# THE HIGH COURT OF SOUTH AFRICA (GAUTENG DIVISION, PRETORIA)

	Case 67574/12
In the matter between:	
MANDG CENTRE FOR INVESTIGATIVE JOURNALISM VINAYAK BHARDWAJ	First Applicant Second Applicant
and	
THE MINISTER OF PUBLIC WORKS	First Respondent
THE INFORMATION OFFICER, DEPARTMENT OF PUBLIC WORKS	-
APPLICANTS' NOTE FOR HEARING	

#### TIMELINE OF RESPONDENTS' FAILURES TO COMPLY

# Introduction

- 1. When the Acting DG refused the applicants' request on 13 August 2012, she was obliged in terms of s 25(3)(a) of the Promotion of Access to Information Act 2 of 2000 ("PAIA"), to "state adequate reasons for the refusal, including the provisions of this Act relied upon". If a document could not be found, after all reasonable steps had been taken to find it, she was obliged in terms of ss 23(1) and (2), to provide the applicants with an affidavit with "a full account of all steps taken to find the record in question or to determine whether the record exists, as the case may be, including all communications with every person who conducted the search on behalf of the information officer".
- 2. The Minister was obliged to determine the applicants' appeal by 10 October 2012<sup>1</sup> and "state adequate reasons for the decision, including the provisions of this Act relied upon" in terms of s 77(5)(a).
- The respondents have on six occasions purported to comply with these statutory obligations. The timeline of their purported compliance however manifests rank dishonesty and disdain for the law.

.

that is, within 30 days after 10 September 2012

3

First: The Acting DG's refusal of 13 August 2012

4. The Acting DG refused to disclose any documents. She said in her letter of 13 August

2012 that all the documents relating to the Nkandla residence were protected from

disclosure under the National Key Points Act 102 of 1980, the Protection of Information

Act 84 of 1982, the Minimum Information Security Standards and "other relevant

security prescripts of the State Security Agency". She did not mention any provisions

of PAIA upon which she relied as she was required to do in terms of s 25(3)(a). Her

refusal also ignored s 5 which says that PAIA applies "to the exclusion of any provision

of other legislation that ... prohibits or restricts the disclosure of a record of a public

body".2

Second: The Minister's failure to decide the appeal by 10 October 2012

5. The applicants lodged an appeal to the Minister in terms of s 74 of PAIA on

10 September 2012.3 The Minister was obliged to decide the appeal "as soon as

reasonably possible, but in any event within 30 days", that is, by 10 October 2012, in

terms of s 77(3)(a).

6. The Acting DG assured the applicants on 19 September 2012 that their appeal "is

receiving Departmental attention and you will be notified about the outcomes thereof in

due course".4

Acting Director General's refusal, p 37

Appeal 10 September 2012 p 38

<sup>4</sup> Acting DG's letter 19 September 2012 p 47

- 7. The Minister issued a public statement on 5 October 2012 in which he made significant disclosures about the nature and extent of the Nkandla project.<sup>5</sup>
- 8. After expiry of the deadline on 10 October 2012, Mr Hlabiwa, an official in the Department's legal office, told the second applicant on 18 October 2012 that the Minister's response to the appeal "was being drafted and would be communicated to our attorneys, Webber Wentzel", on 22 October 2012 that "he was still awaiting senior counsel's input", and on 25 October 2012 that "he was still awaiting senior counsel's approval" of the Minister's response to the appeal.
- 9. The Minister however never decided the appeal. He subsequently authorised the DG to say on his behalf<sup>9</sup> that, "After receipt of senior counsel's input, the Minister decided to allow the provisions of section 77(7) of PAIA to take effect". 10 It means that the Minister deliberately failed to discharge his duties to decide the appeal in terms of s 77(3)(a) and to give adequate reasons for his decision in terms of s 77(5)(a). He says he did so after receiving senior counsel's input. We also now know that the Department had more than 12 000 pages of documents which should have been disclosed in terms of PAIA and that the Minister had at that time already made significant public disclosures about the nature and extent of the Nkandla project. The inference is irresistible that senior counsel advised the Minister that the DG's refusal was indefensible and that the appeal should be upheld. The Minister however decided

