



# Special COVID-19 Bulletin

**An oversight and international participation tool for Members of Parliament**

ISSUE 2, VOLUME 1

---

## Table of Contents

1. Background .....	1
2. Findings of the Audit Report.....	2
3. COVID-19 Procurement Dashboard .....	8
4. COVID-19 Spending by SAPS: 2020/21 .....	10
5. Irregular, fruitless and wasteful Expenditure: 2019/20 .....	11
6. Key Issues for Consideration .....	12
7. Conclusion.....	13
References .....	14

---

## Reviewing the South African Police Service (SAPS) COVID-19 procurement

AUTHOR: NICOLETTE VAN ZYL-GOUS

### 1. Background

On 30 May 2021, the Daily Maverick online newspaper published a leaked report from the Internal Audit Division of the South African Police Service (SAPS) titled 'Risk Based and Compliance Review: Division: Supply Chain Management COVID-19 Procurement of Goods and Services for 2020/21'. These findings were met with significant public concern. The SAPS has subsequently opened a criminal case to investigate the origin of the leak.<sup>1</sup> It should be

---

<sup>1</sup> CAS 158/10/2020 (SAPS, 2021)

noted that the report was first published on 18 October 2020 in the Sunday Independent newspaper.<sup>2</sup> In spite of the audit findings made available in October 2020, the SAPS, on 24 February 2021, reported to Parliament that there were no record of any SAPS employees who have been found guilty of Personal Protective Equipment (PPE) fraud and corruption, but that there were investigations into the procurement of PPE by the SAPS that at the time, was still in process. The SAPS committed to reporting the outcomes of these investigations to the Portfolio Committee on Police.<sup>3</sup>

According to the National Treasury, the SAPS had spent R1 751 400 000 (R1.75 billion) on COVID-19 related goods and services at the end of the 2020/21 financial year, of which the SAPS Internal Audit Division found that 34 procurement orders to the value of R 1 620 964 361.20 (R1.62 billion) were concluded on verbal authorisation, which is not permissible for transactions exceeding R 500 000 (half a million). Thus, the SAPS Internal Audit asserts that 92,5% of all procurement orders related to COVID-19 were irregular and furthermore, other orders had other serious irregularities.<sup>4</sup> Added to this, the SAPS has spent 80% of all COVID-19 related expenditure during the first quarter of the 2020/21 financial year (April to June 2020).

Various allegedly irregular and inflated tenders are being investigated by the Directorate for Priority Crime Investigations (DPCI or Hawks), as well as the Special Investigative Unit (SIU), which are both part of the intergovernmental anti-corruption "Fusion Centre" set up in August 2020 by President Cyril Ramaphosa. The multidisciplinary unit also comprises the South African Revenue Service (SARS) and the Financial Intelligence Centre (FIC).

## 2. Findings of the Audit Report

According to the Audit Report, it was determined that the current key controls in respect of COVID-19 procurement of PPE **requires moderate improvement**. Management disagreed with all the issues contained in the report, therefore **no corrective actions have been initiated**.

According to the SAPS analysis of the draft and final internal audit report, the SAPS declared four findings as not applicable and the findings were removed, and four findings remained as internal control deficiencies.

---

<sup>2</sup> Rampedi, P (2020)

<sup>3</sup> SAPS (2021)

<sup>4</sup> SAPS (2021)

#### Findings that remained as internal control deficiencies:

- The SAPS placed **34 orders** for the procurement of PPE to the value of R1.62 billion **on verbal authorisation and without obtaining the sufficient number of quotations**. According to the National Treasury, verbal authorisations are not permitted for transactions above R500 000.
- The SAPS made material deviations from the price list approved by the National Treasury as some suppliers **overcharged the SAPS based on ceiling prices**. The difference in prices resulted in a material loss of R354 698 420.00 (R354.7 million). *Note: These included all inflated prices, of both more and less than 10% mark-up.*
- **Majority of the procurement files did not have functional approval**. It is not clear in the procurement file how needs were determined prior to approaching the service providers for quotations and acquisition of goods.
- The SAPS eliminated a supplier who was cheapest in price based on the incorrect completion of Standard Bidding Documents (SBD) forms. However, the audit found that the forms were properly completed. Thus, the **wrongful award of the bid**. *This resulted in a financial loss of R3 500 000.00 (R3.5 million). Possible irregular expenditure.*



