**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**PARLIAMENTARY QUESTION NO: 2202**

**DATE OF QUESTION: 10 SEPTEMBER 2021**

**DATE OF SUBMISSION: 27 SEPTEMBER 2021**

**Ms H Ismail (DA) to ask the Minister of Justice and Correctional Services:**

What is the current update on the investigation into the procurement of (a) ambulances and (b) health services in the North West by the Special Investigating Unit?

**NW2504E**

**REPLY:**

1. The Special Investigating Unit has informed me as follows:

Proclamation R42 of 2019

The allegations relate to the irregular award of contracts to Buthelezi EMS and its associated companies for the provisioning of patient transportation services and construction related services in breach of the prevailing procurement prescripts and on terms which are to detriment of the North-West Department of Health (NWDOH). The allegations further extend to the administration of the contracts in that the allegations received by the Special Investigating Unit (SIU) refer to fraudulently inflated invoices, non-delivery of services and the irregular approval of requests to increase the contract prices.

Outcomes as per the ongoing investigation:

1. The order for the freezing of the Head of Department (HOD)’s pension was granted. The pension amount is R2 125 113, 58.
2. Civil proceedings have been instituted at the Special Tribunal for the recovery of R30 000 000.00 pre-payment. The matter is opposed by the HOD, and the SIU is awaiting a court date.

The investigation is ongoing and expected to be finalised by end of November 2021.

1. Covid-19 Investigation Proclamation R23 of 2020

Allegation: The procurement of, or contracting for goods, works and services including the construction, refurbishment, leasing, occupation and use of immovable property during or in respect of the national state disaster as declared by Government Notice No. 313 of 15 March 2021 by or on behalf of the State institutions, and payments made in respect thereof.

The SIU is investigating twenty-one (21) service providers with a total value of R15 million. The following are the outcomes of the investigation:

1. Number of referrals for disciplinary action against officials: One (1) against Station Manager
2. Number of referrals to the National Prosecuting Authority and/or Asset Forfeiture Unit: One (1) against Store Manager
3. Number of referrals to the South African Police Service (SAPS): Seven (7) service providers for charging VAT when they were not registered VAT vendors
4. Rand value of civil proceedings instituted: R256 000,00 against one (1) service provider.
5. Rand value of potential cash to be recovered: Acknowledgement of debt against six (6) service providers for inflation of PPE’s prices for the value of R1 090 148,00
6. Rand value of actual cash recovered: R19 591,00 against two (2) service providers for inflation of PPE’s prices.

The investigation is ongoing and expected to be finalized by the end of October 2021.