

SWELLENDAM MUNICIPALITY



SUPPLY CHAIN MANAGEMENT MONTHLY REPORT

September 2024

TABLE OF CONTENTS

1.	ABBREVIATIONS	3
2.	PURPOSE OF THIS POLICY	3
3.	LEGISLATIVE FRAMEWORK	3
4.	PROCUREMENT STATISTICS FOR THE MONTH	3
5.	AWARDS ABOVE R 100 000 REPORTED TO NATIONAL TREASURY	4
6.	SCM DEVIATIONS	4

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	4	n/a
2.	No of Bid Evaluation Committee meetings	3	n/a
3.	No of Bid Adjudication meetings	3	n/a
4.	No of orders processed/placed	353	R17 601 924
5.	No of formal quotations awarded (R30 000 to R300 000)	1	R67 748
6.	No of tenders awarded above R300 000	4	R12 032 622
7.	No of awards above R30 000 (CIDB)	1	R8 574 000
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	3	R41 849
12.	No of minor breaches	-	-
13.	No of stock receipts	127	R462 467
14.	No of stock issued	862	(R450 918)
16.	No of stock disposal	-	-
17.	No of stock take	1	R5 538 159
18.	No of requests received for disposal	2	R5 369

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
SMT41/23/24	Bantom Performance Centre	Supply and Delivery of Liquid Aluminium for Water Purification	R2 865 333,89	36 months	1
SMT01/24/25	Umzali Civils	Upgrading Swellendam Bulk Water - Gravity Main Water Treatment Plant to Railton Pump Station	R8 574 000,00	8 months	1
SMT09/24/25	Infintix Connect (Pty)Ltd	Supply and Delivery of Computers	R253 546,68	6 weeks	1
SMT13/24/25	Toyota South Africa Motors (Pty)Ltd	Supply and Delivery of a Light Delivery Vehicle	R339 781,65	3 months	3

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;	5	R30 027
2.	SCM Regulation 36(1)(a)(i) dispensing of the official procurement process in the case of an emergency;	1	R23 748
3.	SCM Regulation 36(1)(a)(ii) where goods or services are available from a sole supplier;	1	R8 300
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	R9 801
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 17 of the SCM regulation:

Date Requested	Supplier	Quotation Details	Amount	Approved Date	Directorate	Reasons
04-Sep-24	Temmers Algemene Dienste	Repair of damaged property (materials and labour) at Buffeljags community hall	R 4 069,00	06-Sep-24	Com	Three potential bidders were invited however only two quotes were received
06-Sep-24	Key-Fix	Repair of walk in safe	R 2 750,00	11-Sep-24	INF	Three potential bidders were invited however only one quote was received
23-Sep-24	Stanley taxis	Transport services for 30 people from Barrydale to Swellendam and back for Phelophepha Health train on 26 Sep 2024 and 02 oct 2024	R 3 000,00	25-Sep-24	MM	Three potential bidders were invited however only two quotes were received
23-Sep-24	Wessels Vervoer	Transport services for 30 people from Barrydale to Swellendam and back for Phelophepha Health train on 25 Sep 2024 and 01 Oct 2024	R 3 600,00	23-Sep-24	MM	Three potential bidders were invited however only two quotes were received
27-Sep-24	AH Marais Seuns	Supply and Delivery of 2400x Bricks build, 5x paint acrylic, 50x Saddles 16mm, 40x Saddles 20mm, 400x Cable ties 300mm x 4,6mm, Bolt and nuts 8mmx40mm	R 16 607,81	27-Sep-24	Finance	Four 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
11-Sep-24	AAD Truck & Bus	Service of Sewerage Truck (CCK19476)	R9 801,31	INF	Fleet	The truck is still under warranty, it is impractical to take the truck to our service provider as we can lose the warranty of the truck.	36(1)(a)(v) - Impractical or Impossible

11-Sep-24	Juno Corp (Pty) Ltd	Hire of Super Sucker Unit for the Sewer pump station clean up	R23 747,50	INF	Water	The time needed to complete the RFQ process will take long. The sewer pumpstations that needs to be cleaned is a critical process at the Waste Water Pump Stations, as it has a effect on the environment and human health. Foreign objects need to be removed from sewer pump stations, as the obstacles damages pumps and cannot be removed in any other mechanical way. Removing the items by hand risks, exposes persons to methane gasses which collects in sewer pumps.	36(1)(a)(i) - Emergency
16-Sep-24	Institute of Municipal Engineers of South Africa	IMESA Conference Cape Town - 05 - 08 November 2024	R8 300,00	INF	Civil	IMESA is the only organisation of its kind offering this conference. The CPD points that come with the conference is needed to retain professional registration with the engineering Council of South Africa (ECSA) which is a job requirement for the position of Senior Manager: Civil Engineering	36(1)(a)(ii) - Single provider

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	R9 650
3.	Desmond Prins	J. Francis	Daughter	Dept of Health	-
4.	Durcharme Consulting	L.Mbekeni	Wife	Department of Rural Development and Land Reform	R706 999
5.	Gert Coetzee	L. Coetzee	Wife	Swellendam Municipality	-
6.	Hein's Auto Electrical	J. de Jager	Brother	Swellendam Municipality	R38 218
7.	Hermanus Jacobus Swart	F. Swart	Brother	Swellendam Municipality	-
8.	Jarsiem Carelse	W. Carelse	Son	Swellendam Municipality	R4 560
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	R86 760
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	R11 135
19.	Swellendam Bestuurskool (Pty) Ltd	R. Blauw	Son	Dept. of Education	-
Total					R857 322

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	1
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