#### Findings that were removed as not applicable:

- The SAPS placed five orders from suppliers to the value of R86 302 500 (R86.3 million) that were **not tax compliant**.
- The SAPS placed two orders valued at R15 000 000 (R15 million) for cloth masks from suppliers that are **not registered on the Database for Small Business Development**.
- Various suppliers **overcharged the SAPS on VAT and transport costs**. SAPS processes dictate that VAT and transport costs must be included in unit prices. This amounted to a financial loss of R5 200 000. (R5.2 million).
- The SAPS issued requests for quotations to suppliers for **surgical gloves sterile** that are only meant for the Department of Health.

The table below provides a summary of the companies from which the SAPS procured COVID-19 related PPE, together with the type of PPE procured, the findings of the Audit Report and the value of the orders.

**Table 1: PPE Procurement findings by company, type of PPE and amounts**

Company	Finding	Type PPE	Total
Basarwa Construction	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal Authorisation</li> <li>Fruitless expenditure: Overcharging of Value Added Tax and transport costs</li> </ul>	Surgical masks	R3 795 000.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R995 000.00
Bosadzi Pele Under investigation: Hawks 7.62% of all PPE procured by SAPS	Irregular expenditure: Verbal authorisation	Multiple Goods	R363 356 000.00
	Irregular expenditure: Deviation from National Treasury approved price lists		Financial loss: R306 000.00
Dr Love Foundation	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> <li>Irregular expenditure: Cloth mask supplier not on Small Business Development Database</li> </ul>	Cloth face masks	R11 025 000.00
Emergency and Response Equipment 10.22% of all PPE procured by SAPS	Irregular Expenditure: Wrongful award of bid	Multiple goods	R95 000 000.00
Impokane General Trade	Irregular expenditure: Verbal authorisation	Gloves plastics	R1 025 000.00
Insanyesi Enterprise	Irregular expenditure: Verbal authorisation	Gloves	R1 090 000.00
Ixodox	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> <li>Irregular expenditure: Cloth mask supplier not on Small Business Development Database</li> </ul>	Cloth face masks	R3 975 000.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R225 000.00
Jozevito-Tol Distributors	Irregular expenditure: Verbal authorisation	Surgical masks	R30 000 000.00
Khagiso Africa Holdings 8.42% of all PPE procured by SAPS	Irregular expenditure: Verbal authorisation	Surgical masks	R103 000 000.00
LTE Consulting 6.29% of all PPE procured by SAPS	Irregular expenditure: Verbal authorisation	Surgical masks	R77 000 000.00

<b>Company</b>	<b>Finding</b>	<b>Type PPE</b>	<b>Total</b>
Mahlah Trading	Irregular expenditure: Verbal authorisation	Gloves	R2 470 000.00
Mainstreet 699 (Pty) Ltd. (Red Roses Africa) 42.01% of all PPE procured by SAPS	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> </ul>	Multiple goods	R596 720 800.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R112 500 000.00 SAPS ordered 90 000 digital body thermometers at an inflated price of R1 250.00 per item, which is a 36% mark-up. This is the largest potential financial loss.
Marvelli	Irregular expenditure: Verbal authorisation	Thermometer	R14 175 000.00
Motla Investments	Irregular expenditure: Verbal authorisation	Multiple goods	R24 500 000.00
Mtai Developments	Irregular expenditure: Verbal authorisation	Gloves	R1 300 000.00
Peo ya Africa	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> <li>Irregular expenditure: Supplier not tax compliant</li> </ul>	Gloves Surgical masks	R 932 500.00
Protechnic Laboratories	Irregular expenditure: Verbal authorisation	Decontamination	R654 160.20
PSR Solutions	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> </ul>	Surgical masks	R45 000 000.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R3 000 000.00
Related IT Connexions	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> <li>Fruitless expenditure: Overcharging of Value Added Tax and transport costs</li> </ul>	Surgical masks	R36 052 500.00
Safro Power	Irregular expenditure: Verbal authorisation	Surgical masks	R2 949 750.00
Siyangoba Trading	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> </ul>	Gloves	R1 980 000.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R1 450 000.00

