**Memorandum from the Parliamentary Office**

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 3820**

**DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 23/10/2015**

**(INTERNAL QUESTION PAPER 42 OF 2015)**

**Mr Y Cassim (DA) to ask the Minister of Higher Education and Training:**

1. With reference to the Safety and Security Sector Education and Training Authority (SASSETA), (a) how many procurement contracts were concluded despite the SASSETA failing to request the necessary three quotations, (b) what was the value of each specified contract, (c) to which company and/or individual was each specified contract awarded and (d) which services were procured in respect of each specified contract;
2. has any (a) corrective action and/or (b) disciplinary action been taken in respect of the specified procurement irregularities; if not, why not; if so, what are the relevant details in respect of each of the specified procurement irregularities;
3. with reference to the Local Government Sector Education and Training Authority (LGSETA), (a) how many procurement contracts were concluded despite the LGSETA failing to request the necessary three quotations, (b) what was the value of each specified contract, (c) to which company and/or individual was each specified contract awarded and (d) which services were procured in respect of each specified contract;
4. has any (a) corrective action and/or (b) disciplinary action been taken in respect of the specified procurement irregularities; if not, why not; if so, what are the relevant details in respect of each of the specified procurement appointment irregularities?

**NW4565E**

**REPLY:**

1. (a) The information we got indicates that the Safety and Security Sector Education and

Training Authority (SASSETA) concluded five contracts without obtaining three

quotations.

(b), (c) and (d) The table below gives details of the names of the awarded companies, services procured and value of each contract:

|  |  |  |
| --- | --- | --- |
| **Awarded Company** | **Services** | **Value/Amount** |
| 1. Mabuya Auditors
 | Witnessing in a disciplinary case | R12 500.00 |
| 1. Maweza
 | Information Technology services | R479 988.00 |
| 1. Wolf
 | Security | R250 000.00 |
| 1. TRONCOP
 | Construction | R22 175.28 |
| 1. Bokhabane Event Hire
 | Catering | R2 580.00 |

1. (a) Yes, corrective action has been taken to prevent future irregular expenditure. The

following corrective action were taken:

* Supply Chain Management policies and procedures were reviewed and implemented;
* Forensic audits/investigations were conducted; and
* Regulation of spending.

(b) Yes, disciplinary action was taken as outlined:

* The Administrator of SASSETA has instituted disciplinary action against three affected staff members, all of whom are no longer with SASSETA.
* A notice to suspend a senior staff member, pending the finalisation of investigations into irregular activities, has been served.
1. (a) Based on the information at our disposal, the Local Government Sector Education and

Training Authority (LGSETA) concluded three contracts without obtaining three

quotations.

(b), (c) and (d) The table below gives details of the names of the awarded companies, services procured and value of each contract:

|  |  |  |
| --- | --- | --- |
| **Awarded Company** | **Services** | **Value/Amount** |
| 1. Nameng Chartered Accountants (SA) Incorporated
 | Asset Verification Project | R432 960.00 |
| 1. MQQR Investment CC
 | Events Management Services - Sterkspruit Career Exhibition | R2 395 776.12 |
| 1. Jacqueline K Consulting
 | Provision of Project Management services to assist LGSETA with the office relocation project | R999 780.24 |

1. No corrective or disciplinary action was taken, due to the following reasons:
* Assets Verification Project: Three quotations were not obtained for this transaction on the basis that it was an emergency. The transaction was correctly identified as irregular expenditure, condoned by the Accounting Authority and disclosed in the Annual Financial Statements in line with revised National Treasury guidelines on irregular expenditure.
* Events Management Services-Sterkspruit Career Exhibition: This project did not follow the normal competitive processes of advertising through the Tender Bulletin. Since the SETA was under administration, there was no Accounting Authority to approve its condonation other than the originator of the transaction, i.e. Administrator, which performed the role of both the Chairperson and Accounting Authority of the SETA. The transaction was correctly disclosed in the Annual Financial Statements.
* Provision of Project Management Services: Three quotations were not obtained for this transaction on the basis that it was an emergency. The transaction was correctly identified as irregular expenditure, condoned by the Accounting Authority and disclosed in the Annual Financial Statements in line with revised National Treasury guidelines on irregular expenditure.

Compiler/Contact persons:

Ext:

DIRECTOR – GENERAL

STATUS:

DATE:

REPLY TO QUESTION 3820 APPROVED/NOT APPROVED/AMENDED

Dr BE NZIMANDE, MP

MINISTER OF HIGHER EDUCATION AND TRAINING

STATUS:

DATE: