



Templates for the implementation of the control framework for infrastructure procurement

The Standard for Infrastructure Procurement and Delivery Management requires the following:

13.2 Internal control measures

- 13.2.1** The gates in the control frameworks provided in section 4 shall be used, as appropriate, to:
- authorise the proceeding with an activity within a process, or commencing with the next process;
 - confirm conformity with requirements; or
 - provide information which creates an opportunity for corrective action to be taken.
- 13.2.2** Suitable templates shall be used to record the approval or acceptance of documents at the gates provided in the control framework established in section 4.

The following proforma templates enable the control framework for infrastructure procurement to be implemented in accordance with the National Treasury Standard for Infrastructure Procurement and Delivery Management and the [name of organ of state]'s Supply Chain Management Policy for Infrastructure Procurement and Delivery Management

Form no	Title	Version	Format
Templates for procurement gates and approvals			
A1	Approval to apply the negotiated procedure	Version 1 June 2016	
A2	Approval to apply the confined market procedure	Version 1 June 2016	
PG1	Permission to start the procurement process	Version 1 June 2016	
PG2	Approval of the procurement strategy	Version 1 June 2016	
PG3	Approval of the procurement document	Version 1 June 2016	
PG4	Confirmation of the budget	Version 1 June 2016	
PG5	Authorisation to proceed to the next phase of the procurement process	Version 1 June 2016	
PG6	Approval of tender evaluation committee recommendations	Version 1 June 2016	
PG7	Acceptance of offer	Version 1 June 2016	
PG8A	Approval for waiving of penalties / damages	Version 1 June 2016	
PG8B	Approval for referral of disputes for resolution	Version 1 June 2016	
PG8C	Approval for increases in the total of the prices or time for completion up to a specified percentage	Version 1 June 2016	
PG8D	Approval for increases in the total of the prices or time for completion above a specified percentage	Version 1 June 2016	
PG8E	Approval to cancel or terminate a contract	Version 1 June 2016	
PG8F	Approval for an amendment to the contract	Version 1 June 2016	
Annexure A	Procurement documentation review report	Version 1 June 2016	

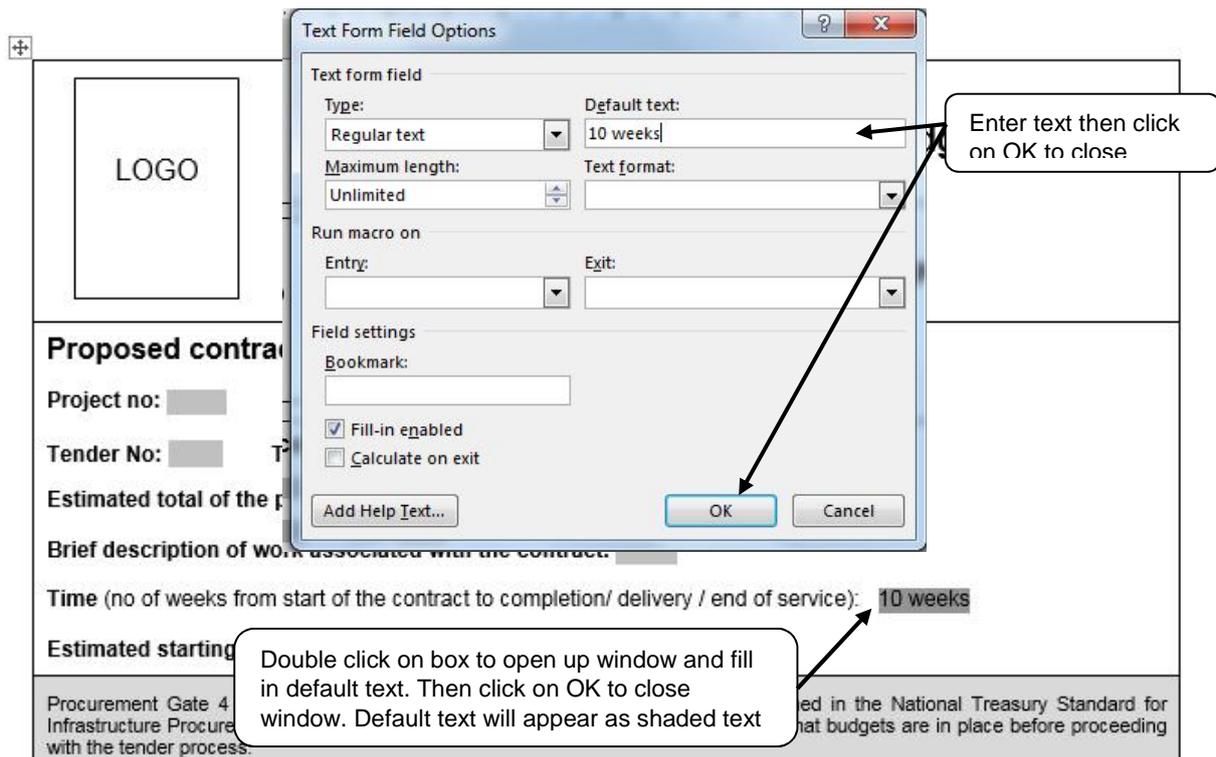
Form no	Title	Version	Format
Templates for framework agreement gates			
FG1	Confirmation of reasons for not inviting quotations from amongst contractors having the same scope of work	Version 1 June 2016	
FG2	Approval of the procurement document	Version 1 June 2016	
FG3	Confirmation of budget	Version 1 June 2016	
FG4	Authorisation for the issuing of an order	Version 1 June 2016	
Annexure A	Procurement documentation review report for an order	Version 1 June 2016	
Template for financial system gate			
FS1	Financial data associated with a contract or an order issued in terms of a framework contract	Version 1 June 2016	
Templates for evaluation reports			
ER1	Report on the evaluation of submissions received following a call for an expression of interest	Version 1 June 2016	
ER2	Tender Evaluation Report	Version 1 June 2016	
ER3	Report on the evaluation of proposed contract or order which has been negotiated	Version 1 June 2016	

