

These included using it to set up referral systems for essential services, identifying localised disease profiles and offering a rational basis for identifying scarce skills and the appropriate incentives to retain them.

It could be used to manage the interface between the public and private health sectors for partnerships and mutual benefit arrangements.

It could also help prevent practitioners who had been struck off the Health Professions register from practising illegally.

A SAMA Exco delegation met with senior officials of the health department in Pretoria on 1 March and agreed to set up a working group to try to address the growing fallout.

Letlape said the website article was littered with 'misinformation and a lot of stuff that is of a personal nature' and demanded to know who its author was.

ANC head office spokesperson, Khulekani Ntshangase, said the article represented 'an organisational position'.

Letlape said he would take up what he regarded as a personal attack with the Secretary General of the ANC.

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Chris Bateman

MPUMALANGA HEALTH DEPARTMENT UNRAVELLING BEGINS...

Mpumalanga's former health chief, Reina Charles, took the dock beside her brother-in-law, Nelspruit business tycoon Percy Siboz, on 1 March this year to face tender fraud charges involving tens of millions of rands after a lengthy Scorpions probe.



'Favoured' Nelspruit businessman, Mr Percy Siboz.

She was arrested on 24 February, just under a month after Siboz, the chairman of the local National Africa Federated Chamber of Commerce (NAFCOC), was confronted by Scorpions investigators outside his plush Nelspruit business premises.

The pair are alleged to be involved in a R50 million web of nepotism and corruption woven by key current and

former employees of the Mpumalanga Health Department and their Nelspruit business associates, relatives and lovers.

Siboz first appeared alone in the Pretoria Magistrate's Court in late January when he was granted R40 000 bail. His bail was extended at his second appearance on 1 March, at which Charles was granted R30 000 bail. Both were warned to appear again on 17 May.

While evidence has yet to be heard against the pair, several forensic audits of the Health Department's finances and the Scorpions themselves have indicated that more arrests are likely.

At the time of Siboz's arrest (26 January), Scorpions spokesman, Makhosini Nkosi, told the SAMJ that 'three or four' further arrests were due 'within days', prompting speculation that these would include prominent senior government and political figures.

By 6 March only Charles had been arrested, although Nkosi still insisted more would follow.

The forensic reports indicate that Charles routinely tampered with tenders to the benefit of companies linked to Siboz.

Siboz himself is in business partnership with at least two people who have intimate historical and personal links with the Mpumalanga Health Department. One is Mr Tiny Jordaan, a lawyer and the former acting head of the Mpumalanga Health Department.

Forensic reports claim Jordaan helped his girlfriend, the Health Department's current project co-ordinator Ms Rijki Arrenbrecht, choose R13.7 million worth of medical equipment from a catalogue after hours. The reports say Arrenbrecht was ordered to purchase the medical equipment by Reina Charles.

Siboz himself is in business partnership with at least two people who have intimate historical and personal links with the Mpumalanga Health Department.

Puzzled hospital administrators across the province were confronted with equipment they had not ordered while being forced to go without many essential items they had ordered.

The second business partner of Sibozza is Mr Colin 'Paddy' Coleman, the husband of the current MEC for Health, Busi Coleman. Coleman is a former director of National Intelligence in Mpumalanga.



Reina Charles, Mpumalanga's former health chief.

The reports did not link this married couple to the corruption.

Nkosi confirmed that Sibozza and Charles' arrests are linked, among other things, to a provincial Auditor-General's report showing that a R2.3 million catering contract for Philadelphia Hospital was awarded to Royal Food Services (RFS), a company which formed a joint venture partnership with Sibozza.

The report found that Charles amended a hospital tender evaluation team report to favour RFS.

RFS entered a joint venture with Sibozza, using the services of a local company, Ka Magobeni Holdings, of which he is managing director.

Sibozza allegedly received a 35% 'profit dividend'. He stands charged with three counts of tender fraud and one of contravening the Income Tax Act, while Charles faces two counts of fraud and two of contravening the public finance management act.

Charles' conduct as Health Department chief at the time of the offences and mismanagement was described in a Price Waterhouse Cooper report as 'cause for grave concern'.

The report added: 'It displays a lack of inherent management skills and an inability to manage the department effectively. Her actions reflect little if no respect for regulations and policy. This (report) is a clear indictment on her leadership abilities and management capacity.'

A forensic report by KPMG recommended criminal proceedings against Sibozza, Charles and the province's chief financial officer, Richard Mnisi.

Charles has been shifted from her health post to become the deputy director in Premier Ndaweni Mahlangu's office, a position she still held at the time of going to press.

The two arrests follow a headline-grabbing litany of official incompetence, dishonesty and unpredictability in the Mpumalanga Health Department and ministry last year.

First, the MEC for Health, Sibongile Manana, courted infamy with her dissident views on HIV/AIDS and major interference with her own AIDS staffers and NGO workers.

He stands charged with three counts of tender fraud and one of contravening the Income Tax Act while Charles faces two counts of fraud and two of contravening the public finance management act.

The Treatment Action Campaign (TAC) brought a legal action threatening her with contempt of court charges unless she complied with the High Court ruling ordering the incremental roll-out of nevirapine.

The detailed probes of the Health Department by Price, Waterhouse Cooper were commissioned by the Mpumalanga government after an exposé by the celebrated *Carte Blanche* television team revealed massive fraud and misappropriation.

Chris Bateman