**SANRAL REPORT TO SCOPA**

**Irregular, fruitless and wasteful expenditure**

**FY 2016/2017**

The report outlines the information as requested by the Standing Committee on Public Accounts, about the 2016/17 financial year, as disclosed in the Annual Financial Statements, note 40. For ease of reference the note is as follows:

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| **Ref** | **Description** | **31 March 2017**  **R’000** |
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| **A** | **Irregular Expenditure** | |
| 1 | Competitive bidding process not followed | 549 |
| 2 | Bid not awarded to the lowest bidder | 33 |
| 3 | Awarding of preference points to tenders without original/certified BEE certificates | 134 493 |
| 4 | Procurement model for routine road maintenance projects | 134 037 |
| 5 | Deviations not done under emergency, sole provider circumstances or impractical to go out on competitive bidding | 9 423 |
| 6 | Invalid Tax Clearance Certificates | 7 798 |
| 7 | Contracts not advertised for at least 5 working days | 78 008 |
| 8 | Extended contracts | 14 487 |
| 9 | Conflict of interest | 3 734 |
| 10 | Deviations approved by accounting authority even though it was practical to invite competitive bids | 1 263 |
| 11 | Bid not evaluated for preference points | 41 093 |
| 12 | Quotations not invited | 31 |
| **Total** | | **424 949** |
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| **B** | **Fruitless and Wasteful Expenditure** | |
| 1 | Cancellation of tender | 108 |
|  | Unbundling of projects | 69 |
| 2 | Legal costs | 1 594 |
|  | Interest | 13 321 |
| **Total** | | **15 092** |

**A. Irregular expenditure**

1. **Competitive bidding process not followed (R549 000)**

A single occurrence leading to irregular expenditure in the amount of R548 968.

During the 2015/16 financial year, irregular expenditure was identified as a result of SANRAL inviting a quotation and appointing a service provider above the threshold of R500 000.

At the time the price excluding VAT was below the limit. However, with VAT included, it surpassed the threshold which meant that tenders should have been called for. This has led to irregular expenditure in the amount of R548 968 in the 2016/17 financial year. Disciplinary action was taken against employee.

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| * 1. **Summary information** | | |
|  | Date of incidence | Identified during the 2015/16 audit by the AGSA |
|  | Company involved | Price Waterhouse Coopers (PWC) |
|  | Amount involved | R548 968 |
|  | Official involved | Adolph Tomes |
|  | Action taken against officials | Consequence Management process followed:   1. Investigation concluded that value for money was obtained. 2. Disciplinary process was completed in the previous financial year. 3. A warning letter was issued to the employee. |

* 1. **Response**
  2. A Quotation Procedure to strengthen controls was subsequently developed and approved at Exco level.
  3. The Quotation Procedure was distributed to all staff through an internal circular.
  4. The Quotation Procedure is readily available and easily accessible for all staff on the electronic document management system.
  5. Continuous briefing sessions are conducted through the SCM Focus Group forums for discussion and sharing of challenges in this regard. Training and briefings for staff will continue until March 2018.
  6. Spot audits were conducted in the last quarter of 2017/18 as a further control mechanism to monitor compliance, and to encourage and support our regional procurement teams.

1. **Bids not awarded to the lowest bidder (R33 000)**

Two quotations to the value of R32 943 were not awarded to the bidder with the lowest quote.

1. In the first instance, the successful bidder could not provide SANRAL with all of the documentation required in terms of the Financial Intelligence Centre Act, and subsequently the contract was awarded to the second lowest bidder.
2. In the second instance, the lowest bidder could not deliver the required goods as per the quotation to SANRAL and the next bidder was finally awarded the quote.

In both instances the necessary paperwork to document the reasons for not awarding to the lowest bidder was not kept up to date.

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| * 1. **Summary information** | | | |
|  | Date of incidence | Identified during the 2016/17 audit by the AGSA | |
|  | Company involved | Ultimate Office | R4 970 |
| AB Charis Concepts | R27 973 |
|  | Official involved | Nhlanhla Buthelezi | |
|  | Action taken against officials | Consequence Management process followed:   1. The investigation revealed that disciplinary action was not appropriate in this instance, as the tenderers were at fault. 2. An internal process was put in place to avert similar incidents recurring. 3. Investigation concluded that value for money was obtained. | |

* 1. **Response:**
  2. A Quotation Procedure to strengthen controls was subsequently developed and approved at Exco level.
  3. The Quotation Procedure was distributed to all staff through an internal circular.
  4. The Quotation Procedure is readily available and easily accessible for all staff on the electronic document management system.
  5. Continuous briefing sessions are conducted through the SCM Focus Group forums for discussion and sharing of challenges in this regard. Training and briefings for staff will continue until March 2018.
  6. Spot audits were conducted in the last quarter of the current financial year as a further control mechanism to monitor compliance, and to encourage and support our regional procurement teams.