Minister's statement 5 October 2012 p 182

Founding Affidavit at p 16 para 37

Respondents' First Answer at p 121 para 2

Founding Affidavit p 16 para 36

Founding Affidavit at p 16 para 38

Respondents' First Answer at p 131 para 35

not to determine the appeal so that it be deemed to have been dismissed in terms of s 77(7). He thus flouted his statutory duty to decide the appeal in order to escape his statutory obligation to give reasons for his decision on appeal. His conduct in doing so was in breach of his oath of office to respect and uphold the law.<sup>11</sup>

# Third: The respondents' first answer of 29 January 2013

- 10. The following events occurred in the run-up to the respondents' first answer to this application:
  - 10.1. The President announced in parliament on 15 November 2012 that the Minister had appointed a task team "to investigate whether supply chain procedures were properly followed by the Department when it carried out the security upgrades" at Nkandla. The Minister's Special Advisor, Mr Masilo, was a member of the task team. 13
  - 10.2. During November 2012, the task team travelled to KZN and retrieved from the project manager, Mr Rindel, "42 files and over 12 000 pages" of project documents which they considered in the course of their investigation.<sup>14</sup>
  - 10.3. The task team rendered their report to the Minister who made their findings public in a press statement on 27 January 2013.<sup>15</sup>

Section 95 of the Constitution read with item 3 of Schedule 2

Respondents' Third Answer p 845 para 16

Respondents' Third Answer at p 845 paras 18 to 20 and p 846 para 23

Press Statement 27 January 2013 p 185

<sup>&</sup>lt;sup>12</sup> Hansard 15 November 2012 p 102 at p 103

- 11. The DG deposed to the respondents' first answer two days later on 29 January 2013. The Minister authorised him to do so. 17 It is clear from his affidavit that both the DG and the Minister were fully acquainted with the investigation and report of the task team. 18
- 12. Despite this intimate knowledge, the DG persisted in the Department's bland refusal to disclose any of the Nkandla documents. He said that all the documents,
  - "are so replete with security-related information that they cannot be disclosed," and ought not to be disclosed", 19
  - fall "within the class of security-related information to which access can and ought to be refused" and
  - "are so replete with security-sensitive information that they could not be provided without undermining the very security arrangements that had to be put in place". <sup>21</sup>
- 13. We now know that these assertions were dishonest. The DG has never made any attempt to explain them. No wonder that he opposed the applicants' suggestion that the court inspect the documents in terms of s 80 of PAIA. He repeated his dishonest assertions in his attempt to do so:

"The respondents submit that this court should decline to exercise its discretion to examine the documents to which access is sought. By their very

Respondents' First Answer at p 121 para 2

Respondents' First Answer at p 123 paras 8 to 18

19 Respondents' First Answer at p 131 para 36

Respondents' First Answer at p 133 para 38.3

Respondents' First Answer at p 133 para 38.4

Respondents' First Answer at p 140

7

nature, the documents contain detailed security-related information. This court will, with respect, be placed in an untenable position if it exercises its discretion in the manner proposed by the applicants, as it will have to rule on the disclosure of security-related and security-sensitive information without hearing any of the parties to this application."<sup>22</sup>

Fourth: The respondents' second answer of 14 June 2013

14. The applicants filed their heads of argument on 17 April 2013. The respondents were

due to file their heads of argument on 2 May 2013. The State Attorney however

informed the applicants' attorneys on 3 May 2013 that the respondents "will not be

filing heads of argument at this stage" but will instead file a further affidavit. They did

not explain their decision to change tack. The obvious inference is that they were

advised that the applicants were bound to succeed in their application.

