



PRESS STATEMENT:

Reinstate Solly Tshitangano, whistle-blower on corruption in the textbooks tender in Limpopo!

22 August 2012

Solly Tshitangano is a man who should be celebrated as a hero for his role in exposing irregularities in the textbook tender in Limpopo. For over two years he has been at the forefront of efforts to expose irregularities in the contract awarded to EduSolutions in 2010. His story was featured on Carte Blanche on Sunday 19th August in its exposé of corruption in Limpopo (see the transcript below).

In his capacity as then Acting Chief Financial Officer in the Limpopo Provincial Department of Education, Solly Tshitangano was the first person to question the legality of the EduSolutions tender to procure and deliver textbooks to schools in Limpopo. During 2010 he made a number of attempts to deal with these concerns internally but was ignored and his objections overridden. He eventually escalated his concerns to the Premier of Limpopo, the Public Protector and the Presidency; though here again it led to no action.

For his efforts, he was locked out of his office; subjected to a forensic audit, suspended and eventually dismissed in December 2011. Since that time he has been unemployed and has not even been paid his pension.

Solly Tshitangano has fought a lonely battle against mismanagement and possible corruption. His allegations were ignored for nearly two years by officials and politicians.

But they have recently been vindicated. As a result of allegations of corruption the DBE cancelled the EduSolutions tender in April 2012. Following this, in June 2012 EduSolutions sought an urgent court order against the Department of Basic Education (DBE) to reverse the cancellation of their contract. In its replying affidavit the DBE used the information provided by Tshitangano as evidence to justify its decision to cancel the contract.

It is ironic that the Minister of Basic Education is now relying on Tshitangano's allegations whilst at the same time is opposing his efforts in the Labour Court to have his dismissal overturned. Consequently Solly Tshitangano is still unemployed and fighting for his job.

Brave and courageous people like Solly Tshitangano are vital in the fight against corruption. SECTION27 calls on the Minister of Basic Education to immediately reinstate Solly Tshitangano. We also call for the Presidency to make a public statement of support for all whistle-blowers in Limpopo and elsewhere who expose corruption and wrongdoing.

For further comment, please contact Mark Heywood, Executive Director on 083 634-8806 or heywood@section27.org.za

ENDS#

Transcript of Carte Blanche exposé on allegations of corruption in Limpopo Education Department

Date: 19 August 2012 07:00

Producer: Wynand Grobler
Kate Barry

Presenter: Bongani Bingwa

Show: Carte Blanche

Bongani Bingwa (Carte Blanche presenter): "President Zuma has boasted that for government education is such a priority it usually receives the biggest slice of the budget pie. And it's for that reason that it becomes a target for corruption."

The Limpopo textbook saga is still unfolding, but this is just a symptom of an Education Department in complete meltdown.

It was placed under administration in December last year, and Dr Anis Karodia led the intervention task team for three months. Before leaving, he presented a report to the National Council of Provinces.

Bongani: "If you want a lesson on how to destroy a government department, look no further than Limpopo Education. The Karodia Report recommends the complete removal of the entire top leadership, saying the collapse happened under their watch; that they have no right or moral authority to stay in office."

This top structure of the Education Department was brought in after the 2009 elections, which saw a change in national and provincial government. Jacob Zuma swept to power and he in turn appointed Cassel Mathale as the new Limpopo Premier. And that's when things changed, according to the former Head of the Education Department, Reverend Zwo Navhutalo.

Rev Zwo Navhutalo (Former Education HOD): "New people came into the province. I got a visitor from

one of the high offices. It was around June 2009. So the visitor says: 'I have been sent. The powers that be say I must ask you if you're approachable?' I said, 'What do you mean approachable?' Then she came out very, very openly to me and she said, 'Well, they said that they are aware that your contract is coming to an end this year, and they want to make an offer to you to extend your contract by five years, but on certain conditions.'

Bongani: "Like?"

Zwo: "She said to me, 'If you are going to cooperate in two areas. One area is that it is the area of who gets the tenders in the department. If you cooperate as to who gets the tenders in the department, you have the contract. The second area was who gets the jobs.' That's what I was asked. She went on to explain. She said, 'You see I was asked to try and explain to you that in the run-up to Polokwane there were people who assisted us, some with their monies, and they now would want to have their money back.'

