

**MINISTRY: PUBLIC SERVICE AND ADMINISTRATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DATE: 10 FEBRUARY 2017**

**QUESTION NO.: 69**

**MR A P VAN DER WESTHUIZEN (DA) TO ASK THE MINISTER OF PUBLIC SERVICE AND ADMINISTRATION:**

(1) What are the full details of the guidelines determining the purchase of vehicles for (a) Ministers and (b) Deputy Ministers;

(2) what are the full details of the vehicle(s) purchased for use by the Deputy Minister of his department since 1 April 2016 to date, including any (a) optional extras, (b) maintenance and warranties included, (c) suppliers chosen and (d) any other further relevant details;

(3) was the purchase of the specified vehicle(s) done as per the normal supply chain management processes for transactions of its value; if not, why not; if so, what are the relevant details;

(4) how does the total amount budgeted for the purchase of the specified vehicle(s) compare with the threshold set by the Ministerial Handbook;

(5) was approval granted for any deviation from the threshold amounts, if not, why not; if so, what are the relevant details?

**NW73E**

**REPLY**

1. The Ministerial Handbook governs the acquisition as well as the replacement of official vehicles as procured for both the Minister and the Deputy Minister.

In terms of Chapter 5, paragraph 1.2.1 of the Ministerial Handbook, Members at a National level may be provided with one vehicle for the use in Cape Town and one vehicle for the use in Pretoria.

Paragraph 1.2.3 of the Ministerial Handbook stipulates that Departments may purchase official vehicle/s directly from manufacturers and/or their dealerships only when the currently provided officials vehicle for that office has reached 120 000km’s or 5 years, whichever comes first.

Paragraph 1.2.4 of the Ministerial Handbook stipulates that the total purchase price of the vehicle chosen by the Member may not exceed in respect of a:

* Minister/Premier: 70% of the inclusive annual remuneration package of a Minister as may be amended from time to time on recommendation of the Commission for the Remuneration of Political Members (Grade F, Notch 3),
* Deputy Ministers/MEC: 70% of the inclusive annual remuneration package of a Deputy Minister as may be amended from time to time on recommendation of the Commission for the Remuneration of Political Members (Grade E1, Notch 3).

1. The following two vehicles were procured for the Deputy Minister:

**Audi A8 3.0 TDI Quattro Tip-tronic (R750 000.00)**

1. No optional extras were added.
2. Standard Audi 5 year/100 000km maintenance plan included in the purchase price.
3. Audi Centre Fourways.
4. The vehicle was pre-owned.

**Audi A7 Sportback 3.0 TDI Tip-Tronic (R735 000.00)**

1. No optional extras were added.
2. Standard Audi 5 year/100 000km maintenance plan included in the purchase price.
3. Audi Centre Fourways.
4. The vehicle was pre-owned.
5. The procurement of the vehicles was done in terms of normal Supply Chain Management processes. The vehicles were available on the transversal contract RT 57 through National Treasury for the Supply and delivery of motor vehicles, light and heavy commercial vehicles, busses and motor cycles to the State for the State at a cost in excess of 32% more than the quoted price from Audi Centre – Fourways. Annexure: B, paragraph 3 of the approved Departmental Supply Chain Management Policy caters for exemption of the three quotation and deviation rule for the sourcing of vehicles for Executive Authorities when the vehicle is not available on the transversal contract RT 57. Deviation approval was sought from Annexure: B, paragraph 3 of the approved Departmental Supply Chain Management Policy as the vehicles were available on RT 57 but at a premium price. The deviation approval was in light of “Value for Money” which is one of the key principles to consider during Demand Management within the Supply Chain Management arena.
6. The budgeted amount for the vehicles is in line with the threshold stipulated in the Ministerial Handbook.
7. No approval was granted for any deviation from the threshold amounts as set by the Ministerial Handbook as the vehicles procured for the Deputy Minister were far less than the 70% threshold amount per vehicle of the Deputy Minister’s inclusive annual remuneration package.