

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1804 [NW2112E]
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1804. Mr D J Maynier (DA) to ask the Minister of Finance:

- (1) Whether the National Treasury has reviewed any contracts with a value of more than R10 million; if not, why not; if so, (a) what is the name of each entity reviewed, (b) what is the scope of each review, (c) when did each review commence and (d) when will each review be completed;
- (2) Whether, in respect of each of the specified reviews, the relevant entity is co-operating with the National Treasury; if not, in each specified case, (a) why not and (b) what are the further relevant details; if so, in each specified case, what are the relevant details;
- (3) Whether, in respect of each specified review, consultants were engaged to conduct the specified review; if not, in each specified case, why not; if so, in each specified case, (a) what is the name of the consultant(s) and (b) what was the (i) cost and (ii) breakdown of such costs;
- (4) Whether reports were issued in respect of each of the specified reviews; if not, in each case, why not; if so, in each case, what is the title of the specified report?

[NW2112E]

Reply:

- (1) Yes
 - (a)
 - (i) PRASA
 - (ii) Eskom
 - (iii) SABC
 - (iv) Transnet
 - (v) SAA
 - (vi) Department of Correctional Services
 - (vii) Lepelle Water Board
 - (b)
 - (i) PRASA, the scope of review is forensic audits of all the contracts above R10 million from 2012 to 2015 as per Public Protector's report.
 - (ii) Eskom, the scope of review is on coal and diesel contracts.

- (iii) SABC, the scope of review is on 7 contracts and these include Asante Sana Consultants, Sekela Xabiso Consultants, Lezaf Consulting, MOT McDonalds Lift Maintenance, Price Water House Coopers Consulting, Lorna Vision and Fixed Term Contractor.
 - (iv) Transnet, the scope of review is on a contract awarded to McKinsey and Regiment Capital and Trillian.
 - (v) Department of Correctional Services, the scope of review is on a contract awarded to Intergetron Integrated Solution.
 - (vi) Lepelle Water Board, the scope of review is on a contract awarded to LTE through deviation.
- (c)
- (i) PRASA, forensic investigation commenced on February 2016.
 - (ii) Eskom, review commenced July 2015.
 - (iii) SABC, awaiting documents which has not been submitted.
 - (iv) Transnet, awaiting documents. The review has not commenced.
 - (v) SAA, waiting for Chairperson and Board to grant permission and therefore the review has not commenced.
 - (vi) Department of Correctional Services, the review was finalised without receiving any comments from the Department.
 - (vii) Lepelle Water Board, the reviewed commenced in August 2016.
- (d)
- (i) PRASA, the Forensic investigation will be completed by the 31 October 2016.
 - (ii) Eskom, the review of the coal contract will be completed 31 October 2016.
 - (iii) SABC, the review has not yet commenced, as we have not received the documentation.
 - (iv) Transnet, the review has not yet commenced, as we have not received the documentation.
 - (v) SAA, the review has not yet commenced, as we have not received the documentation.
 - (vi) Department of Correctional Services: The review was finalised.
 - (vii) Lepelle Water Board, the review will be completed by 31 October 2016.
- (2) All the entities are cooperating except the following:
- (a) No documents were received from the SABC.
 - (b) Not documents were received from both DPE and Transnet.
 - (c) No documents were received from SAA.
- (3) All the reviews are conducted by the National Treasury officials. Forensic audits into PRASA contracts above R10 million from 2012 to 2015 are conducted by forensic audit firms. Thirteen forensic audit firms were appointed, each at fixed amounts of R1.8 million using the Auditor-General's rates.

(4) Status of the review

- (a) PRASA, report not yet finalised;
- (b) Eskom, report not yet finalised;
- (c) SABC, review not yet commenced;
- (d) Transnet, review not yet commenced;
- (e) SAA, review not yet commenced;
- (f) Department of Correctional Services, report finalised; and
- (g) Lepelle Water Board, report not yet finalised.