

SWELLEN DAM MUNICIPALITY



SUPPLY CHAIN MANAGEMENT MONTHLY REPORT

July 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, 2024

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	7	n/a
3.	No of Bid Adjudication meetings	2	n/a
4.	No of orders processed/placed	307	R22 435 840
5.	No of formal quotations awarded (R30 000 to R300 000)	-	-
6.	No of tenders awarded above R300 000	4	R11 067 298
7.	No of awards above R30 000 (CIDB)	1	R7 654 946
8.	No of contract price increases approved	3	n/a
9.	No of contracts amended i.t.o MFMA circular 62	1	R221 802
10.	No of contracts amended i.t.o s.116(3) of MFMA	-	-
11.	No of Deviations	4	R1 517 869
12.	No of minor breaches	1	R7 510
13.	No of stock receipts	48	R128 685
14.	No of stock issued	1 211	(R695 365)
16.	No of stock disposal	-	-
17.	No of stock take	1	R4 946 942
18.	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	Contract Period	BBBEE Level
SMT43/23/24	ARB Electrical Wholesalers	Supply, Delivery & Offload of Copper Clad Steel (CCS) Conductor Cable for a 3-Year Period	R1 161 929,27	36 months	1
SMT47/23/24	Benver Civils and Plant Hire	Upgrading of Railton Gravel Roads and Stormwater Phase 3_Portion 1	R7 654 946,25	6 months	1
SMT51/23/24	Riversdale Electric and General Dealers CC	Provision of Fault Finding & Repairs Services of High Voltage Cable	R906 922,75	36 months	4
SMT04/24/25	Merafe Holdings (Pty)Ltd	Supply and Delivery of a Digger Loader	R1 343 500,00	Once-off	1
SCMD002/24/25	TMT - Traffic Management Technologies	Provision of Traffic Management System - Cameras for Speed	R1 500 000,00	3 months	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 for the month is indicated in the table below:

Nr	SCM Regulation	Nr	Amount
1.	SCM Regulation 17 where three (3) quotations could not be obtained;	4	R299 153
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;	4	R1 517 869
7.	SCM Regulation 36(1)(b) is applicable where the accounts officer can verify minor breaches;	1	R7 510

6.3 The reasons for the deviations above are as follows:

6.3.1 Verbal and formal quotations, section 17 of the SCM regulation:

Date Requested	Supplier	Quotation Details	Amount	Approved Date	Directorate	Reasons
12-Nov-23	LC Eksteen	Supply and Delivery of water to Infanta (Moddergat, Aasbank) for a three (3) year period.	R263 578,08	07-Jul-24	Infrastructure	A formal quotation process was followed, three(3) potential bidders were invited to quote and the bid was advertised. The bid was further distributed to fifteen (15) potential bidders. However, only two quotations were received.
24-Jul-18	Forms Media Independent	Supply and Delivery of 1 x High back chair with swivel & tilt mechanism and flexi arms & 4 x Flamingo operator chair highback with clutch mechanism, nylon base in black	R 9 104,55	24-Jul-22	Finance	Three potential bidders were invited however only two quotes were received
22-Jul-24	Agrimark Operations	Supply and Delivery of 18 x PolyCarb Roof sheets Opel white 2.5m	R 9 449,98	25-Jul-24	Traffic	Three potential bidders were invited however only two quotes were received
30-Jul-24	Forms Media Independent	Supply and Delivery of 100 x Sewer pump books	R 17 020,00	31-Jul-24	Finance	Three potential bidders were invited however only one quote was 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	Sedgwick Holding (Pty) Ltd	Supply and delivery of Water Kabeljoubank Infanta from 01 July 2024 to 31 December 2024	R3 033,43	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 July 2024 - 31 December 2024.	36(1)(a)(v) - Impractical or Impossible
28-Jun-24	TMT - Traffic Management Technologies	Provision of Traffic Management System - Cameras for Speed	R1 500 000,00	Com	Traffic	Currently busy with the tender process. AARTO implementation process was the delay, it was constantly postponed. Different phases of implementation did not take place as scheduled. A deviation process was followed to deliver the services from 01 July 2024 until the tender process is complete.	36(1)(a)(v) - Impractical or Impossible
12-Jul-24	Magnacorp 174cc t/a Turfmaster Bellville	Provision of repair services for 2 x poles pruners and 1 x scag machine	R7 335,11	Com	Parks	A specialist contractor was approached to do a strip and quote for the SCAG machine, as the fault could not be identified by the service provider currently on contract. The current service provider also could not source any parts for the pole pruners. Magnacorp is the only service provider who had parts in stock as the particular model is discontinued.	36(1)(a)(v) - Impractical or Impossible
22-Jul-24	Institute of Waste Management of Southern Africa	Provision of conference ticket - IWSA	R7 500,00	Com	Waste	The IWSA conference is one of a kind event and is rare that it comes to South africa. This year the theme is waste management.	36(1)(a)(v) - Impractical or Impossible
30-Jul-24	Power Meter Technics (Pty) Ltd	Installation of an electricity meter	R7 509,50	INF	Elec	The work required was not in the scope of work of SMT30/20/21 for the installation of an electricity meter. The SCM unit made an oversight error and approved the requisition and an order was processed. The oversight error constitutes a minor breach in the procurement process as it can be seen as a breach of technical nature, Human error.	36(1)(b) - to ratify any minor breach of the procurement process which are of a technical nature

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 Municipality	-
2.	Bazil Koopman	B. Koopman	Son	Dept of Education	-
3.	Desmond Prins	J. Francis	Daughter	Dept of Health	-
4.	Durcharme Consulting	L.Mbekeni	Wife	Department of Rural Development and Land Reform	R205 850
5.	Gert Coetzee	L. Coetzee	Wife	Swellendam Municipality	-
6.	Hein's Auto Electrical	J. de Jager	Brother	Swellendam Municipality	R33 911
7.	Hermanus Jacobus Swart	F. Swart	Brother	Swellendam Municipality	-
8.	Jarsiem Carelse	W. Carelse	Son	Swellendam Municipality	R4 420
9.	Jacobus Cornelius Kouter	J. Kouter	Brother	Swellendam Municipality	-
10.	Jonathan Oktober	M Oktober	Wife	Swellendam Municipality	-
11.	Kemanzi (Pty) Ltd	J. du Toit	Wife	Dept of Education	R173 520
12.	Khoisan Cave Holdings (Pty) Ltd	G. Jansen	Son	Swellendam Municipality	-
13.	LSL Enterprises	G. Lebazi	Sister	Swellendam Municipality	-
14.	Masakane Trading (Pty) Ltd	Q. Martin	Husband	SAPS	-
15.	Molatuseli (Pty) Ltd	A Sidloyi	Son	Swellendam Municipality	-
16.	Paul Cupido	T. Cupido	Wife	Swellendam Municipality	-
17.	Phillip Crafford T/A Crafford Blinds	J. Crafford	Wife	Swellendam Municipality	-
18.	RD Beukes	D. Beukes	Mother	Swellendam Municipality	R10 095
19.	Swellendam Bestuurskool (Pty) Ltd	R. Blauw	Son	Dept. of Education	-
Total					R428 619

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