

**NATIONAL ASSEMBLY**  
**QUESTION FOR WRITTEN REPLY**  
**QUESTION NUMBER: 2950 [NW3776E]**

**2950. Mr G G Hill-Lewis (DA) to ask the Minister of Finance:**

With reference to the 2019-20 annual report of the Financial and Fiscal Commission, (a) what are the reasons that some tenders awarded to bidders were based on preference points that were not calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act, Act 5 of 2000, and its regulations?

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**REPLY:**

The audit finding in question involved an instance of appointment of a recruitment agency which was not the cheapest based on the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) (PPPFA). It was an oversight on the side of management for failing to document reasons and acquire approval to not appoint the cheapest bidder, as required by section 2(1)(f) of the PPPFA. Measures have now been put in place to prevent any other recurrence of this error. This was also related to the staffing capacity challenges then in the procurement domain, which are now addressed.