15. The respondents filed a second answer on 14 June 2013, for the first time providing

more than a bald blanket dismissal of the applicants' request, exactly one year after it

was originally lodged.<sup>23</sup> Their main deponent was now the Minister's Special Advisor,

Mr Masilo, who tendered and later produced a very large volume of Nkandla-related

documents running to more than 12 000 pages.<sup>24</sup>

16. The Minister and the DG filed supporting affidavits but made no attempt to explain the

stark contradiction between their earlier assertions that none of the documents could

be disclosed for security reasons and their current admission that more than 12 000

Respondents' First Answer at p 137 para 49

Respondents' Second Answer at p 636

Respondents' Second Answer at p 632 paras 8 to 11; List of Contractors 14 June 2013 p 637; Schedule of Documents Tendered 14 June 2013 p 638; Applicants' Third Reply at p 721 paras 8 to 10

pages of documents (the overwhelming majority of the records placed in Mr Masilo's care) could be disclosed without any risk to anybody's security.

# Fifth: The respondents' supplementary disclosure of 2 September 2013

- 17. The applicants' attorneys addressed a letter to the respondents' attorneys on 29 July 2013 in which they identified a large number of deficiencies in the documents disclosed to the applicants.<sup>25</sup> After further correspondence between the parties,<sup>26</sup> the State Attorney provided the applicants with a schedule under cover of a letter of 30 August 2013<sup>27</sup> which colour-coded categories of documents as follows:
  - 17.1. Green: Documents "that we tendered but mistakenly were not copied for you as well as additional documents located by the KZN office".
  - 17.2. Yellow: "Documents that appeared to have once existed but which, despite our best efforts, cannot now be located".
  - 17.3. Red: "Documents that cannot be disclosed to your clients because they contain sensitive security-related information and cannot be redacted."
  - 17.4. Blue: "Mr Masilo has been unable, despite his best efforts, to confirm the existence of the documents".

State Attorney's letter 6 August 2013 p 785; Webber Wentzel letter 8 August 2013 p 787; Webber Wentzel letter 19 August 2013 p 793; Webber Wentzel letter 21 August 2013 p 795; State Attorney's letter 22 August 2013 p 797; Webber Wentzel letter 27 August 2013 p 800; Applicants' Third Reply at p 726 paras 17 to 22

Webber Wentzel letter 29 July 2013 p 770

State Attorney's letter 30 August 2013 at p 808

## Sixth: The respondents' third answer of 19 September 2013

- 18. The applicants filed their third reply on 4 September 2013.<sup>28</sup> They identified a large number of documents that were still missing<sup>29</sup> and made the point that the DG had still not complied with his obligation under s 23(2) of PAIA to furnish the applicants with an affidavit which gives "a full account of all steps taken to find (the missing documents) including all communications with every person who conducted the search" on his behalf.<sup>30</sup>
- 19. The respondents filed a third answer on 19 September 2013. Their main deponent was again Mr Masilo.<sup>31</sup> The DG and the project manager Mr Rindel filed confirmatory affidavits.<sup>32</sup> In these affidavits, the respondents made the first concerted effort to comply with the DG's duties under s 23(1) and (2) of PAIA to account for missing documents.<sup>33</sup>
- 20. We submit however that the respondents' disclosure remains deficient and that the DG has not complied with his obligations under ss 23(1) and (2) of PAIA for the following reasons:
  - 20.1. The evidence of Mr Masilo and Mr Rindel is confined to the documents
    Mr Rindel gathered in his capacity as project manager of the Nkandla project.

Applicants' Third Reply 4 September 2013 at p 743

Applicants' Third Reply at p 736 paras 39 to 51

Respondents' Third Answer 19 September 2013 at p 854

DG's confirmatory affidavit p 879; Rindel's confirmatory affidavit p 882

Respondents' Third Answer at p 845 paras 16 to 45

Applicants' Third Reply at p 730 paras 27 to 38

It is clear that he was merely the local project manager responsible for its execution. Mr Masilo indeed says, and the DG and Mr Rindel confirm, that,

"The KZN Project team was not part of any meetings between the Minister, Deputy Minister and/or the DG or Deputy DG". 34

20.2. It is apparent that no effort has been made to locate and disclose the documents in possession of the decision-makers responsible for all the critical decisions pursuant to which the Nkandla project was authorised and implemented. The only witness who might be able to speak to these matters, is the DG Mr Dlabantu, or his predecessor, Acting DG Fatyela-Lindie. Mr Dlabantu does not however give any particulars of any of the crucial decisions or of any effort to find the documents relevant to those decisions. His bland statements on this score do not comply with ss 23(1) and (2) of PAIA and can in any event not carry any weight in the light of his patent dishonesty in this matter.