1. **Awarding of preference points to tenders without original or certified BEE certificates (R134 492 628)**

Six occurrences leading to irregular expenditure totalling R134 492 628.

Irregular Expenditure identified in 2014/15 and 2015/16 where at the time of award of the tenders, SANRAL did not have an original or certified copy of the successful tenderers B-BBEE certificates in hand, but only copies thereof. This resulted in expenditure of R134 492 628.

The procedures for submission of B-BBEE certificates were changed to accept only original/certified copies and no longer electronic copies of the certificates. Disciplinary action against employees was undertaken in previous financial years.

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| * 1. **Summary information** | | | |
|  | Date of incidence | Identified during the 2014/15 and 2015/16 audit by the AG | |
|  | Official | Company | Amount |
| Elma Louwrens | Rainbow Civils | R14 868 678 |
| Emile du Preez | Martin De Brury Civil | R34 790 121 |
| Mike Vinello-Lippert | Civils 2000 (Pty) Ltd | R56 650 307 |
| Lawrence Chauke | Siroccon International | R201 519 |
| Lawrence Chauke | City Markings (Pty) Ltd | R20 604 216 |
| Alan Agaienz | Tau Pele Construction | R7 377 787 |
|  | Action taken against officials | Consequence Management   1. These were irregular expenditures originally identified in the 2014/15 and 2015/16 financial years, for which expenditure was recorded in this financial year. 2. Disciplinary action was undertaken in the previous years and warning letters were issued to the employees. 3. Investigation concluded that value for money was obtained. | |

* 1. **Response:**

1. All staff have been trained on the requirements relevant to the PPPFA Regulations 2017, which includes verification of B-BBEE points using original BEE certificates or affidavits, where applicable.
2. **Procurement model for routine and maintenance projects (R134 037 000)**

As part of SANRAL’s strategy to develop small contractors in accordance with Government’s stated objectives, SANRAL used a procurement model aimed at ensuring that the prices tendered will protect and develop SMMEs.

The model is built on a principle that when appointing a Management Contractor such contractor will sublet 80% of routine maintenance work to SMMEs (of which more than 90% are black-owned companies).

The work was tendered in smaller work packages, which SMMEs are more capable of undertaking and can therefore be sustained. Due to the smaller economy of scale of work packages, the realistic rates at which SMMEs can do the work for a fair price is generally higher than a main contractor.

SANRAL applied a proven mathematical equation, calculated independently by the University of Pretoria, to determine the lowest acceptable tender price that allows the appointment of a contractor with the most realistic and lowest acceptable rates at which SMMEs can do the work and be financially viable.

The tender methodology and adjudication method were clearly stipulated in the tender documentation. The methodology is fair, equitable and reasonable to SMMEs and the management contractor. Even though this methodology was widely accepted in the industry, the fact that the “lowest acceptable price” is not defined in the PPPFA, led the AGSA to conclude that the methodology was outside the parameters of the Act.

The policy was changed as soon as it was identified as being irregular. The contracts procured in this manner were of a 3- and 5-year duration – of which the last contract came to an end in 2017. Application for condonation was submitted every year since originally classified as irregular. No response has been received from National Treasury.

**4.1 Response:**

1. The procurement model was changed in the 2012/13 financial year and the contracts concluded in 2016/17. Other than payment of retention monies, no further irregular expenditure is expected in this matter.
2. **Deviations not done under emergency, sole provider circumstances or impractical to go out on a competitive bid (R9 423 000)**
3. Projects to the value of R5 961 692 were extended for a short period to allow for the drafting of new contract documentation to unbundle the project into smaller portions. The unbundling of the projects into smaller projects was a result of the policy change that the Board was investigating at that stage to encourage transformation of the industry and especially allowing lower grade CIDB contractors the opportunity to compete. The extensions were regarded as unjustifiable by the AGSA as it did not constitute an emergency, a sole provider or impractical to go out on a competitive basis.
4. For a project to the value of R3 460 696, the relevant architect was sourced through a competition that was held for architects to submit designs for the Tshwane Bus Rapid Transit Stations. As a result, the winner of the competition retained copyright and therefore SANRAL had no other avenue than to accept that the winning architect must be seen as a sole provider and hence, competition for the further work could not be sourced. It also needs to be pointed out that in order for SANRAL to minimise its risk, especially in terms of professional indemnity, it is common practice in the built environment that the consulting engineer - or architect in this case - that designed the infrastructure, also supervises.

