



SUMMARY & RECOMMENDATIONS OF PUBLIC ACCOUNTS COMMITTEE

❖ **Number 20/2015 on Thursday, 2 April 2015**

6. SUMMARY BY PAC.

6.1 There is a significant delay in the construction of the KTMB depot project in Kempas Baru, Johor Baru, which is supposed to be completed on 16 April 2014 after taking into account the second EOT.

6.2 The cause of the delay of the project is a result of the failure of compliance by the contractor with the terms of the contract as well as weakness in the planning particularly identifying PLBE alignment route that has jeopardized the progress of the depot construction project.

6.3 The failure of the Ministry / contractor to obtain the Certificate of Completion and Compliance (CCC) for running bungalow which has already been used by KTMB staff can pose a security risk if something bad happens.

6.4 PAC is dejected with the delay of completing this project, compared to Singapore which has tarnish the image of the country.

7. RECOMMENDATION BY PAC.

For the purpose of improvement in the future, PAC suggest a few things such as the following:

7.1 MOT and KTMB should comply with the circular and contract procurement process for upcoming projects.

7.2 In the future, the Ministry should carry out a more detailed monitoring of the projects implemented so that it can be completed on schedule. Late penalties must be imposed on the Contractor pursuant to the terms of the contract.

7.3 The Ministry and KTMB also must conduct an overall transformation programme particularly operation system and management of KTMB so that level of service and governance can be improved. It includes appropriate planning for the management of KTMB's assets for long term (sustainability).

7.4 The lack of coordination between the Department in the same Ministry for failing to identify the same line for PLBE project with KTMB transfer operation project should not occur.

7.5 The Ministry should not tolerate when the contractor started the project without the approval of planning permission from MBJB.

Public Accounts Committee