

**MINISTRY**

**PUBLIC WORKS AND INFRASTRUCTURE**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 2823 [NW3418E]**

**INTERNAL QUESTION PAPER NO.: 29 of 2022**

**DATE OF PUBLICATION: 02 SEPTEMBER 2022**

**DATE OF REPLY: 15 SEPTEMBER 2022**

**2823. Mrs. M B Hicklin (DA) asked the Minister of Public Works and Infrastructure:**

(1) With reference to the service provider who was appointed by the Independent Development Trust (IDT) in 2017 to assist in driving the Organisational Development (OD) process for which the service provider was contracted for around R4,2 million for the entire OD job, with payments to be staggered according to the project progress milestones, and in view of the fact that the appointment of the service provider was found by the Internal Audit report and the Interim Board in 2018 to be highly irregular as the service provider hurriedly left the OD job incomplete, but was paid the full contract amount, what are details of the findings of the Internal Audit Unit into the procurement of the OD service provider, in view of the fact that the IDT has again advertised an OD tender with exactly the same terms of reference as the one in question;

(2) whether she has found that the service provider was compliant with the OD tender specifications and requirements; if not, what is the position in this regard; if so, what are the relevant details;

(3) whether the OD service provider had an SA Revenue Service tax clearance at the time of appointment; if not, what is the position in this regard; if so, what are the relevant details;

(4) what work did the OD service provider perform that justified the full payment of the contracted amount;

(5) whether the person who appointed the OD service provider was duly delegated the required authority to make that appointment; if not, why not; if so, (a) who appointed the irregularly procured service provider and (b) what are the further relevant details in this regard? **NW3418E**

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**REPLY:**

**The Minister of Public Works and Infrastructure:**

(1) I have been informed by the Independent Development Trust (IDT) that the service provider completed the job as stipulated in the Terms of Reference, and the contract was for R3 997 36.00, not R4.2 million. The Organisational Development (OD) exercise was completed. The advertised tender was withdrawn in March/April 2022 as the IDT is currently undergoing a reconfiguration process with the assistance of DPWI.

(2) The service provider was in compliance with the Terms of Reference as advertised and as contracted.

(3) The service provider was tax registered and compliant at the time of appointment.

(4) The service provider performed the work as contracted. This included performing the skills audit and coming up with a new structure, including the final process of placement as per the deliverables. The process resulted in employees being placed accordingly, others competing for positions and also others taking voluntary severance packages (VSP). All these processes were the results of the OD process conducted and approved by the Board.

(5) Supply chain management appoints service providers on behalf of the organisation, and they duly have the authority to approve through the Chief Financial Officer (CFO) as per the relevant prescripts.