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| * 1. **Summary information (a)** | | |
|  | Date of incidence | During the audit of 2016/2017 financial year |
|  | Company involved | MD Civils (Pty) Ltd |
|  | Amount involved | R5 961 692 |
|  | Official involved | Randall Cable |
|  | Action taken against officials | Consequence Management process followed:   1. Disciplinary action was not necessary against official(s) because the unintended irregularity stems from a change of policy at Board level. The employee was following instructions and was not wilful or negligent. 2. An investigation concluded that the organisation received value for money. |

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| * 1. **Summary information (b)** | | |
|  | Date of incidence | During the audit of 2016/2017 financial year |
|  | Company involved | Mashabane Rose Architects |
|  | Amount involved | R3 460 696 |
|  | Official involved | Hannes van der Merwe |
|  | Action taken against officials | Consequence Management process followed:   1. The investigation revealed that disciplinary action was not relevant as the official did not wilfully or negligently cause the irregular expenditure. 2. Investigation concluded that value for money was obtained. |

* 1. **Response:**

1. Board has approved the release of a new transformation policy for consultation. This policy will seek to advance the objectives of transformation in a structured and regulated manner once Cabinet approval is given.
2. Board has approved a new Bid Adjudication Committee (BAC) Policy which better streamlines tender approval processes within the organisation, including the centralisation of extensions, additional expenditure and deviations at Contracts Committee level.
3. The Deviation Register has subsequently been centralised to ensure control and oversight of deviations.
4. Instances of irregular expenditure will be significantly reduced / eliminated since this control was implemented on 1 April 2017.
5. Any deviation from the standardised quotation and bidding process requires the approval of the National Treasury, prior to approval being granted for the extension of contracts at the Bid Adjudication Committee process.
6. **Invalid tax clearance certificates (R7 798 000)**
7. Five projects to the value of R3 403 410 were awarded on duly certified copies of Tax Clearance Certificates in terms of the Justice of the Peace and Commissioner of Oaths Act, 1963 (Act 16 of 1963). Certified copies are not acceptable based on a paragraph on the certificate that indicates that photocopies are not acceptable.
8. One project to the value of R4 394 258 was awarded on a Tax Clearance certificate which may be fraudulent. This will form part of the investigation.

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| * 1. **Summary information (a)** | | | |
|  | Date of incidence | During the audit for the 2016/17 financial year | |
|  | Official | Company | Amount |
| Avril le Roux | 10 UIT 10 Skryfbehoeftes | R41 361 |
| Hawa Abdullah nèè Desai | Marcus Evans | R67 566 |
| Hawa Abdullah Nee Desai | MPC Recruitment | R75 647 |
| Hawa Abdullah Nee Desai | Intelligent skills training | R35 967 |
| Izak van der Linde | Ndodana Consulting engineers | R3 182 869 |
|  | Action taken against officials | Consequence Management procedure:   1. SANRAL obtained a legal opinion that indicates that a certified copy is in law regarded as an original. In the above circumstances, the Tax Certificates were all certified copies. 2. No action was taken against the employees. 3. The approach to tax clearance certificates was in line with the legal opinion. 4. No financial loss was established and the organisation got value for money on these purchases. | |

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| * 1. **Summary information (b) possible fraudulent certificate** | | |
|  | Date of incidence | During the audit of 2016/2017 financial year |
|  | Company involved | Glad Africa Consulting Engineers |
|  | Amount involved | R4 394 258 |
|  | Official involved | Mirriam Mosia |
|  | Action taken against officials | Consequence Management procedure:   1. Investigation is ongoing in partnership with SARS with regard to the possible misrepresentation by the tenderer. 2. No action taken against the employee 3. Value for money was obtained. |

