

Number: 20
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GAUTENG PROVINCIAL LEGISLATURE

DEPARTMENT OF ROADS AND TRANSPORT

REPLY

SUBJECT: REPLY TO A QUESTION FOR WRITTEN REPLY

From: The MEC FOR PUBLIC ROADS & TRANSPORT

To: ALL MEMBERS OF THE LEGISLATURE (MPLS)

Reference: QUESTION 5.TR020



**OFFICE OF THE MEC / IHHOVISI LIKA MEC
KANTOOR VAN DIE LUR / KANTORO YA MEC**

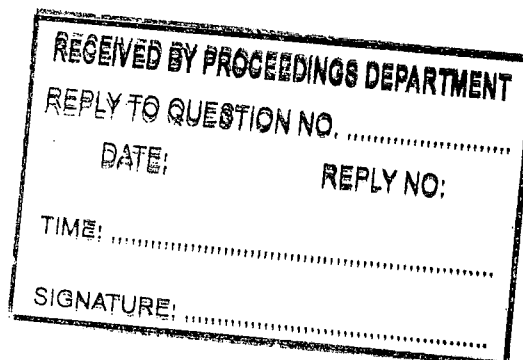
**DEPARTMENT OF ROADS AND TRANSPORT
EZEMIGWAQO NEZOKUTHUTHA
VAN PAAIE EN VERVOER
LEFAPHA LA DITSELA LE DIPALANGWA**

Enquiry / Navrae: Head (Office of MEC)

Ref / Verw: TR020

**The Provincial Secretary
Gauteng Provincial Legislature
Private Bag X52
Johannesburg
2000**

Dear Sir



QUESTION 5. TR 020 POSED BY THE LEGISLATURE

Your request dated 19 February 2010 has reference.

With reference to question 5. TR 020 tabled by Mr. J.B. Bloom of the Democratic Party, I wish to provide the following:

Question 5. TR 020

With regards to GNS Risk Advisory Services (Pty) Ltd, will the MEC please indicate:

- (i) What contract has been awarded to this company in the past five years
- (ii) What is the value of this contract
- (iii) What tender process was followed in awarding this contract
- (iv) When were the advertisements placed in the newspapers for this contract
- (v) When was this contract awarded
- (vi) What other companies were short-listed for this tender
- (vii) What were the prices of these other companies
- (viii) Why was GNS selected
- (ix) Whether there were any irregularities in the award of this tender
- (x) Whether any investigation will be made into the award of this contract

Reply

(i) A contract relating to services of risk management, advisory services and security services were awarded to GNS within the Department of Public Transport, Roads and Works and its entities

(ii) The value of the contract in respect of the Department and its entities in general was not in all instances of services required from GNS, determined in advance and fixed for the period in which the services were rendered. The expenditure to date in respect of these contracts are: R67 870 619.47. However the value of the contract entered into by Impophoma Infrastructure Support entity was established at R12 052 990.00 inclusive of VAT, although no payments have been made to date at Impophoma.

(iii) No, a tender process was not followed in awarding the contract. The Accounting Officer appointed GNS Risk Advisory Service through a deviation as provided for in terms of Treasury Regulations 16A6.4.

(iv) Not applicable as there was not advertisements placed

(v) On 25 October 2007

(vi) As there was no tender process followed, no other companies were short listed

(vii) As there was no tender process followed, no other companies were short listed

(viii) The contract was awarded based on the security needs identified by the HOD and the experience of the firm at that time in respect of implementation of Minimum Information Security Standards and risk advisory experience relating to physical and information security.

(ix) The irregularity in the award of this tender relates to the fact that no procurement procedures other than the deviation route were followed in terms of advertisements, evaluation and approval of service provider.

(x) The contracts are currently undergoing a thorough review process and progress reports will be given to the Legislature regarding the outcome of the review.

Yours faithfully



Mr. B. Nkosi MEC
Roads and Transport

Date: 11/03/2010