Company	Finding	Type PPE	Total
SJ Global Construction	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> </ul>	Surgical masks	R20 125 000.00
	Irregular expenditure: Deviation from National Treasury approved price lists		Financial loss: R35 000 000.00
Tombo Investment Under investigation: Hawks 4.9% of all PPE procured by SAPS	Irregular expenditure: Verbal authorisation	Surgical masks	R60 000 000.00
	Irregular expenditure: Deviation from National Treasury approved price lists		Financial loss: R4 000 000.00
TTTEB Supplying and Construction 7.14% of all PPE procured by SAPS	Irregular expenditure: Verbal authorisation	Surgical masks	R87 444 580.00
<b>Tsa Bophelo Medical</b> Under investigation: Hawks 4.82% of all PPE procured by SAPS	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> <li>Irregular expenditure: Supplier not tax compliant</li> </ul>	Surgical masks	R59 000 000.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R40 500.00
Tsutsumani Business Enterprise	<ul style="list-style-type: none"> <li>Irregular expenditure: Verbal authorisation</li> <li>Irregular expenditure: Supplier not tax compliant</li> </ul>	Surgical masks	R6 402 500.00 R16 250 000.00
	<ul style="list-style-type: none"> <li>Irregular expenditure: Deviation from National Treasury approved price lists</li> </ul>		Financial loss: R1 363 500.00
Vusimuhle Projects	Irregular expenditure: Supplier not tax compliant		R2 400 000.00
Westpoint Traiding 143cc	Irregular expenditure: Verbal authorisation	Surgical masks	R1 050 000.00
Win Projects and Supply	Irregular expenditure: Verbal authorisation	Spray bottles	R30 500.00
		Disinfectants	R1 860 500.00

Source: SAPS (2021)

The audit report does not mention the company '*Before Sunset*' that received orders of R60 million, which is **4.9% of all PPEs** procured by SAPS. This is despite the company being under investigation by the Hawks. In January 2021, the Hawks raided the house of Director, Pastor Lleka Putuka.<sup>5</sup>

---

<sup>5</sup> Medico-Legal (2021)

Regulations gazetted in March 2020 by Trade and Industry and National Treasury Note No. 5 of 2020/21 allow for a price variance of up to 10% of prices. However, the table below includes deviations of both those above and below 10%.

