenditure reported by construction west during the 2021/2022 financial year for a period of six (6) months..



H VAN DER MERWE
SENIOR PROVISIONING ADMIN OFFICER SD: ACQUISITION MANAGEMENT
DATE: 22 MAY 2026

RECOMMENDATION IN PARAGRAPH 5.1 SUPPORTED



N SEROKA
CHIEF DIRECTOR: SUPPLY CHAIN & ASSET MANAGEMENT CD: SUPPLY CHAIN
& ASSET MANAGEMENT
DATE: 02 JUNE 2026

5. RECOMMENDATION

It is recommended that DG

- 5.1. grants approval to deviate from normal procurement processes to appoint Abacus Financial Crime Advisory (Pty) Ltd as the preferred service provider to support the Department by testifying at the disciplinary hearing(s) and possible litigation of officials implicated in the investigation into allegations of fruitless and wasteful expenditure reported by construction west during the 2021/2022 financial year for a period of six (6) months..

RECOMMENDATION IN PARAGRAPH 5.1 SUPPORTED



MR F MOATSHE

CHAIRPERSON: DEPARTMENTAL BID ADJUDICATION COMMITTEE (DBAC)

DATE: 05 JUNE 2026

RECOMMENDATION IN PARAGRAPH 5.1 APPROVED



C ZWANE

ACTING DIRECTOR-GENERAL

DATE: 05 JUNE 2026