**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 1935**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 23/06/2017**

**(INTERNAL QUESTION PAPER 23 OF 2017)**

**Ms H Bucwa (DA) to ask the Minister of Higher Education and Training:**

(1) How many cases of funds being granted to fraudulent recipients were experienced by each Sector Education and Training Authority (SETA) in the (a) 2014-15, (b) 2015-16 and (c) 2016-17 financial years;

(2) whether any actions have been taken against the fraudulent recipients; if not, why not; if so, what are the relevant details;

(3) whether any disciplinary actions have been taken against the personnel of each SETA for granting the funds fraudulently; if not, why not; if so, what are the relevant details in each case?

**NW2147E**

**REPLY:**

According to the information received from the Sector Education and Training Authorities (SETAs), cases of funds granted to fraudulent recipients were reported from the following five SETAs:

**Energy and Water SETA (EWSETA)**

1. (a) There was one case in which discretionary grant funding was paid into the incorrect bank account.

(b) None.

(c) None.

1. A forensic investigation was commissioned and a criminal case was opened at the Hillbrow Police station.
2. Disciplinary action will be taken pending the outcome of the criminal investigation.

**Insurance SETA (INSETA)**

1. (a) None.

1. There was one case in which an employee fraudulently solicited a project management fee from a training provider for the implementation of a training programme.

 (c) None.

2. The matter was referred to the Hawks for investigation.

3. No disciplinary action was taken as the employee no longer works for INSETA.

**Mining Qualifications Authority (MQA)**

1. (a) None.
2. There were two cases where employees attempted to make fraudulent grant allocations.

 (c) None.

2. No payments were effected by MQA to service providers.

3. Disciplinary action was taken against the employees involved. One employee was given a final written warning and the other employee resigned.

**Safety and Security SETA (SASSETA)**

1. (a) There were 82 cases where funds were paid to fraudulent recipients.

 (b) None.

 (c) None.

2. A forensic investigation was commissioned which resulted in the cancellation of fraudulent contracts. Criminal cases were opened and are under investigation by the Government Anti-Corruption Task Team.

3. Disciplinary action were taken against employees involved in fraudulent activities, which resulted in the termination of their employment contracts. One disciplinary case still needs to be concluded.

**Wholesale and Retail SETA (W&RSETA)**

1. (a) There was one case where funds were paid to fraudulent recipients.

 (b) None.

 (c) None.

1. The Internal Audit Unit instituted a preliminary forensic investigation. W&RSETA is in the process of appointing an external provider to conduct a forensic investigation.
2. Disciplinary action will be taken against employees pending the outcome of the forensic investigation.

COMPILER/CONTACT PERSONS:

EXT:

DIRECTOR – GENERAL

STATUS:

DATE:

QUESTION 1935 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: