

SWELLEN DAM MUNICIPALITY



DIRECTORATE: FINANCIAL SERVICES

SUPPLY CHAIN MANAGEMENT

**3rd QUARTER IMPLEMENTATION REPORT FOR THE 2025/2026
FINANCIAL YEAR**

31 March 2026

INDEX

The scope of the implementation review will include the following:

1. Introduction
2. Policy
3. Delegations
4. Demand Management
5. Acquisition Management
6. The Bid Committee System
7. Deviations
8. Awards to Close Family Members of Persons in the Service of the State
9. Awards to persons in the service of the state
10. Reports above R100,000 as submitted to National Treasury
11. Logistics, Disposal and Risk Management
12. Recommendation

1. INTRODUCTION

This report is a summary of the implementation of the Supply Chain Management Policy as adopted by Council and highlights the implementation of Supply Chain Management in Swellendam Municipality. It is required by regulation 6(3) of the Supply Chain Management Regulations that the Accounting Officer submits a quarterly report on the implementation of Supply Chain Management to the Mayor to give effect to his oversight role. Following is a summary of the Supply Chain Management Implementation Report for the 3rd quarter in terms of the 2025/2026 financial year of Swellendam Municipality:

2. POLICY

The new SCM policy was reviewed and adopted by Council on 30 May 2025 and incorporates the latest SCM prescripts, as required by paragraph 3 of the SCM Regulations.

3. DELEGATIONS

SCM delegations are in place. The purpose of such delegations is to maximise administrative and operational efficiency and also provide adequate checks and balances in the municipality's Supply Chain Management function. The delegations were reviewed and approved by the MM on 30 June 2025.

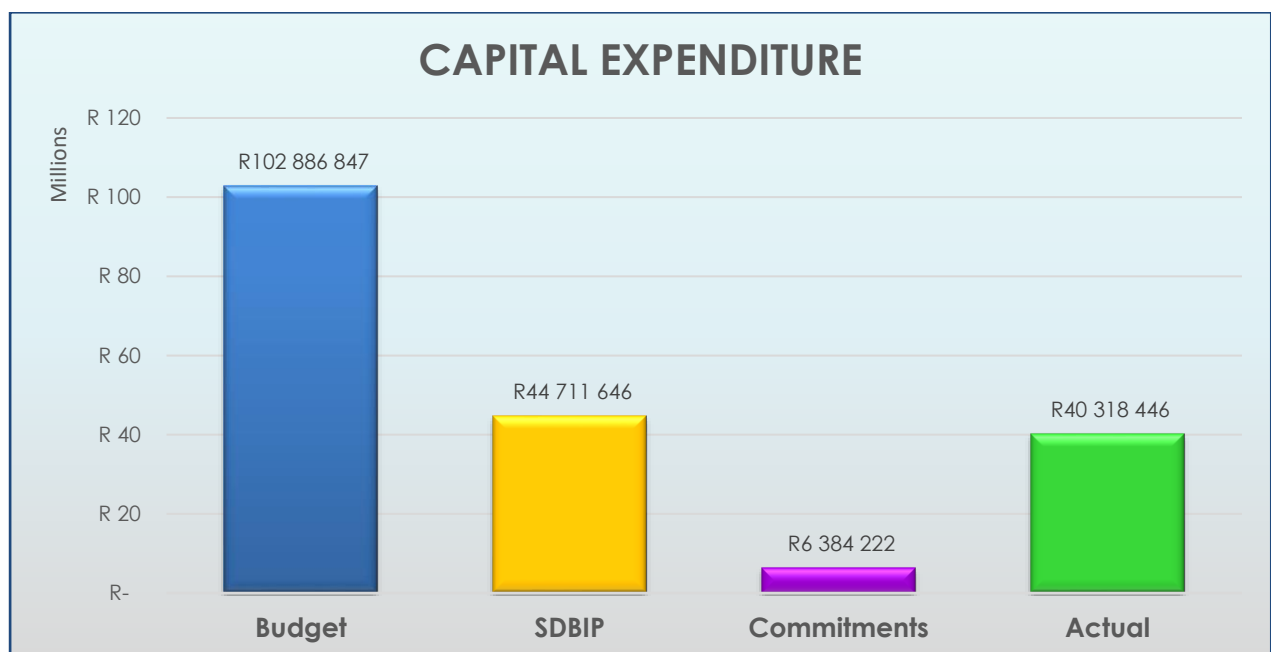
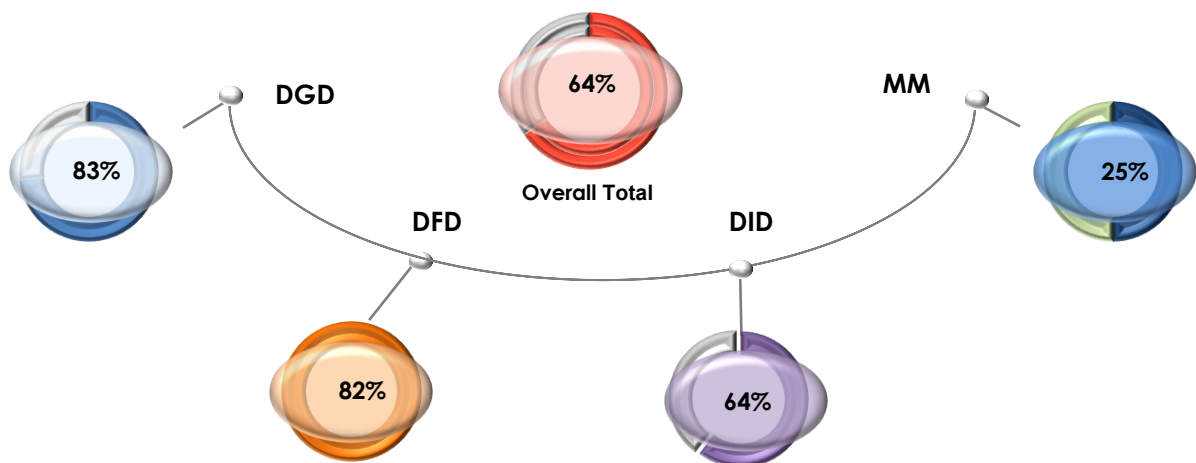
4. DEMAND MANAGEMENT