The control framework for the planning, design and execution of infrastructure procurement which is contained in the National Treasury Standard for Infrastructure Procurement and Delivery Management is described in Figure 1. The allocation of responsibilities for the necessary actions at the various gates is provided in the populated version of Table 1 contained in the organ of state's Supply Chain Management Policy for Infrastructure Procurement and Delivery Management.

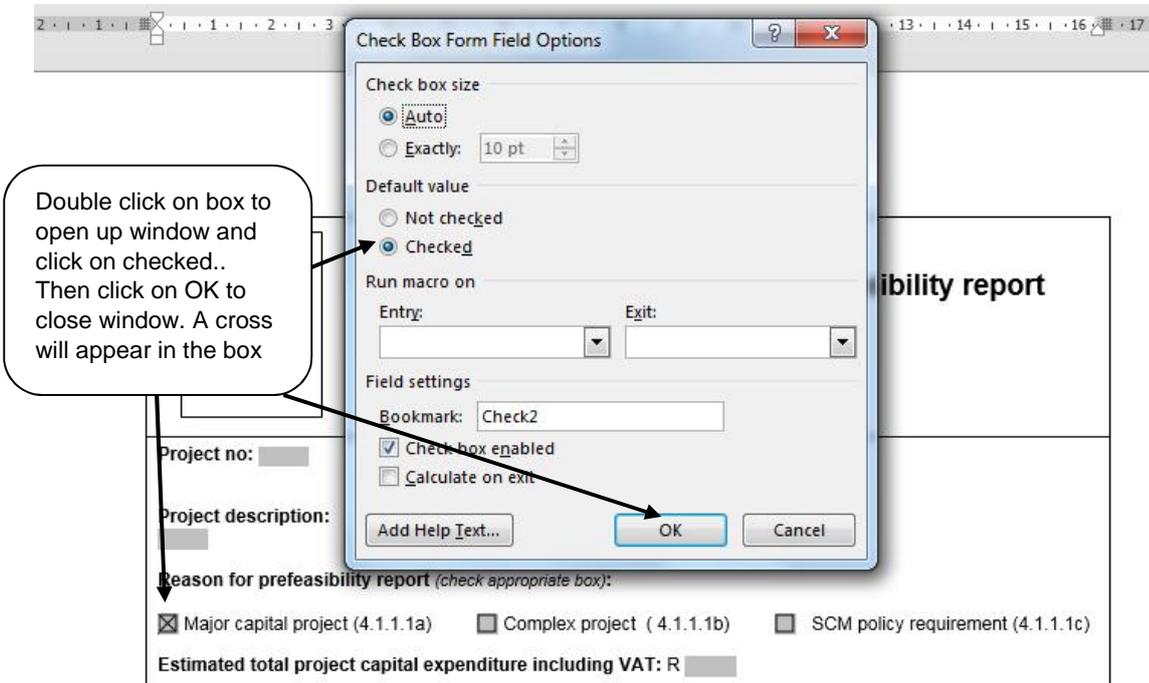
Some customisation of the forms may be required to align some of the data fields with organisational practices, choices of forms of contract, nomenclature for projects or contracts, allocation of responsibilities etc..

The control templates have been designed to be populated in MS Word. The check box function and the form filed functions have been included in the forms for convenience.

Compilers are required to double click on the form field and to enter the relevant data in the box which pops up as indicated below as default text. The form field with the text remains on the screen when the box is closed. (The grey shading in the populated form field does not print.)



Compilers are required to double click on the check box to open it up and to click on checked in the window that opens up. A cross appears in the box when the window is closed as indicated below.



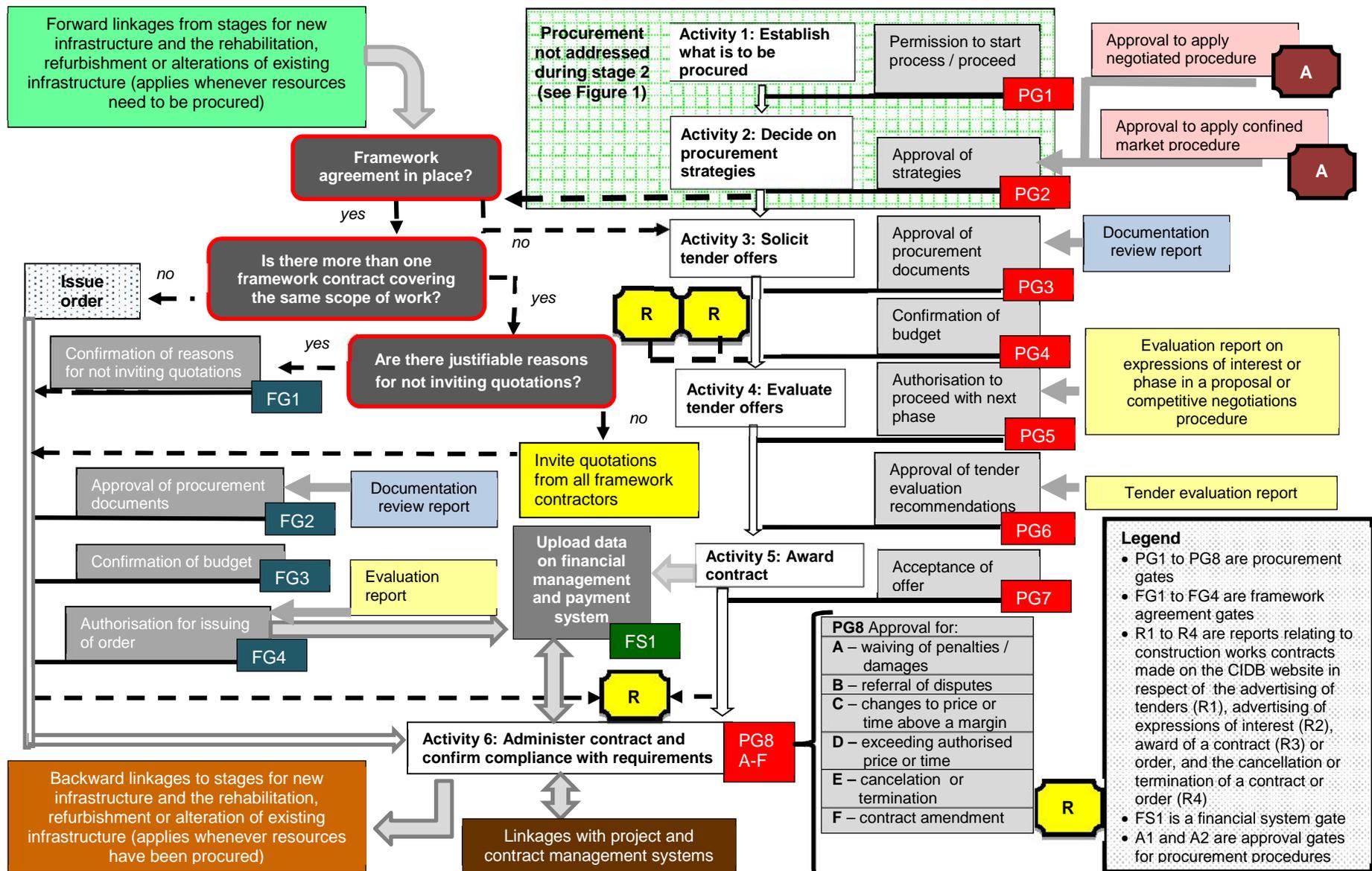


Figure 1: Control framework for procurement (acquisition and contract management) processes

Table 1: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold

Activity		Sub-Activity (see Table 3 of the standard)		Key action	Person assigned responsibility to perform key action
1*	Establish what is to be procured	1.3 PG1	Obtain permission to start with the procurement process	Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates.	<i>[designated person e.g. project director or programme manager]</i>
2*	Decide on procurement strategy	2.5 PG2	Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure	Confirm selection of strategies so that tender offers can be solicited	<i>[designated person e.g. project director]</i>
3	Solicit tender offers	3.2 PG3	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	Procurement documentation committee
		3.3 PG4	Confirm that budgets are in place	Confirm that finance is available for the procurement to take place	<i>[designated person e.g. programme or financial manager]</i>
4	Evaluate tender offers	4.2 PG5	Obtain authorisation to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure	Review evaluation report, ratify recommendations and authorise progression to the next stage of the tender process	<i>[designated person]</i>
		4.7 PG6	Confirm recommendations contained in the tender evaluation report	Review recommendations of the evaluation committee and refer back to evaluation committee for reconsideration or make recommendation for award	Tender committee <i>[or bid adjudication committee]</i>
5	Award contract	5.3 PG7	Award contract	Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract	<i>[authorised person]¹</i>