The run-up to Polokwane refers to the 2007 ANC Conference held at the University of Limpopo, which saw the ousting of President Thabo Mbeki. This paved the way for a Zuma presidency.

Zwo: "So I said to this person, 'Look, you are giving me a very simple choice, because I have to choose between my contract and my reputation. And at this stage I'm choosing my reputation.' I said, 'I don't do tenders. I have worked, for instance, I was the first Chairperson of the Provincial Tender Board, and I've always been firm. You know we have to stick to the rules of the game.' And I said, 'As far as employment of comrades is concerned, I am a comrade myself. I have no problem with comrades working for the Department of Education, but they must be equal to the job. That's the bottom line, they must go through the due process. They must be equal to the job, so you can send back the message.' So I knew then that the contract, certainly, I have kissed it goodbye. And indeed, there were a number of things which happened between then and the 30th of September when I received a letter from the Premier saying your contract will neither be extended nor renewed.'

The new HOD was Bennie Boshielo, who served under the new MEC Dickson Masemola. Within just two years the Department of Education was bankrupt. Karodia's report explains why: A serious dereliction of duty by those at the top has resulted in a free for all and lack of administrative jurisdictions. This leadership vacuum means there is complete flouting of rules and regulations, with no oversight of the budget. In short they have no clue of how to manage a government department.

Bongani: "Just over 1800 cellphones were issued to department officials, and the total cellphone and landline bill comes to about R25-million per year. Some individuals were running up cellphone bills of R5000 in one month."

But these amounts are miniscule when compared to the hundreds of millions that remain unaccounted for during the two years of fiscal abuse.

Mark Heywood (Section 27): "I would almost describe it as grand theft taking place. Through the tender system, through re-engineering the way the department works to make it more vulnerable for getting money out and into people's pockets. I think it is a deep problem. I think it merits a very serious investigation."

Mark Heywood is with Section 27, the NGO that tackled the government over non-delivery of textbooks. He believes the textbook tender is just one of many that was awarded irregularly.

Mark: "I think what the textbooks thing represents is just an example of how you can take a tender that involves hundreds of millions of rands, if you fiddle the award of the tender then it becomes possible for corrupt people or individuals to skim off tens of millions of rands, and what needs to be looked at is whether a similar thing is happening in relation to, for example, school infrastructure and building of schools, or whether a similar thing is happening with relation to the school nutrition programme."

At this primary school in Venda the children are eating samp for lunch. Most schools in the area have kitchens like this. The Department awarded the primary school nutrition contract at a cost of R2.05 per child per day.

Solly Tshitangano: "The nutrition tender is very pathetic indeed because it's a department that was aware that we didn't have money. When companies tendered, their rate per learner was R2, some were R2.02, some were R2.03, some were R2.04. What the Department did was they said all the tenderers who tendered below R2.05, they are disqualified."

Solly Tshitangano is the whistle-blower who was fired from the department after he brought their corrupt tender practices into the national spotlight.

Solly: "And by doing that this tender ended up being given to a company that is very expensive, because previously, learners were being fed at R1.95 per learner, but after this new tender we were feeding them at R2.05 per learner which was very expensive."

The Karodia Report states the Bid Adjudicating Committee is incapable of handling mammoth tenders. They received instructions from influential people outside the Committee, including HOD Bennie Boshielo who has since resigned. There was also possible interference by MEC Masemola.

Solly: "With the mobile classrooms, the tender was extended for three months by the Bid Adjudication Committee. But the minutes were fraudulently amended to give it six months. And the people who were involved in the amendment of those minutes were the Head of Department Mr Bennie Boshielo and the chairperson of the Bid Adjudicating Committee."

These mobile classrooms cost R84 000 each and were delivered to a Secondary School where they aren't needed. But this primary school nearby is desperate for more space with up to 72 children crammed into a classroom.

In 2010 the Department outsourced its infrastructure management duties, to a joint venture led by multinational consultants Aurecon. This three-year contract is worth R95-million.

Solly: "There were four companies that were selected that were regarded as preferred bidders. The highest company was R95-million and there was a company that quoted around R50-million, another company quoted R36-million, and there was another company quoted R26-million. But what the Head of Department and the Bid Adjudication Committee did was to appoint a company that was very expensive."