**Table 2: Deviation from Treasury price list for PPE procurement**

Order No Company	Item Description	Quantity Ordered	Unit Price Paid (R)	Treasury Unit Price (R)	Variance per Unit (R)	Variance %	Potential loss (R)
AG883089 Company unknown	Masks	80 000	30,94	28,00	2,94	10.5%	2 352 000
AG883251 Company unknown	Mask, face, disposable	20 000	72,00	13,24	58,76	444%	1 175 200
AG883252 Company unknown	Mask, face, disposable	20 000	68,00	13,24	54,76	414%	1 095 200
AG883260 Basadzi/Motla	Masks	153 000	30,00	28,00	2,00	7.14%	306 000
AG883274 Basarwa	Mask, face, surgical, disposable	100 000	37,95	28,00	9,95	36%	995 000
AG883278 Tombo	Masks	2 000 000	30,00	28,00	2,00	7.14%	4 000 000
AG883279 PSR Solutions	Masks	1 500 000	30,00	28,00	2,00	7.14%	3 000 000
AG883280 Tsa Bophelo Medical	Masks	2 700	29,50	28,00	1,50	5.35%	40 500
AG883282 SJ Global	Mask, face, surgical, disposable	5 000 000	35,00	28,00	7,00	25%	35 000 000
AG883285 Tsuramani	Mask, face, surgical, disposable	303 000	32,50	28,00	4,50	16%	1 363 500
AG883292 Tsa Bophelo Medical	Mask, face, surgical, disposable	197 300	29,50	28,00	1,50	5.35%	295 950
AG883325 IXODOX	Mask, face, surgical, disposable	150 000	26,50	25,00	1,50	6%	225 000
AG883268 Red Roses Africa (Mainstreet 699)	Body thermometer digital	90 000	4 700	3 450	1 250	36%	112 500 000
AG883266 Company unknown	Surgical Gloves box of 100	500	222	49.86	172.14	34 %	86 070
AG883309 Company unknown	Disposable Gloves	20 000	3.46	0.46	3.00	652%	60 000

Order No Company	Item Description	Quantity Ordered	Unit Price Paid (R)	Treasury Unit Price (R)	Variance per Unit (R)	Variance %	Potential loss (R)
AG883298 Siyangoba	Disposable Gloves	1 000 000	1.91	0.46	1.45	315%	1 450 000
Total Potential loss							153 724 970
Total Potential loss when adding inflated prices under 10%							163 994 420

Source: SAPS (2021)

The table above shows that the potential financial losses due to inflated prices are R153.7 million, and when adding those below 10% mark-up, the potential lost is R163.9 million. The highest percentage variance does not automatically result in the highest financial loss. For instance, the 444% mark-up on order AG883251 led to a potential financial loss of R1 175 200 (R1.175 million), whereas the 36% mark-up on order AG883268 from Red Roses Africa (or Mainstreet 699) led to a potential financial loss of R112 500 000 (R112.5 million).

A key finding of the Internal Audit Report was that sufficient needs assessments were not conducted prior to procurement and that this had possibly led to an oversupply of procured items. Based solely on the table above (including only inflated prices), the SAPS had procured approximately 10 million masks.

**Note:** In March 2021, Bluecollar Occupational Health appeared before the Competition Tribunal in the first COVID-19 excessive pricing case involving the public sector. According to the Competition Commission, the companies made a 54% profit, about R14m on the cleaning product.<sup>6</sup> The Audit Report does not mention this company.

### 3. COVID-19 Procurement Dashboard

The Office of the Chief Procurement Officer (OCPO) in the National Treasury has set up a COVID-19 Procurement Dashboard to track the procurement of PPE by Government Departments. According to the OCPO, the SAPS COVID-19 related PPE procurement shows the following:

- Number of suppliers: 95
- Total number of orders: 150
- Payments by SAPS: R1.56 billion
- Average payment per supplier: R16.43 million
- Average payment per order: R10.41 million
- Highest portion of payments went to:
  - 56,2% - Surgical masks