* 1. **Response:**

1. The Central Supplier Database of National Treasury was legislated for application as of 1 April 2016 as per National Treasury Circular No. 3 of 2015 / 2016.
2. The database provides all the relevant information relating to suppliers’ Tax Status.
3. National Treasury issued SCM Instruction Note 7 of 2017 / 2018 to communicate the advanced changes to the CSD in relation to tax compliance.
4. SCM Circular No 2. was developed and issued to all staff on the application of the CSD relating to tax matters.
5. SANRAL obtained a legal opinion confirming that certified copies are regarded as original. Treasury Regulations changed during 2016/17 and now require verification to be done through National Treasury’s CSD. Furthermore, SARS now provides a PIN so a tenderer’s tax status can be electronically verified. Therefore, certificates are now redundant.
6. Spot audits were conducted in the last quarter to monitor compliance to SCM Circular No. 2.
7. **Contracts not advertised for at least 5 working days (R78 008 000)**

Five contracts to the value of R78 007 983 were found to have been advertised for less than five working days before the first clarification meeting as prescribed by the Standard of Uniformity of the Construction Industry Development Board.

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| * 1. **Summary information** | | | |
|  | Date of incidence | During the audit for the 2016/17 financial year | |
|  | Official | Company | Amount |
| Elma Lourens | Road Mac Surfacing Cape (Pty) Ltd | R19 504 749 |
| Randall Cable | Martin and De Bruyn Civils t/a MDC | R6 087 151 |
| Sean Strydom | Wasserman Teerwerke | R37 246 587 |
| Rob Damhuis | Aveng Grinaker-LTA Civil Engineering | R7 152 666 |
| Rob Damhuis | Aveng Grinaker-LTA Civil Engineering | R8 016 830 |
|  | Action taken against officials | Consequence Management process followed:   1. The investigation revealed that disciplinary action was not relevant as officials did not wilfully cause the irregular expenditure. Training programme was recommended for all procurement staff 2. Investigation concluded that value for money was obtained. | |

* 1. **Response:**

1. SCM staff have applied the CIDB regulations continuously relating to registration of information on the iTender System and Register of Projects, as this is a legislative requirement.
2. Spot audits were conducted in the last quarter to monitor compliance to such requirements.
3. **Extended contracts (R14 487 000)**

Two contracts to the value of R14 486 620 for overload control centres were extended for a short period of time in anticipation of obtaining National Treasury's approval of longer extensions of the contracts.

Subsequently, National Treasury approved the further extensions and confirmed them to be justifiable.

However, the approval from Treasury did not indicate approval for the initial short period between the end of the contract and having received National Treasury’s approval, and are therefore regarded as not within the prescripts of the PFMA for inviting bids on a competitive basis.

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| * 1. **Summary information** | | | |
|  | Date of incidence | During the audit for 2015/16 by the AG | |
|  | Official | Company | Amount |
| Layton Leseane | Aurecon (Pty) Ltd | R910 829 |
| Layton Leseane | Bakwena Platinum Corridor Concession | R13 575 791 |
|  | Action taken against officials | Consequence Management process followed:   1. The investigation revealed that disciplinary action was not relevant as official did not wilfully or negligently cause the irregular expenditure. 2. Investigation concluded that value for money was obtained. | |

* 1. **Response:**

1. The delegation for contract extensions and variations have been removed from individual staff members. This function now resides with the SCM Committee process to ensure transparency, improved control and oversight.
2. Prior to approval, applications for extensions and variations to the SCM Committees are thoroughly analysed for compliance with the prescripts of the PFMA. Non-compliant applications will not be considered by the committee process.
3. In addition, National Treasury approval must be obtained prior to submission of the necessary documentation to the SCM Committees for approval.
4. **Conflict of interest (R3 734 000)**

An instance of conflict of interest was identified in 2015/16 financial year when a member of the Bid Evaluation Committee failed to declare his interest, which resulted in irregular expenditure for the 2016/17 financial year in the amount of R3 734 403.