		5.5 FS1	Upload data in financial management and payment system	Verify data and upload contractor's particulars and data associated with the contract or order	<i>[designated person]</i>

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

¹ The award of a contract can be linked to contract value. For example, high value contracts may be awarded by the municipal manager or chief executive and lower amounts by different appropriately delegated authorities.

Table 1 (concluded)

Activity		Sub-Activity	Key action	Person assigned responsibility to perform key action	
6	Administer contracts and confirm compliance with requirements	6.4 PG8A	Obtain approval to waive penalties or low performance damages.	Approve waiver of penalties or low performance damages	<i>[designated person]</i>
		6.5 PG8B	Obtain approval to notify and refer a dispute to an adjudicator	Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law	<i>[designated person]</i>
		6.6 PG8C	Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage	Approve amount of time and cost overruns up to the threshold	<i>[designated person or designated persons]</i>
		6.7 PG8D	Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively	Approve amount of time and cost overruns above a the threshold	<i>[municipal manager or chief executive or, depending upon the value, a appropriately delegated authority]</i>
		6.8 PG8E	Obtain approval to cancel or terminate a contract	Approve amount	<i>[authorised person]</i>
		6.9 PG8F	Obtain approval to amend a contract	Approve proposed amendment to contract	<i>[authorised person]</i>

Table 2: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement

Activity		Key action	Person assigned responsibility to perform key action
1 FG1	Confirm justifiable reasons for selecting a framework contractor where there is more than one framework agreement covering the same scope of work	Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited	<i>[designated person]</i>
3 FG2	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	<i>[designated person]</i>
4 FG3	Confirm that budgets are in place	Confirm that finance is available so that the order may be issued	<i>[designated person e.g. programme manager or financial director]</i>
6 FG4	Authorise the issuing of the order	If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order	<i>[authorised person]</i>