---

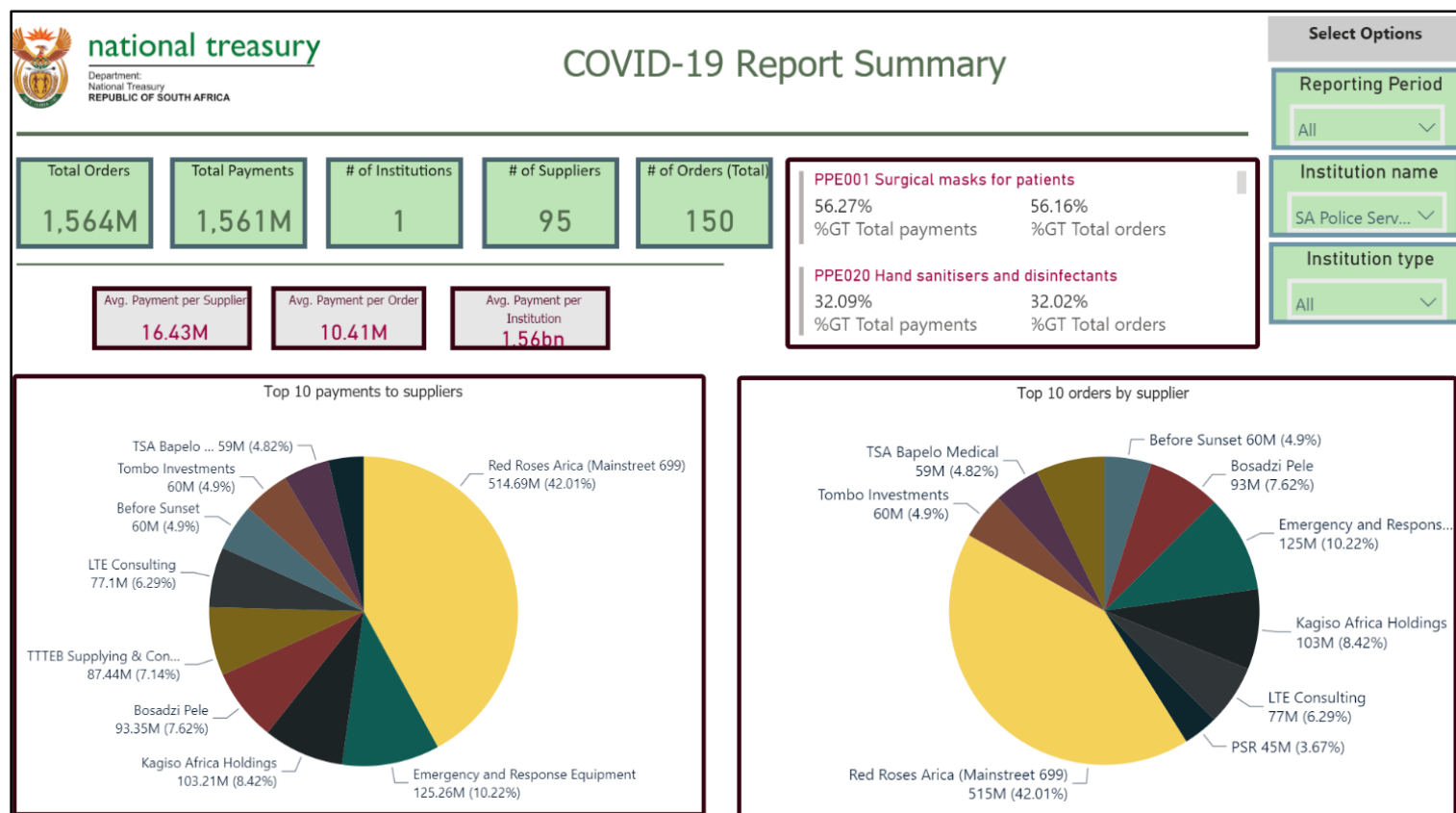
<sup>6</sup> Medical Brief (2021)

- 32% Hand sanitisers and disinfectants

According to the OCPO, the following suppliers (companies) received the **top 10 payments**:

- 1) Red Roses Africa (Mainstreet 699): R514.69 million (42,01% of total PPE procurement)
- 2) Emergency and Response Equipment: R125.26 million (10,22% of total PPE procurement)
- 3) Kagiso Africa Holdings: R103.21 million (8,42% of total PPE procurement)
- 4) Bosadzi Pele: R93.35 million (7,62% of total PPE procurement)
- 5) TTTEB Supplying and Construction: R87.44 million (7,14% of total PPE procurement)
- 6) LTE Consulting: R77.1 million (6,29% of total PPE procurement)
- 7) Before Sunset: R60 million (4,9% of total PPE procurement)
- 8) Tombo Investments: R60 million (4,9% of total PPE procurement)
- 9) Tsa Bapelo: R59 million (4,82% of total PPE procurement)
- 10) PSR: R45 million (3,67% of total PPE procurement)

