

SWELLENDAM MUNICIPALITY



SUPPLY CHAIN MANAGEMENT MONTHLY REPORT

August 2023

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1. ABBREVIATIONS

- 1.1 “**SWDM**” refers to Swellendam Municipality;
- 1.2 “**SCM**” refers to Supply Chain Management;
- 1.3 “**Manager SCM**” refers to the Sectional Head of the Supply Chain Management Division;
- 1.4 “**CFO**” refers to Director Financial Services;
- 1.5 “**MFMA**” means the Municipal Finance Management Act 56 of 2003;

2. PURPOSE OF THIS POLICY

- 2.1 The SCM monthly report is prepared to inform Council on key SCM monthly activities and adhere to the reporting requirements in terms of the Legislative Framework.

3. LEGISLATIVE FRAMEWORK

- 3.1 The report was prepared to take into consideration the legislative reporting requirements:
 - 3.1.1 Municipal Finance Management Act, 2003
 - 3.1.2 Municipal Supply Chain Management Regulation, 2005
 - 3.1.3 Municipal Supply Chain Management Policy, 2022

4. PROCUREMENT STATISTICS FOR THE MONTH

- 4.1 The table below provides information on the number of SCM activities for the month:

Nr.	Process description	Qty	Value
1.	No of Bid Specification Committee meetings	3	n/a
2.	No of Bid Evaluation Committee meetings	5	n/a
3.	No of Bid Adjudication meetings	2	n/a
4.	No of orders processed/placed	478	R12 807 583
5.	No of formal quotations awarded (R30 000 to R200 000)	-	-
6.	No of tenders awarded above R200 000	9	R4 254 334
7.	No of awards above R30 000 (CIDB)	-	-
8.	No of contract price increases approved	1	n/a
9.	No of contracts amended i.t.o MFMA circular 62	-	-
10.	No of contracts amended i.t.o s.116(3) of MFMA	-	-
11.	No of Deviations	8	R625 345
12.	No of minor breaches	-	-
13.	No of stock receipts	114	R755 896
14.	No of stock issued	925	(R856 313)
15.	No of stock disposal	-	-
16.	No of stock take	1	R4 859 995
18.	No of requests received for disposal	1	-

5. AWARDS ABOVE R 100 000 REPORTED TO NATIONAL TREASURY

5.1 Sections 74(1) and 104(1)(b) of the Municipal Finance Management Act (MFMA) prescribes the following regarding general reporting obligations:

“The accounting officer of a municipality must submit to the National Treasury, the Provincial Treasury, the Department for Local Government in the Province or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as may be required.”

5.2 National Treasury per MFMA Circular No 34 issued instructions to all municipalities to report effective from 1 July 2006 per the above, to disclose all awards made for contracts above the value of R100 000.

5.3 Below is a table of the key information submitted:

Contract reference	Service provider/ Supplier	Contract Description	Total value of contract	Duration of Contract	B-BBEE Status
SMT40/22/23	Bidvest Services (Pty) Ltd t/a Steiner George	Provision of Pest Control and Fumigation Services for 3-year period	R158 998,00	36 months	1
SMT42/22/23	Maboneng Electrical Distribution (Pty) Ltd	Supply, Delivery & Offload of Copper Covered Steel Earth Conductor Cable for a 3-year period	R389 570,55	36 months	1
SMT49/22/23	Take Note Trading 245 Cc t/a Universal Trading	Supply, Delivery and Offload of Water and Sewerage Pipes & Fittings for a 3-year period	R546 985,90	36 months	1
SMT49/22/23	Last Samurai Property Holdings 2 Cc t/a Ithuba Industries	Supply, Delivery and Offload of Water and Sewerage Pipes & Fittings for a 3-year period	R235 523,00	36 months	1
SMT49/22/23	Nolada 8 (Pty) Ltd	Supply, Delivery and Offload of Water and Sewerage Pipes & Fittings for a 3-year period	R1 742 184,00	36 months	1
SMT49/22/23	NRB Piping Systems (Pty) Ltd	Supply, Delivery and Offload of Water and Sewerage Pipes & Fittings for a 3-year period	R417 191,95	36 months	1
SMT49/22/23	KFC Pipes and Fittings (Pty) Ltd t/a KFC Engineering & Industrial Supplies	Supply, Delivery and Offload of Water and Sewerage Pipes & Fittings for a 3-year period	R67 711,10	36 months	1
SMT59/22/23	J.C. Badenhorst	Facilitation of Medical Surveillance of Employees exposed to Hazardous and Biological Chemicals and Agents (OHSA Act)	R324 600,00	36 months	4
SCMD011	Red Ant Security Relocation and Eviction Services (Pty) Ltd	Provision of Tactical response team with inyala and LDV for day and night shifts from 16 August 2023 to 20 August 2023	R579 600,00	Once-off	1
SMT25/22/23	Trautmann Trading (Pty)Ltd	Repair of Two Cornel Pumps and Electrical Motors	R371 569,72	2 months	1

Note: Contract amounts up to R50 million the 80/20 preference points applied.
Contracts amounts above R50 million the 90/10 preference points applied.

