



**GREATER TZANEEN MUNICIPALITY**

**GROTER TZANEEN MUNISIPALITEIT**

P.O. BOX 24

TEL: 015 307 8000

TZANEEN 0850

FAX: 015 307 8049



---

**12 March 2015**

## **MEDIA RELEASE**

### **Update on GTM's security tender**

In December 2014, the Acting Municipal Manager, Mrs Norah Lion terminated services of Hlimbyi Trading Enterprise after Kgosi Monene General Services took both the GTM and Hlimbyi to court challenging the validity of the security contract worth R27 million which GTM awarded to Hlimbyi. The court then ordered that we re-evaluate the bid and furnish the results to the applicant (Kgosi Monene).

GTM complied with ruling and two separate groups of independent assessors were approached to reevaluate the tender as per the order of the high court. Both groups recommended that the tender be re-advertised as the processes were flawed.

It was after these recommendations that the Acting Municipal Manager issued Hlimbyi Trading Enterprise with a letter of termination. It was during this period that representatives of Hlimbyi approached various media houses complaining about the termination of their contract.

When Kgosi Monene took both GTM and Hlimbyi as first and second respondents respectively, GTM owned up to its mistakes immediately these proceedings were launched. This decision was taken to avoid unnecessary legal costs, however Hlimbyi Trading Enterprise continued with the process and GTM was party to the process as the first respondent.

In a Judgement handed down by Judge Kgomo of the Gauteng High Court in Polokwane on the 11<sup>th</sup> of March 2015, the court ordered the decision to award tender SCM35/2013 to Hlimbyi Trading Enterprise to be set aside.

GTM was also ordered to restart the process of awarding the tender afresh with immediate effect.

The court also ordered that the service provider who was rendering the security services continue doing so until a new bidder is declared after due processes.

At the time of the termination of Hlimbyi Trading Enterprise's contract, it was also alleged that the acting Municipal Manager, Mrs Norah Lion solicited some form of financial reward in return for Hlyimbi's contract to continue. These allegations were vehemently denied at the time, and this court ruling clearly exonerates the Acting Municipal Manager.

GTM will abide by this court order and will in no time restart the process of awarding the security tender. We will also strengthen our supply chain management processes and ensure that necessary checks and balances are conducted.

**For Immediate release**

---

*ISSUED BY: NEVILLE NDLALA  
SPOKESPERSON  
015 307 8045  
073 076 2125  
Neville.Ndlala@Tzaneen.Gov.Za*