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| **9.1 Summary information** | | |
|  | Date of incidence | During audit of the 2015/16 by the AG |
|  | Company involved | KBK Engineering |
|  | Amount involved | R 3 734 403 |
|  | Official involved | Oakley van Eyk |
|  | Action taken against officials | Consequence management procedure:   1. Disciplinary action commenced in the previous financial year and was concluded in this financial year. 2. The matter was also reported to the Hawks. Response from the Hawks is still awaited which may determine if any further action that may need to be taken. 3. Value for money was obtained. |

* 1. **Response:**

1. The SCM Committee process requires that a Declaration of Interest is signed prior to any meeting taking place.
2. A guideline to the establishment and operation of the SCM Committee system has been issued to all staff.
3. The SCM Committee Secretariat was briefed on the standard procedures for meetings.
4. Spot audits were conducted in the last quarter to monitor compliance with such requirements.
5. **Deviations approved by the Accounting Authority even though it was practical to invite competitive bids (R1 263 131)**

The appointment of some service providers was done and approved, by the Accounting Authority (Contracts Committee), as a deviation from normal SCM procedures due to the specific circumstances relating to each project. The AGSA did not agree that the circumstances were justifiable and deemed the expenditure as irregular.

* Ndodana Consulting Engineers were appointed due to the current contractor, THM, being charged with fronting. As this is a Routine Road Maintenance contract, the service needs to be delivered continuously to curb accidents and liabilities on the road. The Contracts Committee, as a sub-committee of the Board, therefore approved the deviation as per the regulations.
* G4 Civils (Pty) Ltd was appointed due to the termination of the current contractor, Superway Construction, for poor performance. As this is a Routine Road Maintenance contract, the service needs to be delivered continuously to curb accidents and liabilities on the road. The Contracts Committee, as a sub-committee of the Board therefore approved the deviation as per the regulations.

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| * 1. **Summary information** | | | |
|  | Date of incidence | During the audit for 2015/16 by the AG | |
|  | Official | Company | Amount |
| Ernest Nqenqa | Ndodana Consulting Engineers | R21 757 |
| Oakley van Eyk | G4 Civils (Pty) Ltd | R1 241 374 |
|  | Action taken against officials | Consequence management Procedure:   1. No action was instituted as the employee followed due procedure and obtained approval as per the Delegation of Authority from the Board sub-committee. 2. Value for money was obtained. | |

* 1. **Response:**

1. Delegations for the approval of any procurement exceeding R500 000 is limited to the Bid Adjudication Committee process.
2. Any deviation from application of the quotation or tender process must receive the prior approval of the National Treasury.
3. The Deviation Register is centralised, for control and oversight of deviations. Such instances of irregular expenditure will be significantly reduced / eliminated as this control was implemented on 1 April 2017.
4. **Bidders not evaluated for preference points (R41 093 000)**

Four contracts to the value of R41 093 117 were awarded to the highest scoring bidders. However, during the evaluation phase not all bidders were evaluated for price and preference. The Evaluation Committee assumed that, based on the tendered price, a number of bidders would have scored such a low score on price alone that such bidders would never be in contention for winning the tenders - many cases scoring negative points for price. These bidders were not taken into account in the final calculation for price and preference, and therefore not included in the final evaluation, which is against the regulations.

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| * 1. **Summary information** | | | |
|  | Date of incidence | During the audit for the 2016/17 financial year | |
|  | Official | Company | Amount |
| Simphiwe Ngabase | Sokhani Development and Consulting cc/ GS Civils JV | R18 330 584 |
| Simphiwe Ngabase | Omega civils | R22 067 963 |
| Craig McClachlan | GS Civils (Pty) Ltd | R694 570 |
|  | Action taken against officials | Consequence Management process followed:   1. The investigation revealed that disciplinary action was not relevant as officials did not wilfully cause the irregular expenditure. 2. Investigation concluded that value for money was obtained. | |

* 1. **Response:**

1. During the period April to June 2017 staff were briefed on the requirements of the 2017 PPPFA Regulations and their application.
2. Templates for the evaluation of quotations and tenders require all quotes and bids to be evaluated and scored. This finding should not occur on future projects.
3. The required documentation must also form part of the submission to the SCM Committees for approval.
4. **Three quotations not invited (R31 000)**

Two quotations to the value of R31 400 were solicited from suppliers but in both instances only one supplier was able to provide the according to the specifications for services and was subsequently awarded the quotation. The deviation and the reasons for not having at least 3 quotations were not separately approved.