6. SCM DEVIATIONS

6.1 Section 36(2) of the Supply Chain Management Regulation prescribes the following regarding deviation from and ratification of minor breaches of the procurement process:

"The accounting officer must record the reasons for any deviation in terms of sub-delegation (1)(a) and (b) and report them to the next meeting of the council"

6.2 The number of deviations approved during August 2023 is indicated in the table below:

Nr	SCM Regulation	Nr	Amount
1.	SCM Regulation 16(c) & 17(c) where three (3) quotations could not be obtained;	6	R70 924
2.	SCM Regulation 36(1)(a)(i) dispensing of the official procurement process in the case of an emergency;	5	R613 985
3.	SCM Regulation 36(1)(a)(ii) where goods or services are available from a sole supplier;	-	-
4.	SCM Regulation 36(1)(a)(iii) applies to the acquisition of special works of art or historical objects;	-	-
5.	SCM Regulation 36(1)(a)(iv) acquisition of animals for zoos;	-	-
6.	SCM Regulation 36(1)(a)(v) in exceptional cases where it is impartial or impossible to follow the process;	3	R11 360
7.	SCM Regulation 36(1)(b) is applicable where the accounts officer can verify minor breaches;	-	-

6.3 The reasons for the deviations above are as follows:

6.3.1 Verbal and formal quotations, section 16(c) and 17(c) of the SCM regulation:

Date Requested	Supplier	Quotation Details	Amount	Approved Date	Directorate	Reasons
18-Jul-23	FAMSA	Basic Counselling skills - Online course	R 13 500,00	07-Aug-23	Corporate	Three potential bidders were invited however only two quotes were received,
24-Jul-23	HRETD	Training - Perform Construction Site Flagman Duties	R 6 785,00	07-Aug-23	Corporate	Three potential bidders were invited however only one quotation were received,
25-Jul-23	Ian Dickie	Supply and Delivery genset 5,5 220v EZ6500 cxs AVR, Gx390 E/S	R 25 875,00	15-Aug-23	Infrastructure	Three potential bidders were invited however only two quotes were received,
14-Aug-23	Bidvest Waltons	Vantec UGT-PCE405R 4 Port senail R532 PCIE card	R 2 146,36	15-Aug-23	ICT	Three potential bidders were invited however only two quotes were received,
21-Aug-23	The Junctin Hotel	Double room for Executive Mayor	R 3 700,00	21-Aug-23	Mayoral Office	Three potential bidders were invited however only two quotes were received, One is fully booked.
10-Aug-23	Direc Tech	10 Wide TFT LCD 65, 536 Color, 80048, USB host, CF card, Ethernet	R 18 917,50	24-Aug-23	Waste water	Three potential bidders were invited however only two quotes were received,