34

#### THE RESPONDENTS HAVE NOT TAKEN "ALL REASONABLE STEPS"

# The duty to take "all reasonable steps"

- 21. The respondents were obliged, in terms of s 23(1) of PAIA, to take "all reasonable steps" to find the documents the applicants had requested. They had to provide the applicants with an affidavit which gives "a full account of all steps taken" to find the documents or to determine whether they exist, "including all communications with every person who conducted the search" on behalf of the DG.
- 22. The respondents first made an effort to comply with this obligation in their third answer filed on 19 September 2013. But it is clear from their description of the efforts made by Mr Masilo, that they were wholly deficient and fell far short of the requirements that the respondents take "all reasonable steps" to find the documents requested by the applicants. The fault lies with the DG and not Mr Masilo. The DG confined Mr Masilo's brief to the documents in the possession of the project manager Mr Rindel, and even then only the physical files maintained by Mr Rindel. But it is clear that he was merely the project manager responsible for the execution of the project. He was not the decision-maker who decided to embark on the project, allocated funds to it and exercised overall control over it. Those functions must have been performed by the decision-makers, that is, by the DG and his senior management at the Department's head office in Pretoria. None of their documents, which we shall call the "top-level documents", have been disclosed.

#### The search was confined to Mr Rindel's documents

- 23. Mr Rindel is a regional project manager in the KZN Regional Office of the Department.<sup>35</sup> He was responsible for the execution of the project but, as we shall later show, could not possibly have been the person solely responsible for all the critical decision-making and financing of the project.
- 24. Mr Masilo explains, in the respondents' third answer from page 844 in paragraphs 13 to 23, that his brief, and consequently also his search, were confined to the documents Mr Rindel had collected in hard copy in the execution of his functions as local project manager and those kept by the architects, engineers and quantity surveyors employed on the project.
- 25. Mr Masilo moreover makes it clear that Mr Rindel's KZN project team was not party to the top level decision-making in relation to the project:

"Similarly, the KZN Project team was not part of any meetings between the Minister, Deputy Minister and/or the DG or Deputy DG. I was also not able to find any records of these meetings." 36

26. It is no wonder that Mr Masilo "was also not able to find any records of these meetings" because they were obviously kept at head office and not in the project manager's file. It was clearly not Mr Masilo's brief to ask the Minister, the Deputy Minister, the DG and the Deputy DGs about their decision-making processes and the funding of the project. He certainly does not say that he did anything of the kind.

35

Rindel's confirmatory affidavit p 882 para 1

Respondents' Third Answer at p 850 para 35.5

- 27. The applicants expressly raised the respondents' failure to undertake any search other than that of Mr Masilo in the papers. In their third reply, the applicants said that it could be inferred that Mr Masilo's "examination was indeed the only process undertaken to respond to the applicants' request, and thus that no official made any effort at all to ascertain whether relevant records were located in any place other than the KZN Office's 42 files, let alone in the physical and electronic files of the National Office occupied by both the Department and the Ministry in Pretoria. The respondents' failure to consider the latter location is particularly glaring, given that communications at the level of 'top management' would, as a matter of course, have been filed primarily, if not exclusively in the National Office."37 The applicants call for disclosure of "the class of documents comprising records of meetings, communications, deliberations and decisions at the level of 'top management'".38
- 28. In their answer, the respondents say nothing at all about any efforts made to find documents at the Pretoria Head Office.<sup>39</sup> It is, on the contrary, in this context that the respondents say that the KZN project team "was not part of any meetings between the Minister, Deputy Minister and/or the DG or Deputy DG".<sup>40</sup>
- 29. The only "evidence" that the Department does not have any documents relevant to the Nkandla project other than those in Mr Rindel's files, is the following bland statement of the DG made in his affidavit filed in support of the respondents' third answer:

