



# Status Report from the NLC on allegations of Corruption and Maladministration

Presentation to the Portfolio  
Committee **3 June 2026**

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# 1. BACKGROUND AND CONTEXT

- In accordance with its Forensic Investigation Methodology, the PFMA, and SIU Proclamation No. R32 of 2020 (as amended), the NLC investigates allegations of fraud and maladministration that fall outside the scope of the Proclamation. This status report provides high-level feedback on the execution of this mandate and related outcomes.

## 2 . STATUS OF REPORTED CASES

- During the 2025/2026 financial year, a total of 168 cases were received.
- The table below provides an overview of investigation progress across the 2023/2024, 2024/2025, and 2025/2026 financial years. It reflects the total number of cases received per year, and their status in terms of completion, closure, and referral to the SIU, as well as those still in progress.

Financial Years	Total cases	Completed	Closed & Referred to SIU	In progress
2023/24	230	218	12	0
2024/25	150	88	51	11
2025/26	168	55	78	35

### 3. FINAL INVESTIGATION REPORTS ISSUED 2024/25 FY

- During the 2024/2025 financial year, a total of 78 final investigation reports were issued, the majority relating to grant funding. Most allegations (69 out of 78) were confirmed, reflecting a high level of substantiated findings, while 9 allegations were not confirmed. This demonstrates a high rate of validation of reported irregularities.
- The total value linked to confirmed cases amounted to approximately **R56.1 million**, with a significant financial impact identified across all quarters.

Quarter	No. of Reports	Grant Funding	Non-Grant Funding	Allegations Confirmed	Allegations Not Confirmed	Amount of Confirmed Reports
Quarter 1	15	14	1	12	3	R5, 897,297.00
Quarter 2	18	12	6	14	4	R10,897,887.00
Quarter 3	17	16	1	16	1	R22,729,067.00
Quarter 4	28	22	6	27	1	R16,574,967
Year to Date	78	64	14	69	9	R56,099,218.00

### 3. FINAL INVESTIGATION REPORTS ISSUED 2025/26 FY

- While report volumes remained relatively stable across the quarters, there was a marked escalation in the financial exposure identified. The cumulative value of confirmed cases reached approximately **R241.5 million**, with particularly high values recorded in Quarters 2, 3, and 4.
- In the 2025/2026 financial year, 72 final investigation reports were finalised, predominantly within grant-funded projects. The majority of cases resulted in confirmed allegations (63), reaffirming the effectiveness of investigative processes.

Quarter	No. of Reports	Grant Funding	Non-Grant Funding	Allegations Confirmed	Allegations Not Confirmed	Amount of Confirmed Reports
Q1	15	15	0	13	2	R1,654,354.00
Q 2	27	27	0	25	2	R74,992,078.00
Q3	15	12	3	12	3	R 70,149,161.00
Q4	15	13	2	13	2	R94,679,744.00
<b>Year to Date</b>	<b>72</b>	<b>67</b>	<b>5</b>	<b>63</b>	<b>9</b>	<b>R241,475,337</b>

# SAPS REFERRALS



## 4. SAPS REFERRALS

Financial year	No of Criminal Cases opened	Value of projects referred
2023/2024	44	R 85, 832, 938.64
2024/2025	29	R 27,524,966.00
2025/2026	26	R 8,517,352.00

## 4.1 SAPS Referrals Per Quarter

- In line with its mandate, the Unit facilitated various requests and the submission of evidence for projects under investigation by SAPS and under consideration by the National Prosecuting Authority (NPA).
- A total of 44 cases were referred to SAPS during **2023/24 FY**, with an associated value of approximately **R85.8 million**.

2023/24 FY	SAPS referrals	Value
Quarter 1	27	R27,998,500.00
Quarter 2	7	R45,523,058.64
Quarter 3	7	R2,535,494.00
Quarter 4	3	R9,775,886.00
Year to Date	44	R85,832,938.64

## 4.2 SAPS Referrals Per Quarter

- In the **2024/2025** financial year, the Unit supported law enforcement processes by facilitating referrals and submitting evidentiary material to the South African Police Service (SAPS)
- A total of 29 cases were referred to SAPS, with an associated value of approximately **R27,5 million.**

