



Status Report from the NLC on allegations of Corruption and Maladministration

Presentation to the Portfolio
Committee **3 June 2026**

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Portfolio Committee Status Report



The presentation provides a high-level overview of the NLC forensic investigation environment, referrals, outcomes and implementation progress.

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INTRODUCTION AND PURPOSE

Portfolio Committee on Trade, Industry and Competition



1. BACKGROUND

This status report provides a high-level overview of forensic matters addressed by the National Lotteries Commission (NLC), including reported cases, investigations finalised, referrals to law-enforcement agencies, consequence management, and related financial implications.






2. PURPOSE OF THIS REPORT

The purpose of this presentation is to provide the Portfolio Committee with a concise progress update on the implementation of SIU and NPA-related actions, as well as the status of matters investigated by the NLC outside the scope of the SIU Proclamation.



3. NLC MANDATE (HIGH LEVEL)

In terms of the Lotteries Act, 1997, as amended, the NLC has a high-level mandate to:

-  Regulate the National Lottery, sports pools, and other lotteries.
-  Advise the Minister on policy matters relating to lotteries and sports pools.
-  Administer the National Lottery Distribution Trust Fund (NLDTF) and ensure funding is directed to good causes.
-  Protect the interests of participants and promote propriety, fairness and accountability in the lottery environment.



Forensic investigations reported here relate to allegations of fraud and maladministration dealt with in accordance with the NLC's forensic mandate and applicable legal framework.



STATUS OF REPORTED CASES








During the 2025/2026 financial year, a total of **168 cases** were received.



The table below summarises investigation progress across the 2023/2024, 2024/2025 and 2025/2026 financial years, including completed cases, cases closed and referred to the SIU, and matters still in progress.



168
cases received
in 2025/26

 Financial Years	 Total cases	 Completed	 Closed & Referred to SIU	 In progress
2023/24	230	218	12	0
2024/25	150	88	51	11
2025/26	168	55	78	35



KEY INSIGHT: As at 31 March 2026, 35 matters remained in progress, including cases referred for investigation where second-tranche payments are due.

FINAL INVESTIGATION REPORTS ISSUED: COMBINED 2024/25 AND 2025/26

Across the 2024/2025 and 2025/2026 financial years, a total of **150** final investigation reports were issued/finalised. Most matters related to grant funding, with **131** grant-funded cases and **19** non-grant-funded cases.

Of the **150** reports, **132** allegations were confirmed and **18** were not confirmed. The combined value linked to confirmed cases amounted to approximately **R297.6 million**.



150

REPORTS FINALISED



132

CONFIRMED ALLEGATIONS



R297.6
MILLION

CONFIRMED VALUE

Measure	Combined Total
Total reports finalised	150
Grant funding	131
Non-grant funding	19
Allegations confirmed	132
Allegations not confirmed	18
Amount of confirmed reports	R297,574,555



KEY INSIGHT: Many of these matters originated in prior financial years (2021/22, 2022/23, 2023/24 and 2024/25) as legacy cases from a period when the control environment was still weak. Grant-funded matters accounted for the majority of finalised investigations.

SAPS REFERRALS BY FINANCIAL YEAR

2023/2024



44

criminal cases
opened



R85,832,938.64

associated value



2024/2025



29

criminal cases
opened



R27,524,966.00

associated value



2025/2026



26

criminal cases
opened



R8,517,352.00

associated value



99

Total criminal
cases opened



R121.9 million

Combined value of
projects referred



Referrals relate to projects under criminal investigation and matters supported through the submission of evidentiary material.



KEY INSIGHT:

The trend indicates continued cooperation with SAPS, with both the number of cases referred and the associated value declining over the three-year period.

SAPS CASE REGISTER — 2023/2024



44 cases registered



R85,832,938.64 associated value of projects referred

Detailed register view — case numbers retained for audit trail and evidentiary traceability.