Ronnie Khoza (Aurecon JV): "We believe that our proposal was of such a good quality that the department decided to award the contract to us. But let me explain. There are those that are quoted to have submitted bids of R26-million and R45-million. They were not pricing our proposal. We priced our own proposal."

Ronnie Khoza is the Head of Offices for Aurecon in South Africa.

Ronnie: "There was nothing in terms of wrongdoing from our side. There was nothing irregular about this contract, and all the documents that we have actually prove that."

Bongani: "Have you paid kickbacks as part of this deal?"

Ronnie: "As far as I know we have not, and I'm very confident to date that the Aurecon staff have not done it. I'm confident that nobody, as part of the joint ventures, would actually go and pay somebody when they are not the lead party."

The Aurecon JV contract is one of many tenders being investigated by Gobodo forensic auditors. Several matters have also been handed over to the Special Investigating Unit for further scrutiny.

Bongani: "As part of the intervention the SIU has been brought in. They're looking at specific individuals who may face disciplinary hearings and possible criminal charges for offences that include gross negligence, unlawful expenditure and even fraud."

These individuals include the current Head of Department Morebudi Thamaga, the Chief Financial Officer Martin Mashaba and other senior managers.

Bongani: "You talk about the need for interventions, but we've already seen from these reports individuals being named, and yet many of them if not all of them are still in their positions."

Mark: "You know we're eight months into the year, eight months with textbooks still missing in many schools and you still have MEC Masemola sitting in his seat. You still have head of departments sitting in their seats. Even on the surface they failed at their job. It's been necessary for the national department to intervene because they haven't been able to get textbooks to schools, because they haven't been able to supply schools with what's known as their norms and standards money. There has been a breakdown in basic functions. And, again, for me it points to the collapse of the notion of political accountability. Anybody who can't do their constitutionally mandated responsibility, should not hold that responsibility for a minute longer than necessary."

Bongani: "The Minister of Basic Education Angie Motshekga has come under fire with many calls for her resignation over the near collapse of the Department in Limpopo. And although her officials admit she's

known about the problems for some time, they say there was little she could do."

Panyaza Lesufi (Spokesperson: Department of Basic Education): "There is a law called Division of Revenue Act, called DORA, which simply means that when Parliament votes and says this is the money for the province and this is the money for national, you can't take money from national and bail out a province."

Panyaza Lesufi is spokesperson for the Department of Basic Education.

Panyaza: "You're blaming the wrong person on the issue of textbooks and financial woes of Limpopo, because it's not the Minister that deals with budget, and they had budget-related problems."

Bongani: "But the report mentions specifically the HOD, the CFO, the MEC - all of those people came in in 2009 and were really allowed to do as they wished, as indeed they still are?"

Panyaza: "I'm glad Bongani you are raising that. Who employees the MECs? It's the Minister? No. Where does the MEC account to - to the Minister? No. We don't have power to fire people in that department. We don't have power or mandate also to remove people in that department. You have to work through the same people who collapsed the system."

We requested comment from MEC Dickson Masemola, HOD Morebudi Thamaga and CFO Martin Masemola but received no response.

The former HOD Bennie Boshielo has denied any wrongdoing.

[On screen] Boshielo has denied the allegations of fraud and interfering in the decisions of the BAC, on the grounds that it was impossible to do so as the Head of Department.

Until the forensic and criminal investigations have been concluded those responsible for the systematic looting of Limpopo province will remain unpunished.

Zwo: "Anybody who really cares, especially about poor people, must invest in making government work, because the poor have no option. You see people who earn enough money have a number of options whether it's healthcare or the area of education, you know you have a number of options. But poor people have no option."

IMPORTANT DISCLAIMER FROM CARTE BLANCHE:

While every attempt has been made to ensure this transcript or summary is accurate, Carte Blanche or its agents cannot be held liable for any claims arising out of inaccuracies caused by human error or electronic fault. This transcript was typed from a transcription recording unit and not from an original script, so due to the possibility of mishearing and the difficulty, in some cases, of identifying individual speakers, errors cannot be ru

ENDS