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| * 1. **Summary information** | | |
|  | Date of incidence | During the audit of the 2016/17 financial year |
|  | Company involved | Tina Fusion Catering |
|  | Amount involved | R15 900 and R15 500 |
|  | Official involved | Nhlanhla Buthelezi |
|  | Action taken against officials | Consequence management procedure:   1. An investigation first had to be initiated to determine whether disciplinary action or any other action needs to be taken. In the above finding, a prima facie case for liability in law could not be established. The investigation revealed that disciplinary action was not necessary the official(s) did not wilfully or negligently cause the irregular expenditure. 2. A warning letter was issued to the employee. 3. Training programmes for all procurement staff was initiated. |

* 1. **Response:**

1. A Quotation Procedure was developed and approved at Exco level.
2. The approved procedure was distributed to all staff through an internal circular.
3. The approved Quotation Procedure is available for all staff on the electronic document management system.
4. Continuous briefing sessions are conducted through the SCM Focus Group forums for discussions and sharing of challenges in this regard. Training and briefings will continue until March 2018 for staff.
5. Spot audits were conducted in the last quarter as a further control point to monitor compliance, and to encourage and support our regional procurement teams.

**B. Fruitless and Wasteful Expenditure**

1. **Interests and legal fees incurred for the N1/N2 Winelands Toll Highway Project resulting in fruitless and wasteful expenditure (R14 951 001)**

As part of the Unsolicited Bid of Protea Parkways on the N1/N2 Winelands Toll Highway, interest and finance charges had to be paid to Protea Parkways as the Scheme Developer in the event that the project will not go ahead. Phases 1 and 2 were agreed upon as simple interest and compounded interest in the final phase to cover interest and finance charges.

The Board sub-committee (Contracts Committee), approved the reimbursement of the scheme developer’s portion of development cost in respect of the N1/N2 Winelands Toll Highway project following the setting aside of the 2008 toll declaration by the Supreme Court of Appeal in 2016, and confirmed by the Constitutional Court in February 2017.

The AGSA identified that due to the agreement not prescribing that compound interest will be applied to the outstanding amounts, based on prevailing case law e.g. *Euro Blitz 21 v Secena Aircraft Investments CC*, only simple interest was due.

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| * 1. **Summary information** | | |
|  | Date of incidence | During the audit of the 2016/17 financial year |
|  | Company involved | Protea Parkway Consortium |
|  | Amount involved | R13 320 619 and R1 594 382 |
|  | Official involved | CEO |
|  | Action taken against officials | Consequence management procedure:   1. An investigation first had to be initiated to determine whether disciplinary action or any other action needs to be taken. In the above finding, a prima facie case for liability in law could not be established. The investigation revealed that disciplinary action was not necessary the official(s) did not wilfully or negligently cause the irregular expenditure. |

* 1. **Response:**

1. To avoid incurring further expenses the Board decided not to appeal to the Constitutional Court.
2. Collaborative meetings with the City of Cape Town and the Western Cape Province were initiated to agree on a way forward to address the congestion problems in the City.
3. SANRAL will discourage unsolicited bids as far as possible going forward. Where applicable unsolicited bids will be considered in accordance with National Treasury prescripts.
4. A new toll roads policy has been requested from the Department of Transport to provide a new policy context that will govern future toll roads project proposals.
5. **Cancellation of tenders (R176 745)**

Two projects were advertised as the projects were unbundled into smaller projects. The unbundling of the projects into smaller projects was as a result of a policy change that the Board was investigating at that stage to encourage transformation of the industry and especially allowing lower grade CIDB contractors the opportunity to compete, which they are unable to do with larger contracts.

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| * 1. **Summary information** | | |
| a) | Date of incidence | During the audit of the 2016/17 financial year |
| b) | Company involved | N/A |
| c) | Amount involved | R176 745 |
| d) | Official involved | Contracts Committee of Board |
| e) | Action taken against officials | Consequence management procedure:   1. Disciplinary action was not necessary against official(s) because the unintended irregularity stems from a change of policy at Board level. |

**2.2 Response:**

1. Board has approved the release of a new transformation policy for consultation. This policy will seek to advance the objectives of transformation in a structured and regulated manner once Cabinet approval is obtained.
2. Board has approved a new Bid Adjudication Committee (BAC) Policy which streamlines tender approval processes within the organisation better, including the centralisation of extensions, additional expenditure and deviations at Contracts Committee level.
3. Continuous briefing sessions are conducted through the SCM Focus Group forums for discussions and sharing of challenges in this regard. Training and briefings will continue until March 2018 for staff.
4. Spot audits were conducted in the last quarter as a further control point to monitor compliance, and to encourage and support our regional procurement teams.