6.3.2 In exceptional cases where it is impractical or impossible to follow the official procurement process, section 36

Date	Supplier	Details	Amount	Dir	Dept	Reason	Type
10-Aug-23	A.H Windvogel	Digging of trenches after normal working hours	R3 840,00	INF	WATER	The main water pipe supply at Buitekant street had a breakage. The extend of work could not be determined at the time and emergency repairs were required	36(1)(a)(v) - Impractical or Impossible
22-Aug-23	Red Ant Security Relocation and Eviction Services (Pty) Ltd	Provision of Tactical response team with inyala and LDV for day and night shifts from 16 August 2023 to 20 August 2023	R579 600,00	MM	MM	The recent community protest required The Red Ants to provide emergency security services at offices and protection of Mayor, councillors and Municipal Manager and officials. Adhering to the normal procurement process may have resulted in unnecessary loss of additional assets and human's life.	36(1)(a)(i) - Emergency
24-Aug-23	Carl Pike	Provision of catering services from 19 August 2023 to 20 August 2023	R9 600,00	MM	MM	Due to recent community protest extra security services were needed on short notice and those people needed to be fed. Due to the emergent nature only one supplier could provide the services to the municipality on short notice	36(1)(a)(i) - Emergency
25-Aug-23	Spar	Provision of groceries/ refreshment	R3 249,49	MM	MM	Due to recent community unrest refreshments were needed for delegates. Spar is the only supplier of groceries willing to help the municipality to purchase on account.	36(1)(a)(i) - Emergency
25-Aug-23	PC Laptops	Provision of 2x i5 Desktops & 2 x 23" screens	R19 196,01	FIN	INCOME	Due to recent community protest our head office burnt down together with all the computer equipment and stationery. Computers were urgently needed and PC Laptops was only supplier who could supply the municipality with 2 refurbished desktops. No other supplier had stock at that stage	36(1)(a)(i) - Emergency
25-Aug-23	PNA Swellendam	Provision of stationery	R2 339,80	FIN	ADMIN	Due to recent community protest our Head office burnt down together with all computer equipment and stationery. Stationery was urgently needed for administration purposes.	36(1)(a)(i) - Emergency
22-Aug-23	Swellendam SuperSpar	Provision of groceries/ refreshment	R3 249,49	MM	MM	Due to recent community protest extra security services were needed on short notice and those people needed to be fed. Due to the emergent nature only one supplier could	36(1)(a)(v) - Impractical or Impossible

						provide the services to the municipality on short notice	
25-Aug-23	AH Marais	Provision of truck with a crane and grabber tool	R4 270,11	COM	LIB	Due to recent community protest our head office burnt down together will all the computer equipment and stationery. Computers were urgently needed and PC Laptops was only supplier who could supply the municipality with 2 refurbished desktops. No other supplier had stock at that stage	36(1)(a)(v) - Impractical or Impossible

6.4 The below table contains details of awards made to close family members of employees who are in the services of the state, section 45 of the SCM regulation for any award above R2000.

Nr	Supplier	Family member	Relationship	Institution	Amount
1.	Agritech CC T/A Autozone	L. Baransky	Wife	Swellendam Mun	R6 985
2.	Bazil Koopman	B. Koopman	Son	Dept of Education	-
3.	Desmond Prins	J. Francis	Daughter	Dept of Health	-
4.	Durcharme Consulting	L.Mbekeni	Wife	Dept of Rural Development and Land Reform	R143 750
5.	Gert Coetzee	L. Coetzee	Wife	Swellendam Mun	-
6.	Hein's Auto Electrical	J. de Jager	Brother	Swellendam Mun	-
7.	Hermanus Jacobus Swart	F. Swart	Brother	Swellendam Mun	-
8.	Jarsiem Carelse	W. Carelse	Son	Swellendam Mun	R2 883
9.	Jacobus Cornelius Kouter	J. Kouter	Brother	Swellendam Mun	-
10.	Jonathan Oktober	M Oktober	Wife	Swellendam Mun	R1 275
11.	Kemanzi (Pty) Ltd	J. du Toit	Wife	Dept of Education	-
12.	Khoisan Cave Holdings (Pty) Ltd	G. Jansen	Son	Swellendam Mun	-
13.	LSL Enterprises	G. Lebazi	Sister	Swellendam Mun	-
14.	Masakane Trading (Pty) Ltd	Q. Martin	Husband	SAPS	-
15.	Molatuseli (Pty) Ltd	A Sidloyi	Son	Swellendam Mun	-
16.	Paul Cupido	T. Cupido	Wife	Swellendam Mun	-
17.	Phillip Crafford T/A Crafford Blinds	J. Crafford	Wife	Swellendam Mun	-
18.	RD Beukes	D. Beukes	Mother	Swellendam Mun	-
19.	Swellendam Bestuurskool (Pty) Ltd	R. Blauw	Son	Dept. of Education	-
20.	AH Windvogel	R. Windvogel	Mother	Parliament	R3 840
21.	Red Ant Security and Relocation Services	N. Lesiela	Wife	Mogale City Mun	R579 600
Total					R738 333

6.5 The below table contains details of any incidents of an inducement, rewards, gifts and favours made to the municipality, employee or any other role player, in terms of section 47 of the SCM regulation:

Directorate	Report on Gifts
Office of the Municipal Manager	None
Financial Services	None
Corporate Services	None
Infrastructure Services	None
Community Services	None

6.6 The table below contains details of any tender other than the one recommended in the normal course of implementing the supply chain management policy was approved, section 114 of the SCM regulation:

Directorate	Tender Recommended	Tender Awarded
Office of the Municipal Manager	None	None
Financial Services	None	None
Corporate Services	None	None
Infrastructure Services	None	None
Community Services	None	None