

# Education's PPE fraud

## SIU finds fronting, forgery and under delivery by contracted companies

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Service providers who were contracted by the KwaZulu-Natal Department of Education to supply Covid-19 personal protective equipment (PPEs) not only forged documents, but they also under delivered.

The service providers also did not declare that they had done work for other state institutions in the last 12 months as required.

These were some of the findings of the Special Investigating Units (SIU) presented to the Standing Committee on Public Accounts committee (SCO-PA) in parliament yesterday.

The SIU's advocate Andy Mothibi

said they had been made aware of allegations that quotes had been manipulated through cover quoting.

The SIU also found that:

- non-essential items were procured using the emergency procurement provisional;
- fronting and forgery was committed on bid documents; and
- there was non-compliance with the VAT act.

"We found SCM irregularities, cover quoting, and service providers did not declare that they had worked for other institutions in the past 12 months. This is the failure to disclose, and when non-essential items were disclosed, fraud was uncovered," said Mothibi.

Mothibi added there were contracts signed to the value of R3,5 million.

For these, disciplinary action was recommended against three officials. Criminal action against six companies and their directors had also been recommended. "In this case we found that the service provider who supplied medical equipment was not registered on South African Health Products Regulatory Authority (Sahpra).

"So that in itself renders the process to be irregular because the SCM process should have checked that part.

"The SIU will also recommend that civil proceedings be instituted to set aside the contracts awarded and to recover monies," said Mothibi.

Mothibi said the information was also referred to in the Auditor General's report. *The Witness* reported in February that the 2019/20 audit results found that KwaZulu-Natal provincial departments continued to ignore accounting guidelines. The report said that two departments in KwaZulu-Natal received qualified audits.

Mothibi said that while they received allegations of wrongdoing in the department of public works, the allegations were found to be untrue.

In the office of the premier an allegation that senior officials were involved in awarding tenders to their family were made, but Mothibi said they were unable to contact the whistle blowers.

"This matter might appear closed, but it is not. Some of the whistle blowers don't leave their contact numbers and we struggle but when more information is available, we will re-open the matter," said Mothibi.

"We ensure that the departments were cited and that they are aware, that there was no further prejudice, but this does not exonerate the service providers from further action," said Mothibi.

Mothibi's team found no irregularities in relation to eight contracts, also in the office of the premier, for the supply of PPE and infrastructure that were awarded.

Attempts to get comment from the office of the premier were unsuccessful.