

MEDIA RELEASE PSA calls for accountability following R8.7 million fraud at Free State Department of Health

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The Public Servants Association (PSA) is extremely concerned by recent court findings implicating Johnson Gerald Similo and his company, *Siphilile Investments (Pty) Ltd*, in defrauding the Free State Department of Health.

The Free State High Court's sentencing of Similo highlights a major lapse in financial oversight and accountability at the Department, resulting in a loss of R8.7 million of funds that were intended to support crucial health services for the province's residents. The PSA condemns all forms of fraud and corruption, especially when public resources, entrusted to government for service delivery, are exploited for personal gain. It is unacceptable that between 2011 and 2015, payments were made to contractors for services that were never rendered, compromising the quality and reach of healthcare for the Free State.

This case reveals significant gaps in governance that require urgent reform to prevent future abuses. The PSA urges the provincial Department of Health, the Office of the Auditor-General, and law enforcement agencies to intensify efforts to bring all implicated individuals and entities to justice. The suspension and fines imposed on Similo and his company, whilst a step forward, should serve as a catalyst for broader reforms. These reforms must ensure stricter controls, transparent procurement processes, and regular audits in all government departments to restore public confidence and secure the integrity of public services.

The PSA further urges the Department to conduct a comprehensive review of its financial management and procurement protocols. Such proactive measures are essential to rebuild trust amongst public servants and the public who rely on these services. As an advocate for public servants and a defender of their rights, the PSA stands firm in its commitment to pursue accountability and ethical governance. The PSA will continue to monitor the developments in this case and will support measures that enhance transparency and accountability of public-sector operations.

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