

SWELLEN DAM MUNICIPALITY



SUPPLY CHAIN MANAGEMENT MONTHLY REPORT

February 2024

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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	6	n/a
2.	No of Bid Evaluation Committee meetings	4	n/a
3.	No of Bid Adjudication meetings	3	n/a
4.	No of orders processed/placed	458	R10 899 687
5.	No of formal quotations awarded (R30 000 to R200 000)	4	R221 921
6.	No of tenders awarded above R200 000	3	R7 997 849
7.	No of awards above R30 000 (CIDB)	3	R7 394 671
8.	No of contract price increases approved	3	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	1	R100 000
11.	No of Deviations	1	R140 300
12.	No of minor breaches	-	-
13.	No of stock receipts	82	R250 617
14.	No of stock issued	697	(R426 816)
15.	No of stock disposal	-	-
16.	No of stock take	1	R5 142 293
17.	No of requests received for disposal	-	-

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
SMT12/23/24	Hidro-Tech Systems Pty Ltd	Maintenance and Replacement of Mechanical and Electrical Equipment for a 3-year period	R6 359 642,89	36 months	1
SMT24/23/24	Vstate Holding (Pty)Ltd t/a Makhare Holdings	Supply and Installation of Paving, Fencing, Streetlights and Related Items at Railton Clinic Walkway	R948 206,05	3 months	1
SCMD039/24	INCA Portfolio Managers	Review and update of the long-term financial plan incorporating a three-year MTREF Budget ending 30 June 2026	R140 300,00	1 month	2

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 February 2024 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;	12	R181 003
2.	SCM Regulation 36(1)(a)(i) dispensing of the official procurement process in the case of an emergency;	-	-
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 impractical or impossible to follow the process;	1	R140 300
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
01-Feb-24	Parkers & Parnters (Pty) Ltd	SMQ25-23-24_Supply and Installation of Gate Motor at Desmond Tutu Library	R31 830,11	01-Feb-24	Community Service	A formal quotation process was followed and the bid was advertised twice, as no quotation were received for the first round. The bid was also distributed to four potential bidders. However, only two quotations were received.
05-Feb-24	Toppharm	Supply and administration of X36 Twinrix Vaccines	R 17 530,20	09-Feb-24	Corporate	Three potential bidders were invited however only one quotes was received
15-Feb-24	Forms Media	Supply of heavy-duty stapler & punch	R 3 283,25	16-Feb-24	Finance	Three potential bidders were invited however only 2 quotes was received, where only one bidder met the specifications
15-Feb-24	Memotek Trading Cc	SMQ28-23-24_Supply and Delivery of 6 Ton Skip	R 37 823,50	15-Feb-24	Community Service	A formal quotation process was followed and the bid was advertised, the bid was also distributed to four potential bidders. However, only two quotations were received.
15-Feb-24	Sentraal-Suid Kooperasie Beperk	Supply of Board Bison 2750x1830x16mm	R 5 093,27	21-Feb-24	Infrastructure Services	Three potential bidders were invited however only 2 quotes was received, only one supplier complied with the specifications.
16-Feb-24	Sentraal-Suid Kooperasie Beperk	Panda Security Gate (White) 1980(H)x2070(W)	R 10 215,26	23-Feb-24	Infrastructure Services	Three potential bidders were invited however only 1 quote was received.
15-Feb-24	NCIS Surveillance (Pty) Ltd	Lobour assesment of Swellie watch cameras per site.	R 2 800,00	16-Feb-24	Community Service	Three potential bidders were invited however only 2 quotes was received.

16-Feb-24	DS Alien Plant Cleaning Services	Construction of concreteloading dock at Swellendam stores	R 8 270,00	16-Feb-24	Finance	Three potential bidders were invited however only one quotes was received
21-Feb-24	Flo Specialized Product Solutions	Supply & Delivery of electrical materials	R 26 142,95	23-Feb-24	Finance	Four potential bidders were invited however only one quotes was received
23-Feb-24	Swellendam Meubel Mark	Intallation of roller blinds at financial offices (Wolfardt Building)	R 3 611,00	23-Feb-24	Infrastructure Services	Three potential bidders were invited however only two quotes was received
26-Feb-24	Sentraal-Suid Kooperasie Beperk	Supply of materials (Store items)	R 14 059,88	28-Feb-24	Finance	Three potential bidders were invited however only two quotes was received
26-Feb-24	VW Civil Engineering Suppliers Cc	Supply & Delivery of materials (Store items)	R 20 343,50	28-Feb-24	Finance	Three potential bidders were invited however only one quotes was received
			R 181 002,92			

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
23-Feb-24	INCA Portfolio Managers	Review and update of the long-term financial plan incorporating a three-year MTREF Budget ending 30 June 2026	R140 300,00	FIN	BUDGET	National Treusury Guidelines provided single-source selection in exceptional cases of consulting services. The justification for single-source selection must be examined in the context of the overall interest of the municipality and the project. Single-source selection may be appropriate only if it presents a clear and advantage over competition: i) for services that represent a natural continuation of previous work carried out by the consultant, and continuity of downstream work is essential; ii) where rapid selection is essential; iii) for very small appointments; iv) Where only one consultant is qualified or has experience of exceptional worth for the project. This service provided has developed the previous long-term financial plan. This means that the current methodology and data set is with the current service provider, thus only a single-source can be obtained for the update of the current plan.	36(1)(a)(v) - Impractical or Impossible
			140 300				

- 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	R4 198
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	R64 643
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	R4 780
9.	Jacobus Cornelius Kouter	J. Kouter	Brother	Swellendam Mun	-
10.	Jonathan Oktober	M Oktober	Wife	Swellendam Mun	R3 270
11.	Kemanzi (Pty) Ltd	J. du Toit	Wife	Dept of Education	R108 450
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.	Matthys Gilomee	Patricia Giliomee	Wife	City of Cape Town	R28 000
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	R22 811
19.	Swellendam Bestuurskool (Pty) Ltd	R. Blauw	Son	Dept. of Education	R3 000
20.	AH Windvogel	R. Windvogel	Mother	Parliament	-
21.	Red Ant Security and Relocation Services	N. Lesiela	Wife	Mogale City Mun	-
Total					R239 151

- 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