The figure below provides a summary of SAPS COVID-19 procurement



<http://ocpo.treasury.gov.za/COVID19/Pages/Reporting-Dashboard.aspx>

## 4. COVID-19 Spending by SAPS: 2020/21

The table below shows that by the end of March 2020, the SAPS had spent R1.37 billion on COVID-19 related goods and services. Expenditure increased with R274.9 million during the second quarter and at the end of June 2020, the SAPS had spent R1.66 billion on COVID-19 related goods and services.

During the third quarter, the SAPS had only spent R15.4 million on COVID-19 related goods and services, thus bringing the total expenditure on these items to R1.66 billion at the end of December 2020.

During the last quarter of the 2020/21 financial year, the SAPS had spent an additional R54.5 million on COVID-19 related goods and services, bringing the total expenditure on these items to R1.71 billion at the end of the 2020/21 financial year. As such, the bulk of the spending occurred during the first three months of the 2020/21 financial year (thus 01 April to 30 June 2020).

**Table 3: Quarterly spending on COVID-19 related goods and services**

<b>Economic classification R million</b>	<b>Quarter 1 April to June 2020</b>	<b>Quarter 2 July to Sept 2020</b>	<b>Quarter 3 Oct to Dec 2020</b>	<b>Quarter 4 Jan to March 2021</b>
Goods and services	1 371.4	1 646.3	1 661.7	1 716.2
	-	274.9	15.4	54.5

Source: National Treasury (2021)

The bulk of the spending recorded on *goods and services* (R1.7 billion) under current payments, mainly on the items: *minor assets* (R22.7 million), *consumable supplies* (R1.5 billion), *travel and subsistence* (R79.8 million); and on *payments for capital assets* (R3.1 million), mainly on *machinery and equipment* (R3.1 million).

According to the National Treasury, the COVID-19 related expenditure in the SAPS was mainly for the procurement of PPE items such as digital thermometers, plastic aprons, wipes, surgical gloves, disposal overalls, sanitisers and disposal boot covers. The National Treasury COVID-19 Dashboard indicates that 56,16% of all COVID-19 related orders were for surgical masks, followed by hand sanitisers and disinfectants (32,02%).<sup>7</sup>

National Treasury highlighted the following issues for the Committee to note related to COVID-19 interventions:<sup>8</sup>

<sup>7</sup> National Treasury (2021a)

<sup>8</sup> National Treasury (2021b)

1. In light of the preliminary underspending recorded on COVID-19 interventions by SAPS, the National Treasury provided context to the spending patterns under this item. During the 2020 Special Adjustment Budget, an amount of R3.7 billion was allocated to the Department for COVID-19 interventions. This funding was earmarked by the National Treasury. A further amount of R252.8 million was rolled over during the 2020 Second Adjustments Budget, of which R248.4 million was rolled over for PPE, which was procured in 2019/20, but could not be delivered due to the unavailability of stock domestically. Furthermore, the Department reprioritised R1.1 billion within its baseline towards the Department's response to the COVID-19 pandemic. **As such, the overall budget for COVID-19 interventions amounts to R5.1 billion.**
2. During the fourth quarter of 2020/21, the Department requested approval from the National Treasury to utilise R1.1 billion to fund priorities that could not be financed in the baseline due to cost pressures in the Department. The funds were to be utilised as a once-off arrangement for the purposes of paying software licence fees; procurement of ICT systems; medical expenses for POLMED members and their dependents (the medical scheme for those employed by SAPS); repair and maintenance of damaged vehicles; and deployment costs for policing operations. The main reasons for shifting funds from COVID-19 items was low spending resulting from availability of PPE stock locally; and multiple service providers selling PPE at lower and competitive rates.