"I submit that the Department has taken all reasonable steps to find and deliver to the applicants all documents in its possession related to the

Applicants' Third Reply pp 741 to 742 para 51

Applicants' Third Reply at p 742 para 52

Respondents' Third Answer at pp849 to 852 paras 34-45

<sup>40</sup> Respondents' Third Answer at p850 para 35.5

Nkandla security upgrade, including the documents in annexure SA4 that are listed as missing. I further submit that those documents that have not been located, cannot reasonably be found, and may not even exist. It is therefore not possible to give the applicants access to those documents."

- 30. This statement is however manifestly deficient for the following reasons:
  - 30.1. The author is the same man who said on oath that, for security reasons, no documents at all could be disclosed when in fact there were more than 12 000 pages of innocuous documents that could be disclosed without risk. He has never made any attempt to justify or explain this dishonesty.
  - 30.2. His statement is a mere submission and not a statement of fact.
  - 30.3. His submission is confined to the search undertaken by Mr Masilo. The DG does not say that any steps at all were taken to determine whether there were further documents in the Department's possession at its head office in Pretoria or elsewhere, nor does he explain why no such steps were taken.
  - 30.4. There is no evidence at all of any steps taken to determine whether there are further documents at the Department's head office or at the office of the Minister.

# There must be further top-level documents

31. It is clear that the respondents have not taken any steps at all to determine whether there are further top-level documents relating to the Nkandla project. Their failure to do so is in itself fatal to their defence to this application. But we submit that it is moreover clear that there must be further top-level documents.

- 32. It is inconceivable that there are no documents of the following kind at all:
  - 32.1. There is no record of any discussions with the President about the plan to spend more than R200m on an upgrade of his home.
  - 32.2. There is no record of any discussion between the Minister, the Deputy Minister, the DG, the Deputy DG or the senior management of the Department about the plan to upgrade the President's home.
  - 32.3. According to the Department, "There was no specific budget allocated" for this project and that "funds were sourced from other prestige projects that were under-utilising the funds that had been allocated to them". The decision to spend more than R200m on a project for which no funds had been budgeted, could not conceivably have been taken by the lowly regional project team headed by Mr Rindel. It must have been taken by head office. And yet there is no record of this decision.
  - 32.4. There is no record of any reports by the project team to the Minister, the Deputy Minister, the DG, the Deputy DG or any of the senior management of the Department.
  - 32.5. There is no record of any reports to the President on the progress of the upgrade of his home.
  - 32.6. The respondents would thus have it that Mr Rindel, acting all on his own, decided to embark on this project, for which no money had been budgeted, and executed and completed it without any involvement of, or communication

-

Respondents' First Answer at pp 129 to 130 para 32.1.2

with, the President, the Minister, the Deputy Minister, the DG, the Deputy DG or senior management at the Department's Head Office in Pretoria.

- 32.7. Undoubtedly, the one person who would know more about these matters, is the DG. But he first tried to mislead the court and now pretends that he knows no more than what Mr Masilo has discovered by his search of the KZN files.
- 33. The DG's failure to deal with these issues is moreover significant in the light of his clear statutory duties in relation to the Nkandla project under the Public Finance Management Act 1 of 1999 ("PFMA"). He is the accounting officer of the Department.<sup>42</sup> His responsibilities in relation to a project such as this one, include the following:
  - 33.1. He must ensure that the Department has and maintains "an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective". 43
  - 33.2. He must ensure that the Department has and maintains "a system for properly evaluating all major capital projects prior to a final decision on the project". 44
  - 33.3. He is responsible for "the effective, efficient, economical and transparent use of the resources of the Department".<sup>45</sup>

Section 38(1)(a)(iv) of the PFMA

Section 36(2)(a) of the PFMA; Section 1 read with Schedule 1 of the Public Service Act, 1994

