

SWELLEN DAM MUNICIPALITY



SUPPLY CHAIN MANAGEMENT MONTHLY REPORT

June 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, 2023

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	2	n/a
2.	No of Bid Evaluation Committee meetings	6	n/a
3.	No of Bid Adjudication meetings	6	n/a
4.	No of orders processed/placed	175	R6 187 721
5.	No of formal quotations awarded (R30 000 to R300 000)	4	R44 253
6	No of tenders awarded above R300 000	8	R14 340 509
7.	No of awards above R30 000 (CIDB)	2	R4 781 779
8.	No of contract price increases approved	0	n/a
9.	No of contracts amended i.t.o MFMA circular 62	6	R1 613 108
10.	No of contracts amended i.t.o s.116(3) of MFMA	-	-
11.	No of Deviations	1	R4 045
12.	No of minor breaches	-	-
13.	No of stock receipts	78	R210 162
14.	No of stock issued	486	(R225 884)
15.	No of stock disposal	-	-
16.	No of stock take	1	R6 009 022
17.	No of requests received for disposal	3	R106 720

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
SMQ53/23/24	Sentraal-Suid Kooperasie	Supply of Airtime Vouchers	R244 500.00	36 months	7
SMT32/23/24	CAB Holdings (Pty)Ltd	Printing and Distribution of Municipal Accounts	R4 505 303.52	36 months	1
SMT39/23/24	De Cock & Cronje (Pty)Ltd	Maintenance Of Medium Voltage Switchgear	R650 524,14	36 months	2
SMT42/23/24	Kader Technologies (Pty)Ltd	Supply, Delivery & Offload of Streetlight Poles	R246 489,69	36 months	1
SMT42/23/24	Powercomm Solutions (Pty)Ltd	Supply, Delivery & Offload of Streetlight Poles	R146 773,00	36 months	1
SMT42/23/24	VMR Engineering (Pty)Ltd t/a Quadrant Engineering	Supply, Delivery & Offload of Streetlight Poles	R112 325,00	36 months	1
SMT44/23/24	Umzali Civils(Pty)Ltd	Upgrading of Silo Wastewater Pump station	R3 013 852,54	1 month	1
SMT45/23/24	Benver Civils and Plant Hire	Upgrade of Rietkuil Water Supply and Related Infrastructure	R1 767 926,05	3 months	1
SMT49/23/24	Wastewant Plastics (Pty) Ltd	Supply, Delivery and Offload of Refuse Bags for a 3-Year Period	R3 897 315.00	36 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 June 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;	7	R288 742
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 impartial or impossible to follow the process;	1	R4 045
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
23-May-24	Turfmaster Bellville	1x Chain saw (9670623-15)61	R 7 990,00	04-Jun-24	Community Service	Three potential bidders were invited however only two quotes was received
10-Jun-24	Kaap Agri Beperk	1x Hitec Altitude V ultra IWP wide DL8, 2x Hitec Altitude V ultra IWP wide DL7, 1x Hitec Altitude V ultra IWP wide DL4	R 7 400,03	10-Jun-24	Finance	Three potential bidders were invited however only one quote was received
14-Jun-24	Sentraal-Suid Kooprasie Beperk	1x Fridge freezer 154L white Hisense H225 & 1x Microwave 30L metallic Defy DM0390	R 6 230,24	14-Jun-24	Community Service	Three potential bidders were invited however only two quotes was received
19-Jun-24	Harvey World Travel	Vlugte CPT-PTA, PTA-CPT & Verblyf 1 aand	R 5 689,00	19-Jun-24	Infrastructure Services	Three potential bidders were invited however only two quotes were received
12-Jun-24	Lexis Nexis Risk Management (Pty) Ltd	Deeds Dump for Municipal (accounts) erven	R 13 932,30	20-Jun-24	Finance	Three potential bidders were invited however only two quotes was received
21-Jun-24	Swellendam Muebelmark	70x120 Waltex Berberpoint matte	R 3 000,00	21-Jun-24	Finance	Three potential bidders were invited however only one quote was received
10-May-24	Sentraal-Suid Kooprasie Beperk	Supply of Airtime Vouchers for a Three (3) Year Period	R 244 500,00	25-Jun-24	Stores	A formal quotation process was followed and the bid was advertised. Three potential bidders were invited to quote. Furthermore, the bid was also distributed to Twenty potential bidders. However, only two quotation 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
25-Jun-24	T. Sedgwick Holding (Pty) Ltd	Supply and delivery of Water Kabeljoubank infantia from 01 November 2023 to 30 June 2024	R4 044,56	INF	Water Services	The agreement was previously amended for a 4-month period from 01 July 2023 to 31 October 2023 in terms of MFMA Circular 62, to finalise the tender process. However, the tender process was cancelled on 20 November 2023 as no acceptable bids were received. No new request was received from the user department to amend the agreement. A deviation process was followed to deliver the services from 01 November 2023 - 30 June 2024.	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	-
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	R 96 600
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	-
9.	Jacobus Cornelius Kouter	J. Kouter	Brother	Swellendam Mun	-
10.	Jonathan Oktober	M Oktober	Wife	Swellendam Mun	-
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.	Matthys Gilomee	Patricia Giliomee	Wife	City of Cape Town	-
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	-
21.	Red Ant Security and Relocation Services	N. Lesiela	Wife	Mogale City Mun	-
Total					R96 000

- 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