No.	Organisation	Case No.	Amount
1	NPO 1	Sunnyside Station: CAS 76/5/2023	R7,000,000.00
2	NPO 2	Sunnyside Station: CAS 77/5/2023	R5,970,000.00
3	NPO 3	Sunnyside Station: CAS 78/5/2023	R277,000.00
4	NPO 4	Sunnyside CAS 540/5/2023	R257,000.00
5	NPO 5	Sunnyside CAS 541/5/2023	R6,525,000.00
6	NPO 6	Durban Central CAS 1003/5/2023	R436,500.00
7	NPO 7	Matatiele CAS 90/5/2023	R160,000.00
8	NPO 8	Matatiele CAS 90/5/2023	R130,000.00
9	NPO 9	Matatiele CAS 90/5/2023	R125,000.00
10	NPO 10	Matatiele CAS 90/5/2023	R140,000.00
11	NPO 11	Matatiele CAS 90/5/2023	R100,000.00
12	NPO 12	Matatiele CAS 90/5/2023	R75,000.00
13	NPO 13	Matatiele CAS 90/5/2023	R115,000.00
14	NPO 14	Matatiele CAS 90/5/2023	R95,000.00
15	NPO 15	Sunnyside CAS 840/05/2024	R125,000.00
16	NPO 16	Sunnyside CAS 841/05/2023	R165,000.00
17	NPO 17	Sunnyside CAS 842/5/2023	R95,000.00
18	NPO 18	Sunnyside CAS 843/5/2023	R3,308,000.00
19	NPO 19	Sunnyside CAS 839/5/2023	R987,000.00
20	NPO 20	Sunnyside CAS 758/06/2023	R350,000.00
21	NPO 21	Sunnyside CAS 759/06/2023	R380,000.00
22	NPO 22	Sunnyside CAS 760/06/2023	R380,000.00

No.	Organisation	Case No.	Amount
23	NPO 23	Acornhoek CAS 198/6/2023	R350,000.00
24	NPO 24	Sunnyside CAS 711/06/2023	R65,000.00
25	NPO 25	Sunnyside CAS 716/06/2023	R228,000.00
26	NPO 26	Nelspruit CAS 588/6/2023	R85,000.00
27	NPO 27	Nelspruit CAS 587/6/2023	R75,000.00
28	NPO 28	Cape Town CAS 1406/8/2023	R27,320,758.64
29	NPO 29	Sunnyside CAS 411/08/2023	R7,941,300.00
30	NPO 30	Kimberley CAS 748/08/2023	R850,000.00
31	NPO 31	Sunnyside CAS 644/08/2023	R9,000,000.00
32	NPO 32	Sunnyside CAS 416/08/2023	R163,000.00
33	NPO 33	Sunnyside CAS 415/08/2023	R248,000.00
34	NPO 34	Sunnyside CAS 377/9/2023	R-
35	NPO 35	Sunnyside CAS 354/10/2023	R285,000.00
36	NPO 36	Sunnyside CAS 355/10/2023	R265,000.00
37	NPO 37	Sunnyside CAS 356/10/2023	R320,000.00
38	NPO 38	Sunnyside CAS 619/10/2023	R80,400.00
39	NPO 39	Sunnyside CAS 388/10/2023	R339,400.00
40	NPO 40	Sunnyside CAS 744/12/2023	R1,245,694.00
41	NPO 41	Sunnyside CAS 750/12/2023	R-
42	NPO 42	Sunnyside CAS 581/2/2024	R467,173.00
43	NPO 43	Mhala CAS 167/2/2024	R317,144.00
44	NPO 44	Sunnyside CAS 487/3/2024	R8,991,569.00



Highest-value referrals:

28. Cape Town CAS 1406/8/2023 — R27,320,758.64 | 31. Sunnyside CAS 644/08/2023 — R9,000,000.00 | 44. Sunnyside CAS 487/3/2024 — R8,991,569.00

SAPS CASE REGISTER — 2024/2025



29 cases registered



R27,524,966.00 associated value of projects referred

Detailed register view — case numbers retained for audit trail and evidentiary traceability.

