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Department:
Justice and Constitutional Development
REPUBLIC OF SOUTH AFRICA

Ref no: 9/1/3/1

OFFICE OF THE DIRECTOR GENERAL
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Pretoria
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Acting Chief Procurement Officer
The Director General: National Treasury
Private Bag X115
Pretoria
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Attention: Mr Molefe-Isaac Fani

REQUEST FOR APPROVAL FOR APPOINTMENT OF A SERVICE PROVIDER ON A SINGLE SOURCE BASIS

I refer you to the above matter.

The Department of Justice and Constitutional Development (Department) hereby requests the approval of National Treasury to appoint a service provider on a single source basis on month to month contract for a period not exceeding 12 months.

Background information

The courts of law within the Department of Justice & Constitutional Development are courts of records. Recording is a basic requirement for the administration of justice. Without recording, a court of law cannot convene. There is a demand for recording technology to remain in place given the current crime statistics as well as the length and complex nature of some of these proceedings.

To facilitate court recordings, the department concluded a contract for the provision of Court Recording Technology (CRT) solution and its support and maintenance for a period of 5 year in 2016 (RFB 2014/02). The solution and maintenance support and maintenance services for

CRT as defined in RFB 2014 /02 expired on 13 April 2021 and since then there has been no support and maintenance of the CRT systems in the court.

Procurement processes undertaken

Since the contract expiry there has been a number of attempts by the department to procure support and maintenance services for CRT's and they are as follows:

1. A deviation was sought from National Treasury to deviate from normal procurement processes for a period of 6 months. Following the approval by National Treasury, an RFQ was issued (RFQ 2021 02) and closed in August 2021. This process was unsuccessful and had to be re-advertised.
2. The re-advertisement (RFQ 2021 03) closed in September 2021 and again this process was unsuccessful. Only two viable responses were received and evaluated and were found to be non-responsive.
3. The Department again went back to National Treasury in December 2021 and requested a deviation from normal supply chain processes in order to procure on a quotation basis for a period of 3 months. This request was duly granted by National Treasury and the department sent out RFQ's that closed in January 2022. Three responses were received and evaluated, however none of met requirements and the RFQ was also non-responsive.

It is against this background that the department is requesting National Treasury to approve a deviation for the Department to approach Datacentrix on a single source basis for the following reasons:

- (a) They are the only service provider (RFB 2014 /02) that was contracted to the department between 2016-2021 and they have a thorough understanding of the Departmental CRT & SoS requirements.
- (b) The current Court recording technology was a bespoke solution and unique to the Department of justice. While it is acknowledged the OEM has accredited some suppliers, none of them have worked on CRT solution in the court environment. Only Datacentrix has.
- (c) To avoid disruptions of court proceedings and service delivery that will tarnish the reputation of the Department and the country as a whole.
- (d) The department has attempted procurement from the market on 3 occasions without success.

- (e) Even though the deviation from National Treasury is still valid for 3 months, the department is of the opinion that going back to the market via an RFQ will not yield any different results as the department has already attempted 3 (three) occasions.
- (f) Datacentrix as the last company to be contracted to the department, has a proven track record and so far they did not participate in the short term RFQ's. Their biggest concern was on the short duration of the contract.

Financial implications

The financial implication of this request amounts to R2 185 000 per month as quoted by Datacentrix. The amount for 12 months will be R26 220 000. Bidders in the last RFQ that was sent to the market were quoting between R10M and R16m for 3 months. In view of this latest market test, the amount proposed by Datacentrix is fair and will bring value for money.

It is therefore requested that National Treasury approves the appointment of Datacentrix as a single source on month to month period not exceeding 12 months for an amount of R26 220 000 inclusive of VAT.

Kind regards,



Adv. D Mashabane
Director General
Department of Justice and Constitutional Development

23/01/202

Date