



October 19, 2022

**MEDIA STATEMENT
FOR IMMEDIATE RELEASE
19 OCTOBER 2022**

**NORTH WEST SCHOLAR TRANSPORT PROVIDER ORDERED TO PAY BACK
INFLATED KILOMETER MONIES**

The Special Investigating Unit (SIU) welcomes the Special Tribunal's judgment that orders Maczola Tours CC to pay back inflated school transport money for transporting children attending a rural school in the North West Province.

The Special Tribunal order – dated 19 October 2022 – ruled that Maczola Tour should pay back money it unlawfully gained from the North West Department of Community Safety & Transport Management and pay for the SIU's legal costs.

The judgment comes after the SIU was authorised to investigate the awarding of scholar transport contracts by the President of the Republic under Proclamation R.2 of 2018, following widespread allegations of irregularities concerning the appointment and overpayment of service providers contracted in terms of the tender.

The SIU investigated to establish whether there were any irregularities and unlawfulness in the procurement process that led to the appointment of service providers in terms of the tender, lack of departmental oversight in respect of services rendered, the inflation of kilometers travelled by service providers when rendering the services and the resultant overpayment by the second applicant to service providers.

The SIU investigations revealed that Maczola Tours inflated the kilometers travelled when rendering the service in terms of the contract and as a result, claimed excess payment from

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(College Square), Bloemfontein | Mpumalanga: 25 Samora Machel Drive, Mbombela Centre, 4th floor, Mbombela, 1200 | Limpopo: Ground Floor,
Moolman 500 Building, 31 Mark Street, Polokwane, 0070 | Western Cape: 1st Floor, Bytes Technology Building Raapenberg Road Golf Park, Pinelands, 7405
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the Department when they provided scholar transport services to the Kopanelo Primary School between October 2010 and June 2017. The SIU's evidence suggests that Maczola Tours benefited unlawfully from the Department by an excess amount of R180 793.20.

However, there is still a process to be followed before the ill-gotten money is paid back. The Special Tribunal ordered the SIU to file an affidavit explaining how it determined the figure in question by Friday 28 October 2022. While Maczola Tours also needs to submit an affidavit responding to the costs in line with the SIU's calculations by 4 November 2022. The Special Tribunal will make a final decision on the payable amount after the submission of the affidavits.

The Special Tribunal order is a continuation of implementation of the SIU investigations outcomes and consequence management to recover monies lost by the Department of Community Safety & Transport Management in North West. There are other cases enrolled in the in the Special Tribunal awaiting adjudication and will result in recoveries for the department.

The SIU is empowered to institute civil action in the High Court or a Special Tribunal in its name, to correct any wrongdoing uncovered during both investigations caused by acts of corruption, fraud, or maladministration. In line with the Special Investigating Units and Special Tribunals Act 74 of 1996, the SIU will refer any evidence pointing to criminal conduct it uncovers to the National Prosecuting Authority (NPA) for further action.

Fraud and corruption allegations may be reported via the following platforms:
siu@hotline.co.za / Hotline: 0800 037 774.

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ABOUT THE SIU:

The SIU is an independent statutory body with a primary mandate to investigate allegations of corruption, malpractice and maladministration in the affairs of government departments, municipalities and State Owned Entities, and to recover financial losses suffered by State institutions. The SIU was established in terms of the Special Investigating Units and Special Tribunal Act, Act No 74 of 1996 (SIU Act).

The SIU has powers to subpoena witnesses, bank statements and cellphone records, search, seize evidence and interrogate witnesses under oath. The SIU can take civil action to correct any wrongdoing it uncovers in its investigations.

Where criminal conduct is uncovered during investigations, the SIU will bring the matter to the attention of its partners Hawks in the South African Police Service (SAPS), as well as the National Prosecuting Authority (NPA)