## 5. Irregular, fruitless and wasteful Expenditure: 2019/20

In 2019/20, the Department had an opening balance of R1.272 billion in irregular expenditure. It incurred further irregular expenditure of R3.16 million during 2019/20, compared to R68 million in the previous financial year. During the period under review, no amount was condoned/written off, thus leaving a closing balance of R1.657 billion in irregular expenditure.<sup>9</sup>

According to the SAPS, a National Irregular Expenditure Committee, established during the 2019/20 financial year, issued an instruction for the establishment of Provincial and Divisional Irregular Expenditure Committees, which will be responsible for monitoring and ensuring the timely finalisation of all irregular expenditure cases within their respective Divisions and/or Provinces.

In terms of irregular expenditure, the **Auditor-General (AG) highlighted** the following:<sup>10</sup>

- Effective and appropriate steps were not taken to prevent irregular expenditure. The majority of the irregular expenditure was caused by non-compliance to the requirements of the Preferential Procurement Policy Framework Act, 2000 (No.5 of 2000).
- Disciplinary steps were not taken against some of the officials who had incurred and permitted irregular expenditure. No investigations were conducted and/or finalised by management in some of the cases, while some of these cases were carried forward from prior years.

---

<sup>9</sup> SAPS (2020)

<sup>10</sup> National Treasury (2021b)

- Action plans to address significant findings on the reporting of predetermined objectives and the prevention on irregular expenditure, were not effectively monitored and implemented during the year.

The findings on COVID-19 related procurement will increase the amount of irregular expenditure in 2020/21.

## 6. Key Issues for Consideration

The following issues are identified for parliamentary oversight:

- 1) The SAPS should indicate the quantities of all types of COVID-19 related goods and services procured. Preliminary calculations suggest that the SAPS had procured approximately 10 million masks. Were proper needs assessments made prior to the procurement of COVID-19 related goods and services? According to the SAPS Internal Audit Division, proper needs assessments were not conducted, and that this led to an oversupply of procured items. The SAPS should explain why the relevant needs assessments were not completed.
- 2) The SAPS should indicate why expenditure slowed down drastically from the second quarter of 2020/21 and onwards – 80% of COVID-19 related procurement of goods and services occurred within the first quarter of the 2020/21 financial year.
- 3) The SAPS should explain its decision to fumigate its buildings through the Forensic Services capabilities. What savings did this bring about?
- 4) What is the standing of the Internal Audit Division within the SAPS? Do officials understand the role of the Division and accept it as a valuable part to ensure accountability and transparency in the spending of public funds? During June 2021, the Division conducted a follow-up audit to verify if corrective measures have been implemented – this must be reported to the Parliament as a matter of urgency.
- 5) The AG had consistently made findings on the lack of consequence management in the SAPS, and lack of disciplinary action taken against officials who had incurred and permitted irregular expenditure. Furthermore, the AG noted that action plans to address significant findings on the reporting of predetermined objectives and the prevention on irregular expenditure, were not effectively monitored and implemented during the reporting period. The SAPS should indicate which steps will be taken against the officials who incurred and permitted irregular expenditure on COVID-19 goods and services.
- 6) SAPS Management is continuously in disagreement with the AG and National Treasury on the interpretation of regulations and Treasury instructions – how will this be resolved in order to avoid future recurrences?
- 7) Although the National Treasury provides that Accounting Officers may deviate from inviting competitive bidding in cases of emergency, the excessive inflation of prices

and significant deviations on verbal authorisation protocols, should have been evaluated more carefully. This is in the context of 80% of all spending possibly not required for the first quarter of the 2020/21 financial year, and could have been done when PPE became more accessible.

