

Tribunal sets aside R24m Gauteng PPE contract

The Special Tribunal has ruled that a R24m PPE contract awarded by the Gauteng Health Department is unlawful, invalid, unconstitutional and must be set aside.



Image source: Laura James from Pexels

This after the Special Investigating Unit (SIU) applied to have the contract reviewed and set aside following alleged irregular and unlawful conduct by department officials in the awarding of the contract.

The contract was to supply the department with at least 100,000 boxes of surgical gloves as a response to the Covid-19 pandemic.

It was alleged that the successful contractor, Mlangeni Brothers Events, sent their quotation for the supply of the gloves directly to the department's chief financial officer (CFO) and were ultimately awarded the contract.

Special Investigating Unit spokesperson, Kaizer Kganyago, said the unit's investigation found wrongdoing on the part of some high department ranking officials.

"The SIU investigation revealed that proper procurement processes were not followed in the awarding of PPE tenders by the Chief Financial Officer (CFO) and the Chief Director: Supply Chain and Asset Management.

"Mlangeni Brothers was ordered to furnish the Special Tribunal with audited financial statement and debatement account by 21 February 2022, setting out all the expenses it incurred in order to fulfill its obligations in line with the PPE tender that was irregularly awarded by Gauteng Health. The SIU seeks to recover more than R12m from Mlangeni Brothers it allegedly overcharged Gauteng Health," he said.



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Kganyago added that the state officials have also been made to account for the irregular contract.

"[The] CFO resigned in May 2020 when the allegations of impropriety surfaced. The SIU was granted a preservation order by the Special Tribunal to freeze pension benefits of the former CFO pending the finalisation of civil action against the former CFO for involvement in the irregular awarding of PPE tenders.

"The SIU was informed by Gauteng Health that the Chief Director was found guilty on the disciplinary charges and a sanction of dismissal was made," Kganyago said.

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