No.	Organisation	Case No.	Amount
1	NPO 1	Nelspruit CAS 488/4/2024	R206,000.00
2	NPO 2	Nelspruit CAS 489/4/2024	R223,000.00
3	NPO 3	Bandelierkop Station CAS 62/5/2024	R4,871,000.00
4	NPO 4	Tshaulu CAS 134/5/2024	R120,000.00
5	NPO 5	Sunnyside CAS 592/6/2024	R234,994.00
6	NPO 6	Kimberley CAS 501/6/2024	R3,325,297.00
7	NPO 7	Nelspruit CAS 464/6/2024	R250,000.00
8	NPO 8	Sunnyside CAS 323/7/2024	R75,000.00
9	NPO 9	Sunnyside CAS 337/7/2024	R1,448,000.00
10	NPO 10	Sunnyside CAS 338/7/2024	R205,000.00
11	NPO 11	Sunnyside CAS 416/8/2024	R597,500.00
12	NPO 12	Sunnyside CAS 413/8/2024	R112,300.00
13	NPO 13	Sunnyside CAS 725/8/2024	R497,300.00
14	NPO 14	Sunnyside CAS 727/8/2024	R-
15	NPO 15	Kimberley CAS 580/9/2024	R709,740.00

No.	Organisation	Case No.	Amount
16	NPO 16	Nelspruit CAS 511/9/2024	R578,000.00
17	NPO 17	Sunnyside CAS 112/10/2024	R1,327,935.00
18	NPO 18	Sunnyside CAS 111/10/2024	R1,239,000.00
19	NPO 19	Bushbuckridge CAS 108/10/2024	R380,000.00
20	NPO 20	Sunnyside CAS 364/10/2024	R1,545,000.00
21	NPO 21	Sunnyside CAS 397/10/2024	R4,576,400.00
22	NPO 22	Sunnyside CAS 730/12/2024	R287,000.00
23	NPO 23	Sunnyside CAS 731/12/2024	R767,000.00
24	NPO 24	Sunnyside CAS 732/12/2024	R998,000.00
25	NPO 25	Mahikeng CAS 148/1/2025	R119,500.00
26	NPO 26	Sunnyside CAS 308/1/12/2025	R150,000.00
27	NPO 27	Nelspruit CAS 287/1/2025	R511,000.00
28	NPO 28	Nelspruit CAS 288/1/2025	R346,000.00
29	Service Provider 1	Sunnyside CAS 95/6/2025	R1,725,000.00



Highest-value referrals:

3. Bandelierkop Station CAS 62/5/2024 — R4,871,000.00 | 21. Sunnyside CAS 397/10/2024 — R4,576,400.00 | 6. Kimberley CAS 501/6/2024 — R3,325,297.00

SAPS CASE REGISTER — 2025/2026



26 cases registered



R8,517,352.00

associated value of projects referred

Detailed register view — case numbers retained for audit trail and evidentiary traceability.

No.	Organisation	Case No.	Amount
1	NPO 1	Sunnyside Station: CAS 380/4/2025	R306,400.00
2	NPO 2	Sunnyside Station: CAS 1023/4/2025	R399,000.00
3	NPO 3	Sunnyside Station: CAS 95/6/2025	R1,725,000.00
4	NPO 4	Polokwane CAS 72/8/2025	R85,000.00
5	NPO 5	Polokwane CAS 759/8/2025	R85,000.00
6	NPO 6	Sunnyside Station: CAS 989/8/2025	R100,000.00
7	NPO 7	Sunnyside Station: CAS 521/8/2025	R356,997.00
8	NPO 8	Sunnyside Station: CAS 520/8/2025	R65,000.00
9	NPO 9	Polokwane CAS 474/9/2025	R100,000.00
10	NPO 10	Sunnyside Station: CAS 107/10/2025	R2,479,000.00
11	NPO 11	Polokwane CAS 137/10/2025	R80,000.00
12	NPO 12	Sunnyside Station: CAS 122/10/2025	R662,000.00
13	NPO 13	Sunnyside Station: CAS 113/10/2025	R239,000.00

No.	Organisation	Case No.	Amount
14	NPO 14	Polokwane CAS 136/10/2025	R85,000.00
15	NPO 15	Sunnyside Station CAS 189/11/2025	R75,000.00
16	NPO 16	Sunnyside Station CAS 190/11/2025	R65,000.00
17	NPO 17	Sunnyside Station CAS 191/11/2025	R65,000.00
18	NPO 18	Sunnyside Station CAS 224/11/2025	R115,000.00
19	NPO 19	Sunnyside Station CAS 227/11/2025	R80,000.00
20	NPO 20	Sunnyside Station CAS 228/11/2025	R80,000.00
21	NPO 21	Sunnyside Station CAS 226/11/2025	R178,000.00
22	NPO 22	Sunnyside Station CAS 229/11/2025	R95,000.00
23	NPO 23	Sunnyside Station CAS 225/11/2025	R65,000.00
24	NPO 24	Sunnyside Station CAS 447/12/2025	R371,455.00
25	NPO 25	Sunnyside Station CAS 36/8/2026	R272,500.00
26	NPO 26	Polokwane CAS 428/2/2026	R288,000.00