- 8) The later availability of PPEs at competitive prices eventually led to the SAPS underspending on allocated COVID-19 funds. Underspent funds were shifted to other functional areas such as software licence fees; procurement of ICT systems; medical expenses for POLMED members and their dependents; repair and maintenance of damaged vehicles; and deployment costs for policing operations. This reiterates the excessive spending between April and June 2020.
- 9) The SAPS lodged a criminal case in order to investigate the source of the leaked audit report, especially since the report was already published by the *Sunday Independent* newspaper in 2020. What is the SAPS' understanding of the protection of whistle blowers as per the Protected Disclosures Act, 2000 (No. 26 of 2000)?
- 10) If the SAPS is disputing the assertion by media reports, based on the leaked audit report that R1.6 billion was spent irregularly, it should indicate which amount is applicable as per the final report based on the four findings that remain as irregular expenditure.

## 7. Conclusion

Section 217 of the Constitution provides that when any organ of state contracts for goods and services, it must do so in a system which is fair, equitable, transparent, competitive and cost effective. This is echoed in section 38(1)(iii) of the Public Finance Management Act, 1999 (No. 01 of 1999) (PFMA) that requires the Accounting Officer to ensure that the Department maintains an appropriate procurement and provisioning system which is fair, equitable, transparent and cost effective. Similarly, National Treasury Regulation 16A3.2 requires that the supply chain management system be fair, equitable, competitive and cost effective.



The **Special COVID-19 Bulletin** is a bi-weekly publication of the Parliamentary Research Unit. It provides topical, relevant and up-to-date information on the pandemic.

**Nicolette van Zyl-Gous** is a parliamentary researcher who specialises in policing and private security oversight.

[nvanzyl-gous@parliament.gov.za](mailto:nvanzyl-gous@parliament.gov.za)

## Reference list

Medical Brief (2021). Competition Tribunal told SAPS sanitiser deal overcharging. [Internet]. Published on Medical Brief website on 3 March 2021. Available from:

<<https://www.medicalbrief.co.za/archives/competition-tribunal-told-of-saps-sanitiser-deal-overcharging/> > [Accessed on 07 June 2021].

Medico-Legal (2021). Hawks investigating allegedly inflated SAPS PPE tenders. [Internet] Available from: <<https://www.medicalbrief.co.za/archives/hawks-investigating-allegedly-inflated-saps-ppe-tenders/> > [Accessed on 07 June 2021].

National Treasury (2021a). *Office of the Chief Procurement Officer (OCPO) COVID-19 Reporting Dashboard: SAPS Report Summary*. [Internet]. Available from: <<http://ocpo.treasury.gov.za/COVID19/Pages/Reporting-Dashboard.aspx> > [Accessed on 07 June 2021].

National Treasury (2021b). Standing Committee on Appropriations 4<sup>th</sup> Quarter Expenditure Report 2020/21 Financial Year.

Rampedi, PM (2020). *SAPS in R1.6 bn PPE mess*. Published on 18 October 2020 in the *Sunday*

*Independent* newspaper. [Internet] Available from: <<https://www.pressreader.com/south-africa/the-sunday-independent/20201018/281539408438233>> [Accessed on 07 June 2021].

SAPS (2021). South African Police Service feedback on recommendations of the Budget Review and Recommendation Report dated 25 November 2020. Portfolio Committee on Police meeting dated 24 February 2021.

SAPS (2021). *Report on Irregular Expenditure on Personal Protective Equipment*. Briefing to the Portfolio Committee on Police dated 11 June 2021.

SAPS (2020). 2019/20 Annual Report.

Thamm, M (2021). *SAPS blew R1.6bn in irregular PPE expenditure from March to August 2020, confidential internal audit uncovers*. Published by *Daily Maverick* on 30 May 2021. [Internet] Available from:

<<https://www.dailymaverick.co.za/article/2021-05-30-saps-blew-r1-6bn-in-irregular-ppe-expenditure-from-march-to-august-2020-confidential-internal-audit-uncovers/>> [Accessed on 31 May 2021].