



**dpwr**

Department:  
**Public Works and Roads**  
North West Provincial Government  
Republic of South Africa

Modiri Molema Road  
Old Parliament Complex  
Mmabatho, 2735  
Private Bag X 2080, Mmabatho, 2735  
Republic of South Africa  
Tel.: +27 (18) 3881252  
Fax:  
Website: [www.nwpg.gov.za/public\\_works](http://www.nwpg.gov.za/public_works)

---

## DIRECTORATE: COMMUNICATION

---

### **Appointment of service providers for new projects suspended...**

**Date:** Thursday, May 28, 2015

Provincial Treasury has instructed Public Works and Roads; stop the appointment of service providers for new infrastructure and non-infrastructure projects.

Furthermore, treasury has informed the department about the suspension of delegations from our four districts with immediate effect. The move comes about two months after our department, and that of Health, Education and Sports Development were put under Provincial Treasury watch resulting in the finances of the trio co-managed by Treasury for 18 months. According to Provincial Treasury instructions the moves are intended to restore among others, department's cash position.

The move comes barely two month after our department, and that of Health, Education and Sports Development were put under the watch of Provincial Treasury resulting in the finances of trio and co-managed by Treasury for the for the 18 months.

According to Provincial Treasury instruction explaining the above positions, the moves are intended to restore our department's cash position and sustain sound financial management.

“ Pivotal to the objective is the securing of funding from within the department as a first charge in order to ensure that all unfunded commitments are settled in full before any new commitments can be brought in. The department should also note that this instruction is applicable to the entire department and not only the Transport Infrastructure Sector," said Treasury.

Public Works and Roads have accruals of more than R250million arising from road infrastructure only. This was a result largely caused of over commitments and non-payment of invoices which has resulted in road construction companies abandoning several projects due to non payment.

Provincial Treasury has ordered Public Works and Roads to refrain “with immediate effect” from appointing any new service provider, consultants, professional service providers without first obtaining approval from Provincial Treasury.

“Where the department is implementing projects on behalf of other departments, it is expected that the department ensure compliance with the requirements of the infrastructure Delivery Management System (DMS). This instruction should be treated as effective until the Provincial Treasury or EXCO instructs otherwise,” said Provincial Treasury.

Regarding the immediate suspension of financial delegation at districts operations, Treasury warned:

“In accordance with the intervention plan as signed off by the Premier, the intervention team can suspend any functions that have a financial implication in an effort to contain the department's spending and prioritise payment of the outstanding commitments prior to attracting any further fruitless and wasteful expenditure.”

In short, district-based staff powers, as in financial delegations in Ngaka Modiri Molema, Dr Ruth Segomotsi Mompoti, Bojanala and Dr Kenneth Kaunda are suspended with immediate effect. All are prohibited from authorizing any new requisitions, appointment of service providers and making any new commitment whatsoever without prior approval by the intervention team.

**END**

Issued by **Communication Directorate**  
Contact Person: **Matshube Mfoloe**  
Contact Number: 018 388 4451  
E-mail: [mmfoloe@nwpg.gov.za](mailto:mmfoloe@nwpg.gov.za)