Highest-value referrals:

10. Sunnyside Station: CAS 107/10/2025 — R2,479,000.00 | 3. Sunnyside Station: CAS 95/6/2025 — R1,725,000.00 | 12. Sunnyside Station: CAS 122/10/2025 — R662,000.00

SIU Requests Responded to by the NLC

Unique requests responded to over the past three financial years

FY2023/24



229

unique requests
responded to

FY2024/25



256

unique requests
responded to

FY2025/26



152

unique requests
responded to



TOTAL OVER
THREE FINANCIAL YEARS

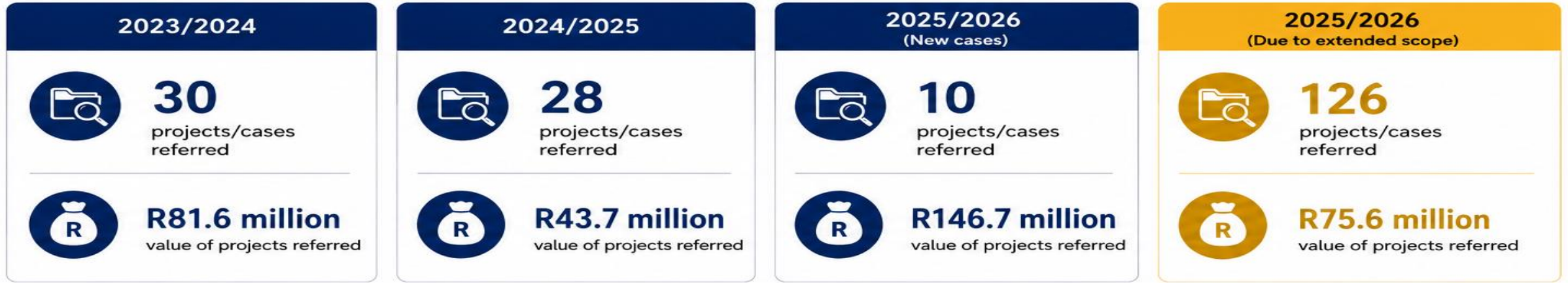
637

unique requests
responded to

5. SIU REFERRALS

OVERVIEW 2023/2024 – 2025/2026

Where matters were identified as falling outside the NLC’s statutory mandate, or where a nexus to SIU Proclamation No. R32 of 2020 (as amended) was established, such matters were referred to the SIU in accordance with applicable legal and governance frameworks.



 **KEY INSIGHT**
The significant increase in value for new cases in 2025/2026 reflects the complexity and materiality of matters identified outside the NLC’s mandate.

NOTES

- **New cases:** matters identified and referred to SIU during the financial year.
- **Extended scope:** matters where the SIU’s investigation scope was broadened during the financial year based on new information or findings.

CONSEQUENCE MANAGEMENT

Disciplinary outcomes relating to implicated officials


















 **17** TOTAL OFFICIALS

 **8** DISMISSALS


 **8** RESIGNATIONS

 **1** RETIREMENT

The NLC continued to take decisive action against individuals implicated in misconduct, maladministration or control failures.

