



## Office of the City Manager

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| Section/Unit:   | Human Settlements |        |                       |

22 May 2023

Sello Mogodiri  
Chief Executive Officer  
North West Housing Company  
MAHIKENG

Dear CEO

### **REQUEST FOR NAMES OF CITY OFFICIALS WHO EFFECTED ILLEGAL SALES AND TRANSFER OF SPECIFIED PROPERTIES**

1. With reference to your letter dated 18 May 2023 please find attached the investigation report and the legal opinion that was provided to the City on this matter.
2. During or about 2005/2006 the City received numerous complaints from residents from Ga-Rankuwa, Mabopane and Winterveld that houses which have been earmarked for residents, who were the lawful beneficiaries thereof, had been fraudulently transferred to third parties. The third parties, in most instances, were in the process of obtaining eviction orders against the lawful beneficiaries.
3. On or about 22 July 2010, the residents' representatives from these areas presented evidence that a syndicate was operating in Ga-Rankuwa, Mabopane, Kudube and Winterveld. This syndicate was fraudulently transferring the houses of the lawful beneficiaries to third parties.
4. The syndicate targeted houses that were handled by the NWHC. The syndicate misled certain lawful beneficiaries into believing that they would be loaning money to settle their debts with the NWHC. But in fact, the documents being signed were deeds of sale.

#### **5. THE INVESTIGATION REPORT**

- 5.1 The complaints which were received from the complainants and various other residents of the City from 2005 to 2013 prompted the City to conduct its own investigation into the irregularities in the transfer of the properties in Garankuwa, Mabopane and Winterveld.

- 5.2 An investigation was conducted by the Audit and Risk Management Solutions (ARMS). ARMS furnished the City with an investigation report on 23 February 2013. The investigation report deals with, inter alia, the complaints of Mary Ledingwane 309 Block X Mabopane and Ernest Kgasoe 2281 Unit 8 Garankuwa. 992 Unit 7 Garankuwa is not covered in the internal investigation report and is only covered in the Public Protector report. **A copy of the ARMS report is attached as Annexure A** and shared as a confidential document as there has been a criminal case opened.

In summary, the ARMS investigation report found and recommended that:

- there was no wrongdoing by the City and its employees when Stand 2281 was fraudulently transferred into the name of the Molokommes;
- the sale and transfer of Stand 309 was irregular; and
- it was recommended the City assist Kgasoe and Ledingwane to set aside the transfers of Stand 2281 and Stand 309 which were transferred into the names of third parties.

- 5.3 One city official who was named in the report is Mr Freddy Rapoo who transferred erf 2243 Garankuwa unit 8 to himself in March 2007.

- 5.4 Although the investigation report recommended the City assist Kgasoe and Ledingwane set aside the transfer of Stand 2281 and Stand 309, the City was unable to assist them herein as it did not have the *locus standi* to approach the Court. The City's bases are premised and recorded in the opinions of two Senior Counsels (Motepe SC and Rip SC).

- 5.5 Subsequent to the investigation report the City conducted its own investigation against the employees who were implicated in the ARMS investigation report. A report was compiled by Mr. Kagiso Mahapa ("Mahapa"), a legal advisor in the City's Corporate and Shared Services Department (Corporate Employee Relations Management) on 14 May 2014. **A copy of the report is also attached hereto as Annexure B.**

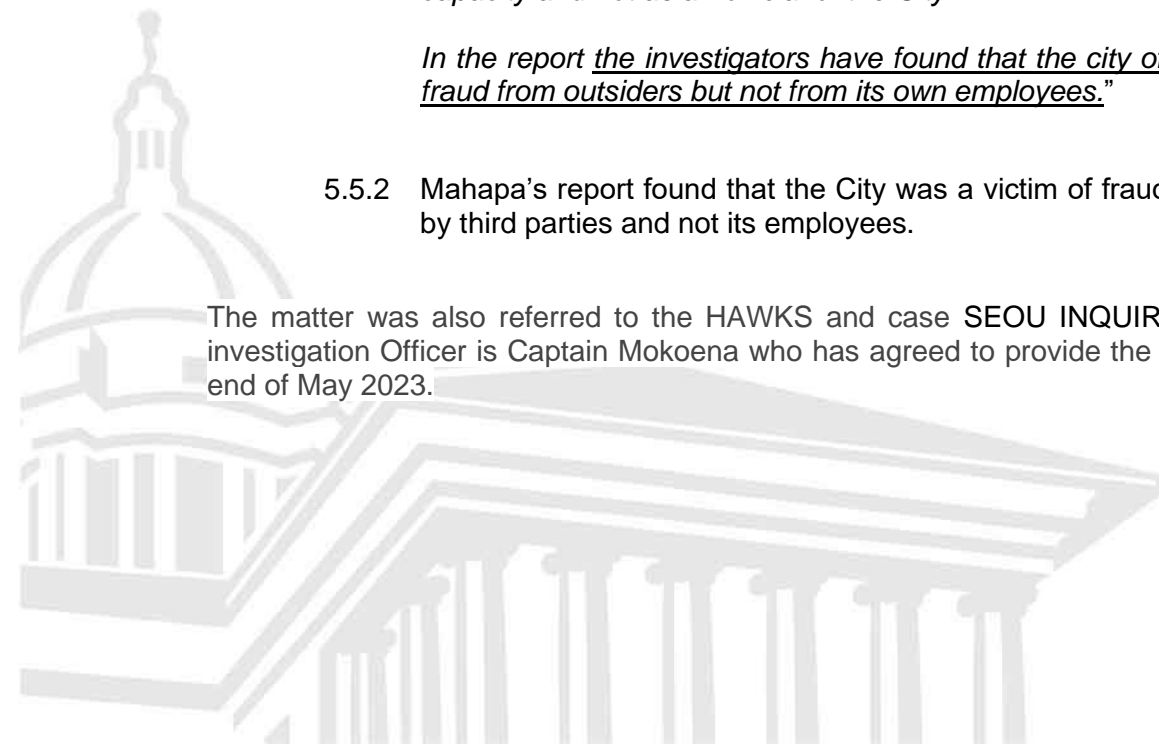
- 5.5.1 In this report Mahapa records:

*"My mandate was to highlight any misconduct by City of Tshwane employees during the transferring of these properties. I have found that in all the cases no City of Tshwane employees was implicated in any of the 5 matters, except for the transfer of Erf 2243 Ga-Rankuwa in which an official of the City has had the property transferred into his own name however no Misconduct exists on his part as he has bought the property from rightful owners and did this in this private capacity and not as an official of the City.*

*In the report the investigators have found that the city of Tshwane was victim of fraud from outsiders but not from its own employees."*

- 5.5.2 Mahapa's report found that the City was a victim of fraud which was perpetrated by third parties and not its employees.

The matter was also referred to the HAWKS and case SEOU INQUIRY 1/9/201 opened. The investigation Officer is Captain Mokoena who has agreed to provide the report to the City by the end of May 2023.



For any clarities on the matter, please do not hesitate to contact the Group Head of Human Settlements, Ms Nonto Memela at (012) 358 4067; 071 3656459; [NontoM@Tshwane.gov.za](mailto:NontoM@Tshwane.gov.za) or the responsible Divisional Head, Ms Petal Thring on 012 358 7881 / 012 358 1167; Cell: 0836013698; [PetalT@Tshwane.gov.za](mailto:PetalT@Tshwane.gov.za).

Regards,



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Johann Mettler  
CITY MANAGER

