

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**1086. Mr N Paulsen (EFF) to ask the Minister of Defence and Military Veterans:**

What (a) number of consulting firms or companies are currently contracted by (i) her department and (ii) the entities reporting to her and (b)(i) is the name of each consultant, (ii) are the relevant details of the service provided in each case and (iii) is the (aa) start date, (bb) time period, (cc) monetary value in Rands of each contract and (dd) name and position of each individual who signed off on each contract? NW1178E

**RESPONSE**

**ARMSCOR**

1. FeverTree Consulting was contracted for the development of the Turnaround Strategy and its Implementation Plan in 2015 for the total amount of R 56 283 616.00. The total amount paid to Fevertree Consulting by 30 April 2017 (end of Phase 1) amounts to R55 420 538.21. To date an additional R2 886 657.74 has been paid to Fevertree as part of Phase 2 of the turnaround implementation. The appointment was approved by the Chief Executive Officer and Chief Financial Officer as the delegated authority.
2. Armscor’s Internal Audit is a Division within Armscor SOC Ltd. Deloitte Consulting was the only consulting firm contracted within Internal Audit Division. Deloitte was contracted for the specialised IT Audit Services, specifically to the server security to which the Internal Audit personnel did not have the relevant capability and capacity for such a service. The services were required to provide audit assurance against the risk related to information security and the ERP Project. Two specialised IT audit projects were contracted at the negotiated amount of R419 353.13 costing per project R179 723.00 (Server Security Audit) and R239 630.00 (ERP Implementation Project Assurance). The total amount paid for the financial year ended 31 March 2017 is R299 538.42 with the remaining amount of R119 814.86 to be paid in the current financial year 2018/19 after the completion of the audit work remaining.

The process of the contracting was part of the panel of service providers approval process which started in the year 2017. The consulting firm was appointed on the 1 December 2017 for the IT Security Audit work which started in mid-January after the security clearances of the Consulting firm resources. The appointment for the ERP Technical Project Implementation Assurance work was on the 13 February 2018. The appointment letters were signed by the Executive Manager - SCM and were under the management of Internal Audit Division by Head of Internal Audit / CAE.

**DEPARTMENT OF MILITARY VETERANS**

1. Number of Consulting Firms or Companies that are currently contracted.
2. **Number of Consulting Firms or Companies**

There is presently two (2) Consulting firms contracted by the Department.

1. **Entities reporting to the Minister of Defence and Military Veterans**

Not applicable to DMV

1. Name of each consultant and Details of service provided
2. **Name of Consulting Firm**

Sizwe Ntsaluba Gobodo Advisory Services and Bowmans

1. **Details of service**

***Sizwe Ntsaluba Gobodo Advisory Services:*** To conduct forensic investigation service in the provisioning of accommodation, text books and laptops towards private higher education support programme.

***Bowmans:*** Provision of legal services in response to Public Protector inquiry.

aa, **Start Date** –

**SNG** contract started on the 08th May 2017

**Bowmans** contract started on the 23 March 2017

bb, **Time period** – the contract will end upon the completion of the scope by Service provider which will be within 24 months from the contract date.

cc, **Monetary value**

SNG total contract value is R498 584.02

Bowmans contract value is R460 000.00

dd, **Name and position of Official who signed off the contract.**

**DEPARTMENT OF DEFENCE**

The DOD currently has four (03) consulting firms.

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| **S/No** | **File Ref Number** | **Name of Each Consultant/ Details of Awarded Service Providers or Companies** | **Relevant Details of the Services Provided (Scope of Work)** | **Start and End Date** | **Adjudicating Committee, Name and Position Of Individual Who Signed the Contract** | **Contract Value** |
| 01 | CPSC/UB/G/475/2016 | Abaziyo Consulting Engineers | Infrastructure and planning services for the Construction of Perimeter Fences and Walls | 01 Apr 17 to 30 Apr 18 | DCPB: Capt(SAN) A.M. Bologo  OC CPSC | R77 101 676.00 |
| 02 | CPSC/B/G/224/2015 | Deloitte Touche | International Through Life Capability Management | 01 Dec 15 to 30 Nov 19 | DCPB: Capt (SAN) A.M. Bologo  OC CPSC | R209 708 948.63 |
| 03 | CPSC/UB/G/522/2014 | Tectura Architects Pty Ltd | Multi- Professional Consultant Team for the Refurbishment and upgrading Project of 1 Military Hospital (1st Floor) and additional requirements | 10 July 2015 | DCPB: Capt (SAN) A.M. Bologo  OC CPSC | R29 109 568.26 |