DATE	POSITION / LEVEL	OUTCOME
13-Aug-21	Former NLC Board Member	 Resigned before the disciplinary committee (DC)
6-Jul-22	Former COO	 Resigned before the second disciplinary committee (DC)
5-May-23	Former Chief Risk Officer	 Resigned before the disciplinary committee (DC)
31-May-23	Client Liaison Officer	 Dismissed after the disciplinary committee (DC)
Jul-23	Distribution Agency Chairperson	 Retired before the disciplinary committee (DC)
Jul-23	Assistant Manager	 Resigned before the disciplinary committee (DC)
6-Nov-23	Acting COO	 Dismissed after the disciplinary committee (DC)
Jul-23	Grant Agreement Assistant	 Resigned before the disciplinary committee (DC)
30-Sept-25	Legal Manager - Head Office	 Resigned before the disciplinary committee (DC)
6-Nov-23	Executive Secretary - Head Office	 Resigned before the disciplinary committee (DC)
3-Jul-24	Provincial Manager - Free State	 Dismissed
21-Oct-25	Assistant Manager - Free State	 Dismissed
5-Dec-25	Monitoring and Evaluation Officer - Free State	 Dismissed
28-Feb-25	Former Company Secretary - Head Office	 Resigned before the disciplinary committee (DC)
3-Jun-25	Client Liaison Officer	 Dismissed after the disciplinary committee (DC)
3-Jun-25	Acting Provincial Manager - KZN	 Dismissed after the disciplinary committee (DC)
3-Feb-26	ICT Official	 Dismissed

Period covered: 13 August 2021 - 3 February 2026

 **KEY INSIGHT:** The recalculated outcomes reflect 17 officials: 8 dismissals, 8 resignations and 1 retirement. These actions reinforce accountability, integrity and zero tolerance for misconduct at the NLC.

SIU PAYMENTS TO DATE

SIU-related payments by financial year



TOTAL PAID TO DATE

R91,742,523.75

R91.7 million



SIU-related payments increased over the five-year period, reaching the highest level in 2025/2026.

Update on Implementation of SIU and NPA Recommendations

Portfolio Committee on Trade, Industry and Competition



6 SIU recommendations



2 NPA recommendations



8 recommendations tracked

Ref	Recommendation / Action Required	NLC Progress Update
SIU-07	Capture all current proactive funded projects in the grant management / Fusion system.	The NLC has implemented the Thuthuka Grant Management System to address limitations in the previous grant management environment. Research-based funding projects are now captured and processed on Thuthuka. The Research-Based Funding Policy was reviewed and approved by the Board, strengthening the related control environment.
SIU-08	Procure an integrated system capable of detecting multiple applications submitted by the same individual through different NPOs / NPCs and identifying similar anomalies.	Thuthuka has strengthened data capture, validation, audit trails, workflow approvals, role-based access and segregation of duties. The system enables improved identification of duplicate or irregular applications, supported by verification checks with relevant external databases. Internal Audit has also expanded continuous auditing to identify anomalies, duplications and potential control breaches in grant funding data.
SIU-09	Conduct lifestyle audits for all NLC employees.	The NLC developed a Lifestyle Audit Policy, approved by the Board in 2024. Lifestyle reviews have since been conducted for Board members, Distribution Agency members, EXCO members and NLC staff.
SIU-10	Implement proper project management over funded projects.	Funded NPOs are monitored to assess whether funds are spent in line with approved grant agreements. Where non-compliance is identified and not rectified, matters are referred to the Non-Compliant Grantee Committee for consideration and appropriate action.

Update on Implementation of SIU and NPA Recommendations

Portfolio Committee on Trade, Industry and Competition



6 SIU recommendations



2 NPA recommendations



8 recommendations tracked

Ref	Recommendation / Action Required	NLC Progress Update
SIU-11	Establish a Proactive Funding Project Committee.	The Research-Based Funding Policy and related SOP were reviewed and updated to strengthen governance and control. Research-based funding matters are considered through the Board and Distribution Agency governance process and monitored after funding.
SIU-12	Separate duties between NLC employees and Distribution Agency members.	Distribution Agency members are appointed by the Minister. Roles and responsibilities between NLC employees and Distribution Agency members are clearly segregated, with adjudication performed in line with applicable legislation and approved regulations.
NPA-02	Remove implicated persons from the NLC environment so that they are not in a position to interfere with investigations.	The NLC acted on disciplinary referrals received from the SIU and initiated disciplinary processes. Eight individuals were dismissed following disciplinary proceedings, and eight resigned before or during the disciplinary hearing.
NPA-03	Provide outstanding witness statements from the NLC where requested by investigators.	The NLC restarted the statement-drafting process after some previously involved employees were either implicated or had resigned. Draft witness statements have been prepared and are being reviewed by the relevant Provincial Managers before submission to the DPCI.

THANK YOU



NATIONAL LOTTERIES COMMISSION

a member of **the dtic** group