2024/25 Financial Year	SAPS Referrals	Value
Quarter 1	7	R 9,230,291.00
Quarter 2	9	R 4,322,840.00
Quarter 3	8	R 11,120,335.00
Quarter 4	5	R2,851,500.00
<b>Year to Date</b>	<b>29</b>	<b>R27,524,966.00</b>

## 4.3 SAPS Referrals Per Quarter cont.

- A total of 26 cases were referred to SAPS, with an associated value of approximately **R8,5 million**.
- The overall trend reflects continued cooperation with SAPS, although both the number of referrals and the associated value are **lower** compared to the previous financial year

Quarter	SAPS Referrals	Value
Quarter 1	3	R2,430,400.00
Quarter 2	6	R791,997.00
Quarter 3	15	R4,734,455.00
Quarter 4	2	R560,500,00
Year to Date	<b>26</b>	<b>R8,517,352.00</b>

## 4.4 2023/2024 SAPS CASES REGISTERED

No.	Organisation	Case No.	Amount
1.	NPO 1	Sunnyside Station: Cas 76/5/2023	R 7 000 000,00
2	NPO 2	Sunnyside Station: Cas 77/5/2023	R 5 970 000,00
3	NPO 3	Sunnyside Station: Cas 78/5/2023	R 277 000,00
4	NPO 4	Sunnyside Cas 540/5/2023	R 257 000,00
5	NPO 5	Sunnyside Cas 541/5/2023	R 6 525 000,00
6	NPO 6	Durban Central CAS 1003/5/2023	R 436 500,00
7	NPO 7	Matatiele Cas 90/5/2023	R 160 000,00
8	NPO 8	Matatiele Cas 90/5/2023	R 130 000,00
9	NPO 9	Matatiele Cas 90/5/2023	R 125 000,00
10	NPO 10	Matatiele Cas 90/5/2023	R 140 000,00
11	NPO 11	Matatiele Cas 90/5/2023	R 100 000,00
12	NPO 12	Matatiele Cas 90/5/2023	R 75 000,00
13	NPO 13	Matatiele Cas 90/5/2023	R 115 000,00
14	NPO 14	Matatiele Cas 90/5/2023	R 95 000,00
15	NPO 15	Sunnyside CAS 840/05/2034	R 125 000,00

No.	Organisation	Case No.	Amount
16	NPO 16	Sunnyside CAS 841/05/2023	R 165 000,00
17	NPO 17	Sunnyside CAS 842/5/2023	R 95 000,00
18	NPO 18	Sunnyside CAS 843/5/2023	R 3 308 000,00
19	NPO 19	Sunnyside CAS 839/5/2023	R 987 000,00
20	NPO 20	Sunnyside Cas 758/06/2023	R 350 000,00
21	NPO 21	Sunnyside Cas 759/06/2023	R 380 000,00
22	NPO 22	Sunnyside Cas 760/06/2023	R 380 000,00
23	NPO 23	Acornhoek CAS 198/6/2023	R 350 000,00
24	NPO 24	Sunnyside Cas 711/06/2023	R 65 000,00
25	NPO 25	Sunnyside Cas 716/06/2023	R 228 000,00
26	NPO 26	Nelspruit Cas 588/6/2023	R 85 000,00
27	NPO 27	Nelspruit Cas 587/6/2023	R 75 000,00
28	NPO 28	Cape Town Cas 1406/8/2023	R 27 320 758,64
29	NPO 29	Sunnyside Cas 411/08/2023	R 7 941 300,00
30	NPO 30	Kimberley Cas 748/08/2023	R 850 000,00

## 4.5 2023/2024 SAPS CASES REGISTERED CONTINUES

No.	Organisation	Case No.	Amount
31	NPO 31	Sunnyside Cas 644/08/2023	R 9 000 000,00
32	NPO 32	Sunnyside Cas 416/08/2023	R 163 000,00
33	NPO 33	Sunnyside Cas 415/08/2023	R 248 000,00
34	NPO 34	Sunnyside CAS 377/9/2023	R -
35	NPO 35	Sunnyside Cas: 354/10/2023	R 285 000,00
36	NPO 36	Sunnyside Cas: 355/10/2023	R 265 000,00
37	NPO 37	Sunnyside CAS: 356/10/2023	R 320 000,00
38	NPO 38	Sunnyside Cas 619/10/2023	R 80 400,00
39	NPO 39	Sunnyside Cas 388/10/2023	R 339 400,00
40	NPO 40	Sunnyside Cas 744/12/2023	R 1 245 694,00
41	NPO 41	Sunnyside Cas 750/12/2023	R -
42	NPO 42	Sunnyside Cas 581/2/2024	R 467 173,00
43	NPO 43	Mhala CAS 167/2/2024	R 317 144,00
44	NPO 44	Sunnyside CAS 487/3/2024	R 8 991 569,00

