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EASTERN CAPE PROVINCIAL LEGISLATURE
Member of the Provincial Legislature

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13 October 2025

To: Adv. Kholeka Gcaleka
The Public Protector of South Africa
Private Bag
X677
Pretoria
0001

By Email: registration2@pprotect.org

Dear Adv. Gcaleka,

**RE: FORMAL REQUEST FOR INVESTIGATION: ALLEGED IRREGULAR
EXPENDITURE AND MISMANAGEMENT OF PUBLIC FUNDS IN THE NELSON
MANDELA BAY MUNICIPALITY (NMBM) SECURITY EQUIPMENT PROCUREMENT**

This letter serves as a formal request for a full and urgent investigation by your office into the procurement, expenditure, and subsequent settlement related to security equipment in the NMBM.

The details outlined below suggest, at the very least, alleged gross maladministration, irregular expenditure and mismanagement of public funds, which have led to a waste of taxpayer money while essential safety and security services are severely neglected in the Metro.

This matter relates to a tender initially awarded to Afrisec Strategic Solutions (Pty) Ltd (Afrisec) under Contract Enquiry SCM142/S/2011. In October 2016 the NMBM issued a summons in the High Court against Afrisec for R92,433,301.55 on the grounds of unjustified enrichment, case number 3712/2016. A protracted court battle ensued with several

counterclaims and a [successful special plea by the defendants](#). The merits of the initial claim by the NMBM are yet to be tested in court.

From information available to us, the NMBM has spent an approximate total of R69 million (including legal fees) and all there is to show for it is 15-year-old security equipment. The list of equipment, now confirmed by security experts to be partially obsolete, includes 260 cameras, switches, lightning protection rods, circuit breakers, cabling, and servers. The same security experts believe this equipment has an estimated current market value of between R2.5 million and R3.3 million.

The known expenditure is broken down as follows:

1. Payment for equipment: R36,522,490.08 (ex VAT) has already been paid to Afrisec for equipment that has been in storage since it was purchased some 15 years ago.
2. Out-of-Court Settlement: In August 2025, the NMBM Acting City Manager signed a R26 million settlement with Afrisec which was made an Order of the Court under case number 3712/2016. We understand that several legal opinions produced over the last 2 years advised the NMBM not to settle the matter.
3. Legal Fees: NMBM has incurred legal fees amounting to R6,412,348.82 related to this matter.

The R26 million settlement was funded using operational budgets from directorates' vacancies budgets, which will have a direct impact on the municipality's ability to fill critical service delivery roles.

We also understand that, despite an ongoing legal dispute, the NMBM has procured additional goods and services from Afrisec over the last few years, as outlined in [this ENCA report](#). Although when questioned in the safety and security portfolio committee about the cameras mentioned in this report, the NMBM indicated that it had no operational cameras.

This alleged maladministration and financial misconduct has transpired while the community of Nelson Mandela Bay faces an escalating crime epidemic, including increasing gang violence, child murders, and widespread vandalism of public infrastructure.

I request that your office invoke its constitutional powers to:

1. Investigate the procurement process and all payments made to Afrisec and determine the full and true value of all goods and services rendered.
2. Investigate any identified abuse of power, improper enrichment and maladministration.
3. Scrutinise the motivation and legal basis for the R26 million out-of-court settlement and the justification for the substantial legal fees.
4. Hold all municipal officials, councillors, and external parties accountable who were involved in authorising, overseeing, or benefiting from any expenditure found to be irregular in any way.

The people of Nelson Mandela Bay deserve to have their tax money spent on services that enhance their safety, not squandered on obsolete equipment and legal disputes.

I await your confirmation of the receipt of this complaint, jurisdiction and the assignment of an investigator.

Sincerely,



RETIEF ODENDAAL, MPL
Shadow MEC for Cooperative Governance and Traditional Affairs
Constituency Head: Southern and Western Suburbs NMB

Copied:

Cllr Rano Kayser, DA NMB Caucus Leader

Cllr Jason Grobbelaar, DA NMB Spokesperson for Safety and Security

Cllr Siyasanga Sijadu, DA NMB Caucus Spokesperson