

MEDIA RELEASE PSA calls for SITA board to account for R1.2 billion tender scandal

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The Public Servants Association (PSA) noted, with extreme concern, recent findings regarding a R1.2 billion tender awarded by the State Information Technology Agency (SITA) for maintenance and expansion of local area network services at Western Cape schools.

A forensic investigation conducted by *Cliffe Dekker Hofmeyr* uncovered significant irregularities, raising questions about the integrity of the procurement process. The investigation revealed that the successful bidder, *Blue Networks and Infrastructure* (*BNC*), was allowed to submit two pricing options in a single bid. This practice was not addressed in the request for bids, leading to an unfair evaluation process where bidders were not assessed on equal footing. It can thus be concluded that *BNC* was the preferred bidder, and everything was done to favour them, including flouting supply-chain processes. Other bidders were suspiciously and irregularly disqualified, raising concerns about the legitimacy of the decision as well as the transparency and fairness of the process. The SITA board's decision-making process was marred by irregularities, including a round-robin approval method that bypassed standard protocols. This lack of accountability undermines the credibility of the tender award.

The findings highlight the need for immediate corrective action and underscore the importance of maintaining integrity in public procurement processes. The PSA calls for strengthening of procurement processes at SITA as the investigation has pointed at a lack of control measures. Those responsible for deliberate irregularities, including SITA officials and board members, must be held accountable. The Board of Directors has a fiduciary duty to ensure proper governance of the institution and participation in this irregular tender leaves much to be desired. The role of Western Cape Department of Education is also questionable as it proceeded with the contract, knowing that it was concluded amidst irregularities. The Head of the Department must be held accountable in this regard.

The PSA urges the Minister of the Communications and Digital Technologies to request those responsible to account. The PSA is committed to advocating for transparency and fairness in public service procurement. Stakeholders are urged to take these findings seriously and work collaboratively to eliminate such irregularities.

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