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Department of Transport

Portfolio Committee on Transport

Strategies to reduce use of consultants

26 March 2013

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Developments related to reduce use of consultants

To reduce reliance on consultants to perform risk assessments:

- The Directorate: Risk Management and Internal Control was split into two Directorates
- A Risk Practitioner was appointed to:
 - Develop Risk Management Framework and monitor its implementation
 - Facilitate risk identification
 - Facilitate risk assessments (inherent and residual risks)
 - Facilitate development of risk mitigation plans
 - Monitor implementation of risk mitigation plans
 - Maintain the Risk Register
 - Facilitate Risk Management training

Developments related to reduce use of consultants (Continued)

To reduce reliance on consultants to assist with strategic planning:

- A Chief Directorate: Strategic Planning and Monitoring was created in the Office of the Director-General

To improve the management of contracts:

- A Status Report on all active contracts are circulated monthly, indicating amongst others the start and end dates, the amount of the contract, amounts paid and remaining amount

Internal capacity was created to monitor the implementation of the National Transport Master Plan:

- A Chief Directorate: Macro Sector Planning was created with four planning Directorates, one of which is the Directorate: Master Planning, Implementation and Review
- The role of the Department will be to promote the implementation of strategies and to monitor implementation by implementing organizations

Staffing

To improve capacity in the Department:

- Limited capacity was already created to oversee public entities and conditional grants within the modal structure of the Department
- Additional capacity of 58 posts were created from 1 April 2013 to improve oversight over public entities and conditional grant monitoring and assistance
- All posts that were not yet advertised will be advertised to grow permanent staff capacity
- All contract positions are being terminated when contract periods expire
- Details of all posts were circulated at the Executive Committee to inform the filling of posts:
 - Filled posts
 - Vacant posts
 - Posts occupied by contractors
 - Whether posts were advertised
 - Progress with filling vacancies (advertised, short listed, interviewed, etc.)

Staffing (continued)

Additional posts from 1 April 2013

RAIL	No	MARITIME	No
Director: Oversight	1	Deputy Director: Performance	1
Deputy Director: Public Entity Performance	1	Deputy Director: Public Entities Finance	1
Deputy Director: Public Entities Finance	1	Assistant Directors (x2)	2
Assistant Director	1	Personal Assistant	1
Personal Assistant	1	PUBLIC TRANSPORT	
ROAD		Director: Conditional Grants	1
Director: Public Entity Oversight	1	Personal Assistant	1
Personal Assistant	1	Deputy Director: Conditional Grants (x2)	2
Deputy Director: Public Entity Performance	1	Assistant Director (x4)	4
Deputy Director: Public Entity Oversight Finance (x2)	2	ADMINISTRATION	
Assistant Director (x4)	4	Director Risk Management	1
Director: Conditional Grants	1	Deputy Director: Risk Management	1
Personal Assistant	1	Personal Assistant (x2)	2
Deputy Director: Conditional Grant (x4)	4	Deputy Director: C. Grants & P. Entity Oversight (x2)	2
Assistant Directors (x7)	7	Deputy Director: Governance	1
AVIATION		Director Performance	1
Deputy Director: Performance	1	Personal Assistant	1
Deputy Director: Public Entities Finance	1	Chief Director Public Entity Oversight	1
Assistant Director (x2)	2	Personal Assistant	1
Personal Assistant	1	Deputy Directors Office of DG (Performance) (x2)	2
Total			58

Use of consultants – current developments

Scaling down use of consultants in the Department:

- The use of certain consultants were scaled down
- All work was put on hold for these consultants
- No additional work is being given to the consultants
- The scope of work is being assessed to determine the extent that the consultants are still required, and work that can be performed in-house
- Current contracts to be managed to their conclusion – new contracts to be informed by the policy on the use of consultants

Audit of all existing contracts planned:

- Audit the appointment of all current consultants
- Assess whether the work done by consultants constitute value for money
- Advise on the capacity that the Department should develop in-house to reduce its reliance on consultants.
- Assess whether consultants are properly managed
- Determine whether consultants were appointed in cases where the work should have been performed by officials of the Department

Large contracts

eNaTIS maintenance and development:

- Work given to the service provider is limited to the minimum
- Approval was obtained to create a Trading Entity to firstly take over functions from the eNaTIS service provider and later expand to other transport related information systems

Driving License Card Account:

- Internal capacity was created to manage the Trading Entity
- Accounting functions previously provided by consultants are now performed in-house – staff were properly trained
- Current proposal by management is to take over all the functions performed by the service provider in the longer term

Taxi recapitalisation:

- Current proposal by management is to implement the Public Transport Strategy in the medium term and include taxis in public transport subsidies
- The cost of scrapping taxis will augment the amount available for public transport subsidies and services provided by the consultant will be terminated

Policy on the use of consultants

Planning for the use of consultants:

- Strategy governing the use of consultants:
 - Procurement planning to be integrated with strategic planning
 - Strategic plan – plan in advance for the use of consultants
 - Use of consultants **only** when skills / resources are not available **and** it is not feasible to train and recruit staff to perform the work
 - Business plan that addresses the need for consultants to be compiled
- Needs assessments:
 - Formal needs assessments to be compiled to motivate the need to appoint a consultant – reasons why skills / resources are not available internally and why it is not feasible to train and recruit staff
 - Needs assessments to form part of proposals to invite bids
- Limited bidding and extensions:
 - Limitations placed on extensions and limited bids – All deviations to be submitted to Executive Committee
 - Rigid process for extensions and limited bidding

Policy on the use of consultants (Continued)

Planning for the use of consultants (Continued):

- Contract values and time frames:
 - All contracts to stipulate a time frame, ceiling amount and project manager
 - Time frame, deliverables and payment schedule linked to tasks, activities and outputs to be agreed
 - Penalties for late delivery / non-performance included in contracts

Vacancies and staff planning:

- Cost comparisons to be performed to determine whether it would not be more cost-effective to create posts rather than appoint consultants
- Transfer of skills: Terms of Reference shall include the objectives, nature, scope and goals of a training programme, wit details of trainers and trainees, skills to be transferred and monitoring and evaluations mechanisms
- Vacancies to be kept at a minimum level
- If additional demands are experienced which are not permanent and there are no internal capacity available, consider appointment of staff on contract additional to establishment rather than appointment of consultants

Policy on the use of consultants (Continued)

Vacancies and staff planning (Continued):

- Specified hand-over report required in case of resignation or transfer of a project manager, including a progress report, time and amount remaining, and specific steps to take / issues to consider to ensure successful completion of the project

Economical appointment and effective contract / project management:

- Rules provided for appointment of panels of consultants
- Process stipulated to ensure economical appointment of consultants
- Inclusions in Terms of Reference to facilitate improved management of consultants
- Process stipulated for management of consultants and cross checks by supervisors
- Composition and approval of contract closure report, indicating the milestones achieved and how the contract supported the achievement of Departmental objectives

Thank you