



SOC LTD

Procurement Report

BID ADJUDICATION SUBMISSION (BAC)

REQUESTING DEPARTMENT:

PEOPLE MANAGEMENT, HUMAL CAPITAL

TITLE:

REGULARISATION OF RFQ FOR EMPLOYEE RELATIONS CASE
CONDUCTED

TYPE OF SUBMISSION:

REGULARISATION OF SCOPE VARIATION

Bid Adjudication Committee Submission

REQUEST FOR REGULARISATION OF SCOPE VARIATION FOR DM5 INCORPORATED ON PRESIDING/CHAIRING A DISCIPLINARY ENQUIRY

1. PURPOSE

The Bid Adjudication Committee (BAC) is requested to approve the regularisation for the scope variation on the original RFQ, which was initially estimated for the duration of one day per matter of the two matters to be presided over, which both were awarded to DM5 incorporated as follows:

Original Awarded Dates for both matters	Additional Dates	Original Awarded Value (VAT Excl.)	Additional Amount for the additional two days (Excl. VAT)	New award Value for the 1st matter (VAT Excl.)
17 & 25 February 2026	18 & 19 February 2026 on the first matter. 2 nd matter confined to one day	R24 000.00 per day/matter	R48 000.00	R72 000.00

NB: The fee of R24,000 for the second matter remains unchanged. This amount is fixed and stands entirely separate from the current request. Its mention here is solely to provide transparency and a clear indication of the procurement process, which appointed a single bidder to handle two distinct matters under one process.

2. BACKGROUND INFORMATION

The initial request for quotation and contractual scope specified the following objective:

- **To preside/chair a disciplinary enquiry.**

The initial RFQ was based on a daily rate of R24 000,00 over an estimation of one day per matter, however, on the first matter this was exceeded by two days making it a total of three days from the initial estimation of 1 day. Given the unpredictability of the nature of the proceedings where the respondent/applicant/initiator may request for adjournment/postponements for further scrutiny of the evidence and preparation of witnesses, HC wouldn't be in a position to dictate the terms of the proceedings as all parties are subject to authority of the presiding officer, even where a party objects they can still be overruled.

3. MOTIVATION

The Employee Relations Procedure provides for the misconduct cases to be investigated and where there's a *prima facie* evidence of misconduct parties are afforded an opportunity at a disciplinary enquiry to lead evidence, prove or disprove their case through an appointed independent presiding officer for impartiality.

Once the proceedings are underway only the Presiding officer who started the proceedings will have to finish without interference and furnish the report to HC within stipulated timeframe as stipulated in the appointment letter. It is for this reason that it makes it difficult to estimate accurately on the duration of the proceedings because all witnesses must be given sufficient and adequate time to complete their testimonies, and halting the proceedings intermittently to do administrative process of RFQ to extent the scope will prolong the proceedings and this will negatively impact on the principle of expeditiously dealing with the matter.

The disciplinary enquiry requires expeditious attendance and speedy conclusions to remove any doubt of parties, any delays if allowed may shadow the proceedings as not espousing the principles of natural justice "*audi alteram partem*" which is a fundamental principle of natural justice that ensures all parties in these proceedings have the right to be heard before a decision is made.

It is against this backdrop that we submit a request for the variation of the initial RFQ to include the additional day that was not catered for in the original RFQ, and for the invoice to be processed for payment urgently as the service has already been rendered over a month ago to date, as not doing so will prejudice the service provider who have provided their services in good faith and who may be a small business enterprise relying on this invoice payment to continue their daily operations.

This variation to cater for additional day will not prejudice the organisation as the services were rendered with professionalism and report was furnished to HC upon concluding the matter within stipulated timeframe of five days after the matter was concluded. Furthermore, the payment thereof will ensure trust and good reputation with service providers and stakeholders.

4. FINANCIAL IMPLICATIONS

No	Contract duration	Original contract amount	Variation amount	Cumulative contract amount	Reason for variation
1.	2 days (17&25 February 2026)	R24 000.00 (VAT Excl.)	R48 000.00 (VAT Excl.)	200%	Estimated days exceeded. Disciplinary matters could not be estimated with certainty.

Note: As per the National Treasury instruction note no.3 of 2021/22, section 5.1 and 5.4, the accounting officers/authorities (AOs/AAs) may expand a contract by increasing the scope of work or vary a contract by changing the scope of work for all other goods and services or both, if a contract is expanded or varied by more than 15% or R15 million (including all applicable taxes), whichever is lessor. Furthermore, the AOs/AAs must, in a format determined by the National Treasury, submit a monthly report, including the reasons for the expansion or variation, to the relevant treasury and the AGSA.

The original purchase order value was R24 000.00 per matter (excl. Vat), however with the additional 2 days on the first matter of the 17th and the additional cost for the variation is R48 000.00 (excl. Vat) over three (3) days, representing 200% of the original contract value. Therefore, **the variation of scope is not** in line with the 15% cap stipulated in the National Treasury Instruction Note 3 of 2021/22 and thus should be reported as such.

5. ATTACHMENTS

Annexure A: Previous approved process (Procurement Report)

Annexure B: INVOICE (First matter on 17 Feb, which exceeded by 2 more days 18 and 19 Feb)

Annexure C: INVOICE (Second matter 26 Feb, initially was scheduled for 25 Feb)

6. RECOMMENDATION

- The Bid Adjudication Committee is requested to regularise the variation as stipulated above and approve the payment of the invoice **Annexure B** which exceeded its envisaged duration of 1 day by additional 2 days.
- To note invoice **Annexure C** in the second matter confined to 1 day as per RFQ.

7. VERIFICATION AND SIGNATURE

The signatories below hereby declare that they have no interest in any of the bidders referenced in this report, which may raise a possible conflict of interest.

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