## 4.6 2024/2025 SAPS CASES REGISTERED

No.	Organisation	Case No.	Amount
1.	NPO 1	Nelspruit Cas: 488/4/2024	R206 000,00
2.	NPO 2	Nelspruit: Cas 489/4/2024	R223 000,00
3.	NPO 3	Bandelierkop Station: Cas 62/5/2024	R4 871 000,00
4.	NPO 4	Tshaulu Cas 134/5/2024	R120 000,00
5.	NPO 5	Sunnyside Cas 592/6/2024	R234 994,00
6.	NPO 6	Kimberley Cas 501/6/2024	R3 325 297,00
7.	NPO 7	Nelspruit Cas 464/6/2024	R250 000,00
8.	NPO 8	Sunnyside CAS 323/7/2024	R75 000,00
9.	NPO 9	Sunnyside Cas 337/7/2024	R1 448 000,00
10.	NPO 10	Sunnyside CAS 338/7/2024	R205 000,00
11.	NPO 11	Sunnyside CAS 416/8/2024	R597 500,00
12.	NPO 12	Sunnyside CAS 413/8/2024	R112 300,00
13.	NPO 13	Sunnyside Cas 725/8/2024	R497 300,00
14.	NPO 14	Sunnyside Cas 727/8/2024	R-
15.	NPO 15	Kimberley CAS 580/9/2024	R709 740,00

No.	Organisation	Case No.	Amount
16.	NPO 16	Nelspruit CAS511/9/2024	R578 000,00
17.	NPO 17	Sunnyside CAS 112/10/2024	R1 327 935,00
18.	NPO 18	Sunnyside CAS 111/10/2024	R1 239 000,00
19.	NPO 19	Bushbuckridge CAS 108/10/2024	R380 000,00
20.	NPO 20	Sunnyside CAS 364/10/2024	R1 545 000,00
21.	NPO 21	Sunnyside CAS 397/10/2024	R4 576 400,00
22.	NPO 22	Sunnyside CAS 730/12/2024	R287 000,00
23.	NPO 23	Sunnyside CAS 731/12/2024	R767 000,00
24.	NPO 24	Sunnyside CAS 732/12/2024	R998 000,00
25.	NPO 25	Mahikeng Cas 148/1/2025	R119 500,00
26.	NPO 26	Sunnyside CAS 308/1/12/2025	R150 000,00
27.	NPO 27	Nelspruit CAS 287/1/2025	R511 000,00
28.	NPO 28	Nelspruit CAS 288/1/2025	R346 000,00
29.	Service Provider 1	Sunnyside Cas 95/6/2025	R1 725 000,00

## 4.7 2025/2026 SAPS CASES REGISTERED

No.	Organisation	Case No.	Amount
1.	NPO 1	Sunnyside Station: Cas 380/4/2025	R 306 400,00
2.	NPO 2	Sunnyside Station: Cas 1023/4/2025	R 399 000,00
3.	NPO 3	Sunnyside Station: Cas 95/6/2025	R 1 725 000,00
4.	NPO 4	Polokwane Cas 72/8/2025	R 85 000,00
5.	NPO 5	Polokwane Cas 759/8/2025	R 85 000,00
6.	NPO 6	Sunnyside Station: Cas 989/8/2025	R 100 000,00
7.	NPO 7	Sunnyside Station: Cas 521/8/2025	R 356 997,00
8.	NPO 8	Sunnyside Station: Cas 520/8/2025	R 65 000,00
9.	NPO 9	Polokwane Cas 474/9/2025	R 100 000,00
10.	NPO 10	Sunnyside Station: Cas 107/10/2025	R 2 479 000,00
11.	NPO 11	Polokwane Cas 137/10/2025	R 80 000,00
12.	NPO 12	Sunnyside Station: Cas 122/10/2025	R 662 000,00
13.	NPO 13	Sunnyside Station: Cas 113/10/2025	R 239 000,00
14.	NPO 14	Polokwane Cas 136/10/2025	R 85 000,00
15.	NPO 15	Sunnyside Station CAS 189/11/2025	R 75 000,00