Section 38(1)(a)(iii) of the PFMA

Section 38(1)(b) of the PFMA

- 33.4. He must take effective and appropriate steps to prevent "unauthorised expenditure". 46
- 33.5. If he discovers any "unauthorised expenditure", he "must immediately report, in writing, particulars of the expenditure to the relevant treasury".<sup>47</sup>
- 33.6. He must take effective and appropriate disciplinary steps against any official in the Department who "makes or permits an unauthorised expenditure". 48
- 33.7. He may not commit the Department to any liability "for which money has not been appropriated".<sup>49</sup>
- 33.8. He must ensure that the Department's expenditure "is in accordance with the vote of the Department and the main divisions within the vote" and that "effective and appropriate steps are taken to prevent unauthorised expenditure". 50
- 33.9. He is guilty of financial misconduct if he wilfully or negligently fails to discharge any of these duties or makes or permits any unauthorised expenditure.<sup>51</sup>
- 33.10. He is guilty of a criminal offence if he wilfully or grossly negligently fails to discharge any of these duties.<sup>52</sup>

Section 38(1)(g) of the PFMA

Section 39(1) of the PFMA

Section 81(1) of the PFMA

Section 86 of the PFMA

Section 38(1)(c)(ii) of the PFMA

Section 38(1)(h)(iii) of the PFMA

Section 38(2) of the PFMA

34. Given this catalogue of duties in relation to expenditure such as that incurred on the Nkandla project, it is inconceivable that the Department and the DG in particular do not have any of the top-level documents relating to the decision-making in relation to the Nkandla project. The DG either failed to comply with any of these requirements or did so but without leaving any documentary trace. Both possibilities seem equally absurd. The DG has in any event not taken the court into his confidence by disclosing any detail about the manner in which this project was handled at the Department's Head Office.

### Conclusion

35. It is clear that the DG has not complied with his duties under ss 23(1) and (2) of PAIA.

#### A REFERRAL TO ORAL EVIDENCE

- 36. The respondents have on six occasions purported to comply with the DG's duties under ss 23 and 25 of PAIA. Their purported compliance has however been dishonest at worst and evasive at best. We submit for the following reasons that the appropriate remedy is to refer the matter to oral evidence so that the DG and his senior management may be cross-examined on their bland assertions that the Department does not have any further documents relating to the Nkandla project.
- 37. Rule 6(5)(g) of the rules of this court provides that, where an application cannot properly be decided on affidavit, the court may *inter alia* make such order as it deems meet "with a view to ensuring a just and expeditious decision". It may in particular "direct that oral evidence be heard on specified issues with a view to resolving any dispute of fact and to that end may order any deponent to appear personally or grant leave for him or any other person to be subpoenaed to appear and be examined and cross-examined as a witness".
- 38. The SCA held in M&G that in applications such as this one, under s 78(2) of PAIA, a court "should not hesitate" to employ this remedy:

"While the ordinary rules apply generally to applications under section 78(2), there are nonetheless some aspects of such proceedings that call for special mention. The first is that true disputes of fact will seldom arise, because the material facts will generally be within the peculiar knowledge of the public body. If an application for information is not to be thwarted by that inequality of arms, I think that a court must scrutinise the affidavits put up by the public body with particular care and, in the exercise of its wide discretion that I referred to earlier, it should not hesitate to allow cross-examination of

witnesses who have deposed to affidavits if their veracity is called into doubt."53

39. We submit that, in this case, a referral to oral evidence is the only appropriate remedy. An order that the respondents produce documents they deny to have, would be futile. An order that they file further affidavits explaining the decision-making processes on the Nkandla project, would be equally futile because the respondents have shown themselves to be dishonest and obtuse on this score. It is unrealistic to hope that a further round of affidavits, will elicit greater frankness from them. The only viable, effective and appropriate remedy is to refer the matter to oral evidence so that their denials may be tested under cross-examination.

Wim Trengove SC

Nasreen Rajab-Budlender

Nick Ferreira

Chambers Sandton 4 November 2013

53