



OFFICE OF THE CHAIRPERSON OF THE ACCOUNTING AUTHORITY

16 October 2024

Ms Stefanie Fick
Organisation Undoing Tax Abuse (OUTA)

Per email:

Dear Ms Fick

**FINAL OVERALL REPORT ON THE INVESTIGATION REVIEW OF SSETA
PROCUREMENT PROCESSES IN TERMS OF APPROPRIATE LAWS, REGULATIONS
AND POLICIES, RELATING TO CERTAIN COMPANIES TO WHICH TENDERS WERE
AWARDED BY THE SERVICES SETA**

We refer to the above matter and your letter dated 9 October 2024.

We have noted the contents of the letter under reply but we will limit our response herein to answering questions posed from 16 onwards of your letter.

1. Did you as SSETA's accounting authority, implement all the recommendations set out in paragraphs 16.1 to 16.17 of the report?

- 1.1 The Accounting Authority (AA) accepted the Werksmans investigation report and recommendations as contained in the report.
- 1.2 The recommendations in paragraphs 16.3 – 16.15 of the report were implemented through the review and approval of the amended supply chain management (SCM) policy. The revised SCM policy was approved by the AA in February 2024.
- 1.3 With regards to recommendation 16.16 and 16.17 of the report, work has already commenced to implement the recommendation. The final report will be submitted by the Audit Committee Task Team (ACTT) at the AA meeting to be held in November 2024.



- 2. Did you as SSETA's accounting authority, institute disciplinary investigations and/or action against employees that implicated in wrongdoing as recommended in par 16.16 of the report? If not, why not?**

The AA has not yet instituted disciplinary action against the employees referred therein. The finalisation of the process will be informed by the AC Task Team final report to be submitted to the AA at the meeting to be held in November 2024. As part of the process, the AC Task Team had to interview the employees identified in the Werksmans report.

- 3. Did you as SSETA's accounting, study the report and refer some cases for criminal investigation as recommended in in paragraph 16.17 of the report? If not, why not.**

We have studied the report, but due to reasons already stated above, we have not yet opened criminal investigations.

- 4. Did you as SSETA's accounting authority, refer any cases to the law enforcement agencies for criminal investigations? If not, why not?**

No, we have not yet referred cases to the law enforcement agencies and the reasons are already stated in the paragraphs above.

- 5. Did you as SSETA's accounting authority, implement any of the recommendations in the individual reports? If so, please inform us of such actions. If not, why not?**

You are referred to paragraph 1 above.

- 6. Did you as SSETA's accounting authority, take the Portfolio Committee on Higher Education into your confidence and share the report, the recommendations and the resolutions taken by regarding the recommendations in the report? If not, why not?**

The Services SETA informed the Portfolio Committee about the Werksmans investigation into allegations of irregularities involving the award of certain tenders by supply chain management.



7. Did you as SSETA's accounting authority, take the Minister of Higher Education and the Director General of the department into your confidence and share the report, the recommendations and the resolutions taken by you regarding the recommendations in the report? If not, why not?

The Werksmans investigation report including recommendations was shared with the Department of Higher Education and Training on 16 August 2023.

8. When was the instruction given and which law firm?

The legal firm (Malatji Attorneys) was appointed to assist the AC Task Team with interviewing the employees identified in the Werksmans report and advise the AC Task Team on areas where there are reasonable grounds for instituting disciplinary action.

9. Who were appointed to the ACTT?

Three (3) independent Audit Committee members including the AC Chairperson were appointed to the Audit Committee Task Team.

Kindly acknowledge receipt hereof.

Yours sincerely,

Stephen De Vries

CHAIRPERSON: ACCOUNTING AUTHORITY