No.	Organisation	Case No.	Amount
16.	NPO 16	Sunnyside Station CAS 190/11/2025	R 65 000,00
17.	NPO 17	Sunnyside Station CAS 191/11/2025	R 65 000,00
18.	NPO 18	Sunnyside Station CAS 224/11/2025	R 115 000,00
19.	NPO 19	Sunnyside Station CAS 227/11/2025	R 80 000,00
20.	NPO 20	Sunnyside Station CAS 228/11/2025	R 80 000,00
21.	NPO 21	Sunnyside Station CAS 226/11/2025	R 178 000,00
22.	NPO 22	Sunnyside Station CAS 229/11/2025	R 95 000,00
23.	NPO 23	Sunnyside Station CAS 225/11/2025	R 65 000,00
24.	NPO 24	Sunnyside Station CAS 447/12/2025	R 371 455,00
25.	NPO 25	Sunnyside Station CAS 368/2/2026	R 272 500,00
26.	NPO 26	Polokwane Cas 428/2/2026	R 288 000,00

# SIU REFERRALS



**SIU**<sub>SA</sub>

STRIKING AGAINST CORRUPTION



## 5. SIU REFERRALS

Financial year	No. of projects/cases referred	Value of projects referred
2023/2024	30	R 81 615 968
2024/2025	28	R 43 662 073
2025/2026	10	R146 672 342
2025/2026	126 (due to extended scope)	R 75 566 120

Where matters were identified as falling outside the NLC's statutory mandate, or where a nexus to SIU Proclamation No. R32 of 2020 (as amended) was established, such matters were referred to the SIU in accordance with applicable legal and governance frameworks.

## 5. PROGRESS CONCERNING SIU RECOMMENDATIONS

**Investment of funds:** The SIU status reflects the non-submission of documents relating to the investment by the NLC

The SIU clarified during its Parliamentary briefing that:

- The approval was not provided because it is suspected that it may not exist.
- The SIU is engaging the National Treasury directly to verify whether approval was ever granted.

### **NLC Position:**

- The NLC has submitted **all available information on file** to the SIU relating to investments.
  - No additional records are held by the Commission beyond what has already been shared.
  - No records could be located within Finance, as these matters were handled at a senior level.
- 
- NLC has submitted all information we had on file with the SIU relating to investments. The SIU is looking for approval from the National Treasury at the time to invest in other banks, as required by the Act. The Commission has no such information or records.
  - The SIU did correct this during his comment in Parliament and said it was not provided because he suspects it does not exist, but they are following up with NT to see if approval was given. No one in Finance has any record of approval, as things were processed at the senior level. So, the NLC has provided all the information to the SIU but we do not have the approval letter.
  - The PC is requested to note that these investments were made under a previous administration.



## 5. PROGRESS CONCERNING SIU RECOMMENDATIONS

**SIU Systemic Recommendations:** The SIU recommended the following:

- improvement of controls on the **Fusion System**, noting that it is designed in a manner that does not detect multiple grant applications by a single individual using different NPOs/NPCs. The SIU further recommended that NLC procure an integrated system capable of detecting such abnormalities.
- Conducting lifestyle audits for all NLC employees;
- Implementing proper project management processes;
- Establishing a proactive funding project committee; and
- Ensuring the separation of duties between NL employees and Distribution Agency (DA) members.



**Progress is as follows:**

Development of the **Thuthuka system**, which is used for grant applications. The system requires applicants to:

- Capture their ID numbers,
- Be compliant with SARS requirements,
- Align management committee members or directors with DSD or CIPC records.
- DA's duties are separate from those of the NLC employees, and the DA's primary role is that of adjudicating the projects/ applications.



