



# SPECIAL TRIBUNAL

EST: ACT 74 OF 1996

All Media

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## **LEPELLE NORTHERN WATER OFFICIALS CONTEST INVOLVEMENT IN THE R1, 9 BILLION GIYANI WATER PROJECT IN LIMPOPO**

The Special Tribunal on Wednesday heard an application for leave to amend the particulars of claim in the matter between the Special Investigating Unit (SIU) and three executives of the Lepelle Northern Water Board (LNWB) in Limpopo, namely, its former Chief Executive Officer, Kgahliso Phineas Legodi, Carel Schmahl, the incumbent General Manager for Operations and Johann Christiaan Kilian the former Chief Financial Officer.

Legodi is not opposing the application. In papers filed in the Special Tribunal, Schmahl and Kilian accuse the SIU of protecting politicians who are implicated in corruption and only targeting innocent state employees who were simply doing their work as instructed. They allege that the SIU's claim against Legodi and them, originates from a Directive issued by the then Minister of Water and Sanitation Ms Nomvula Mokonyane, which paved the way for the appointment of LTE Consulting, to undertake various water infrastructure and waste water works in the Giyane area, Limpopo in 2014.

Presiding over the amendment application, Judge Lebogang Modiba, put it to Schmahl and Kilian's attorney, Mr Croukamp, that objecting to the amendment is not the appropriate procedure for dealing with this complaint, as these respondents may file a plea of non-joinder in respect of Mokonyane, or simply plead the terms of Mokonyane's directive as a defence to the SIU claims against them. Judge Modiba further put to it Croukamp that, it is not for the Special Tribunal to direct the SIU how to frame its cause of action.

The SIU accuses the three LNWB executives of not following procurement prescripts when LTE Consulting was appointed. The SIU also alleges that the three executives failed in fulfilling the duty of care and the fiduciary duty they owed to NLWB in the manner in which they managed the works undertaken by LTE Consulting, resulting in a loss of R1, 9 billion to NLWB and/ or the Department of Water and Sanitation. The SIU seeks to recover this loss from the three executives.

Schmahl and Kilian also contend that the SIU's particulars of claim are vague and embarrassing and that they fail to disclose a cause of action against the three executives. They have requested the Special Tribunal to refuse the amendments proposed by the SIU as the amendments will not cure the defects they complain of.



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The SIU insisted that its particulars of claim are not vague and embarrassing and disclose a proper cause of action against the three executives.

Another application by the SIU for an order interdicting Legodi from withdrawing his pension benefits held with the Municipal Employees Union Pension Fund is pending before the Special Tribunal.

Judge Modiba has reserved judgment in the amendment application.

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