**PFS17-18-0-000028**

**Nature of allegation: Alleged Corruption**

**Source: whistle-blower**

**Investigation outcome: fraud and/or corruption (case reported to SAPS)**

Provincial Forensic Services (PFS) received an allegation from a whistle-blower of possible unethical and corrupt conduct by an official. It was alleged that a senior official approached a service provider (“Service Provider A”) to solicit a bribe subsequent to being awarded a contract.

The investigation revealed that this official approached “Service Provider A” with a request to use resources of a previous service provider (“Service Provider B”) whose contract had ended with the Western Cape Government, which “Service Provider A” agreed to. The whistle-blower reported the incident to PFS shortly after the official approached and invoiced “Service Provider A” for commission. PFS further established during the investigation that the official chaired the Bid Specification Committee and altered official procurement documents which resulted in an approval of a R10,054,800.00 contract, rather than the initial R4,309,200.00 approved. This led to an order being issued to “Service Provider A” for R10,054,800.00.

During the course of the investigation, PFS registered a criminal matter at the Directorate for Priority Investigations (Hawks) for further investigation.

The official terminated his employment with the WCG, prior to the expiration of his employment contract in April 2018.

PFS made the following recommendations:

• That the Accounting Officer consider whether or not the Department, as a result of the *prima facie* forgery and uttering by the official was deprived of value for money, which may necessitate the institution of a civil claim and/or whether irregular expenditure arose from these actions. (DotP responded that the Department conducted an internal investigation and concluded that the expenditure does not amount to irregular expenditure).

• In connection with different interpretations highlighted in the report, that Legal Service provide advice and/ or clarity regarding the correct process to be followed when goods or service are procured by means of a “piggy-back” process. Such advice should include the process to be followed when a government contract is expanded, varied, amended or extended as the DotP Accounting Officer’s Systems does not reflect any. (DotP responded that it was alerted to a draft National Treasury Instruction (NTI) on piggy-backing, which was submitted to Provincial Treasury for comment. DotP commented on the draft instruction, in conjunction with Provincial Treasury. The implementation of the recommendation will be held in abeyance pending receipt of the final NTI, which will determine the rules that apply to piggy-backing going forward.)

• That the Department implement a practice in which the minutes of the various procurement committees should depict all deliberations and that each page of the approved minutes and recommendations be signed by the Chairperson of the specific committee. (DotP responded that SCM implemented the following: all minutes now include the full item / service description, quoted amount, quotation number, CEI Ditcom number and all members of the committee are to initial each page of the minutes, quotations that served before the committee and the BSC recommendation.)