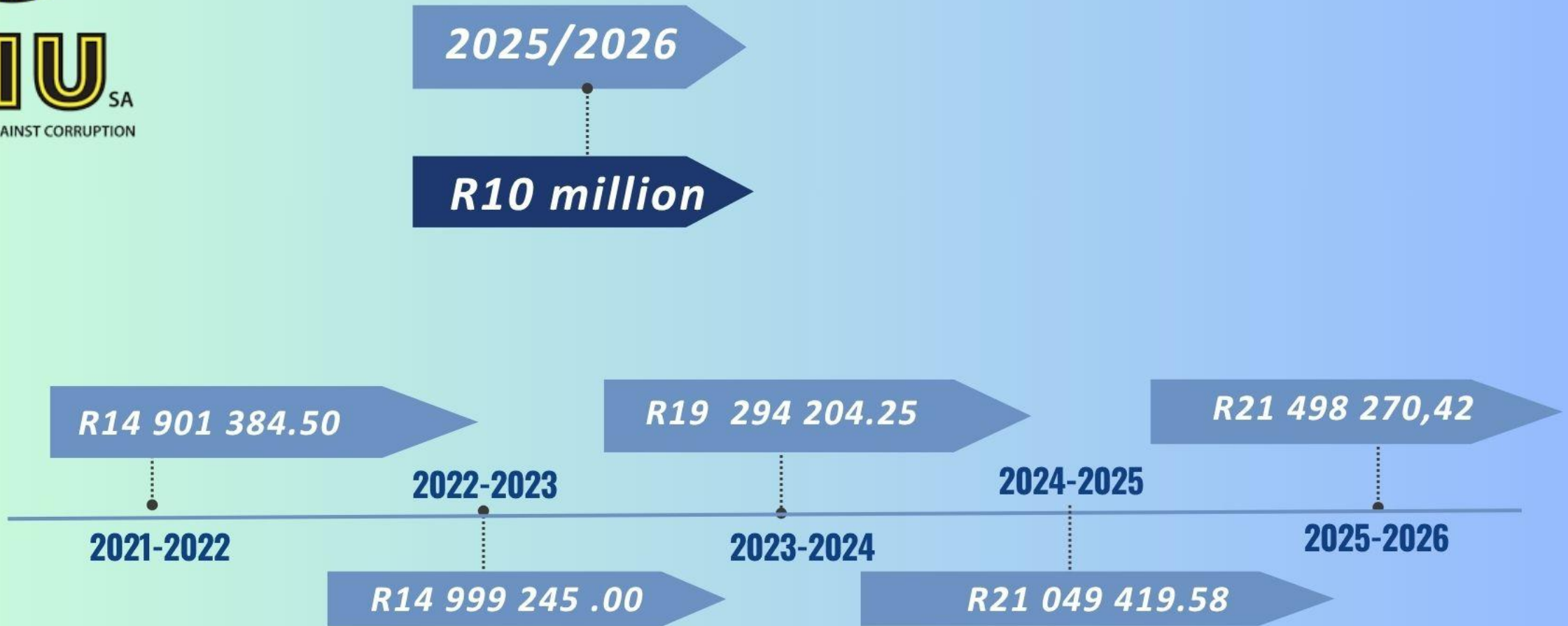
## 6. CONSEQUENCE MANAGEMENT

Date	Position/ Level	Outcome
13-Aug-21	Former NLC Board Member	Resigned before the DC
6-Jul-22	Former COO	Resigned before the second DC
5-May-23	Former Chief Risk Officer	Resigned before the DC
31-May-23	Client Liaison Officer	Dismissed after the DC
Jul-23	Distribution Agency Chairperson	Retired before the DC
Jul-23	Assistant Manager	Resigned before the DC
6-Nov-23	Acting COO	Dismissed after the DC
Jul-23	Grant Agreement Assistant	Resigned before the DC
30 Sept 2025	Legal Manager – Head Office	Resigned before the DC
6-Nov-23	Executive Secretary – Head Office	Resigned before the DC
3-Jul-24	Provincial Manager - FS	Dismissed
21 Oct 2025	Assistant Manager - FS	Dismissed
5-Dec-25	Monitoring and Evaluation Officer - FS	Dismissed
28-Feb-25	Former Company Secretary – Head Office	Resigned before DC
3-Jun-25	Client Liaison Officer	Dismissed after the DC
3-Jun-25	Acting Provincial Manager - KZN	Dismissed after the DC
3-Feb -26	ICT Official	Dismissed

# 7. SIU FINANCIAL IMPLICATIONS



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