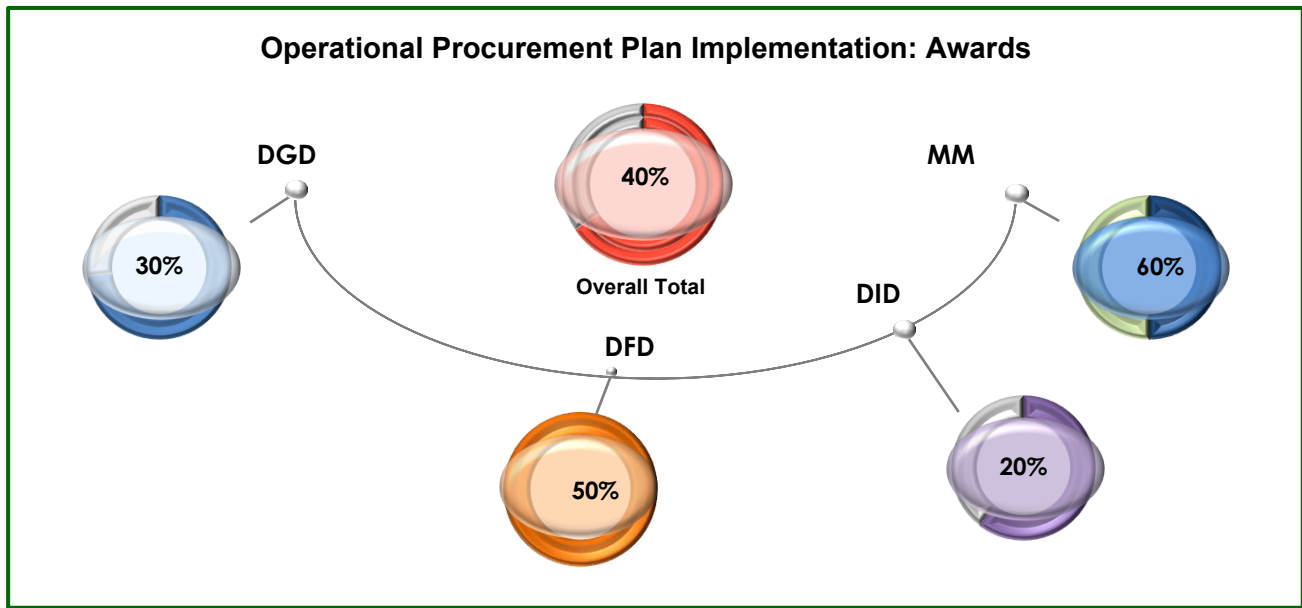
Preferred Suppliers Database

The Municipality is required by legislation to have and maintain a Database of Accredited Prospective Suppliers in order to ensure that all the procurement of goods and services for the Municipality is made through this Database. The Database has been developed from a manual one to a functional electronic Database of Prospective Suppliers maintained by the SCMU. Currently, there are 1961 suppliers registered on this Database which represent an increase of 20 suppliers from the last quarter. Service providers are also encouraged to register on the Central Supplier Database.

Procurement Planning Implementation: Capital

Capital Procurement Plan Implementation: Awards



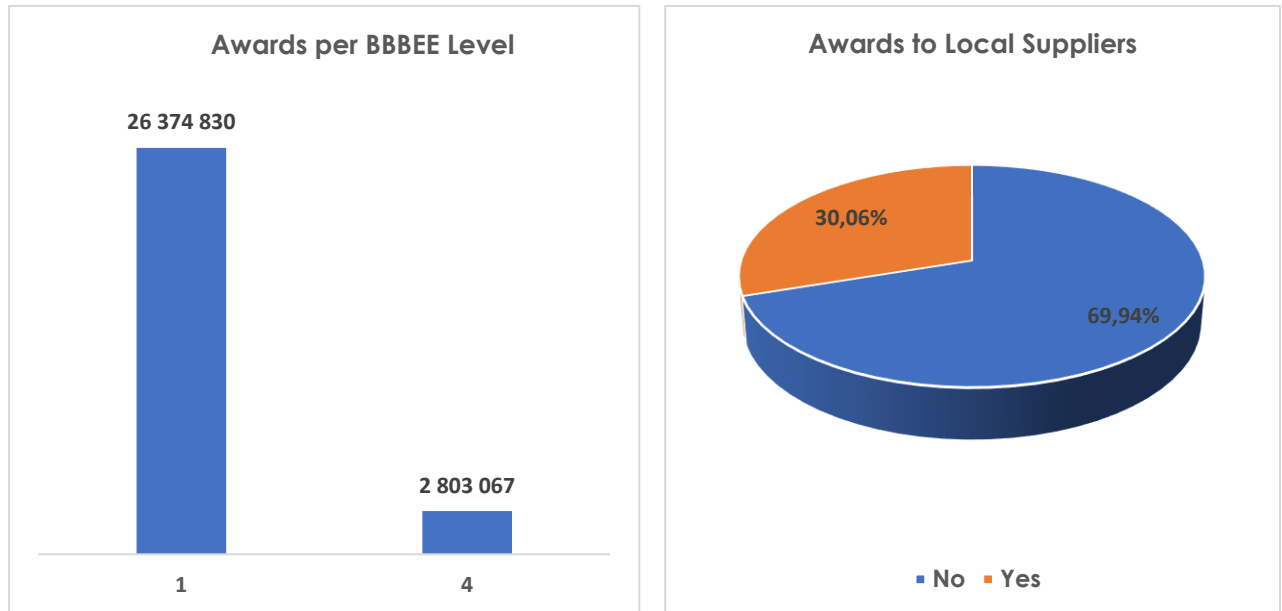
Operational Procurement Planning Implementation**5. ACQUISITION MANAGEMENT****Procurement Statistics**

Nr.	Process description	Total	Monthly average	Daily average	Value
1	No of BSC meetings	13	4	0,22	n/a
2	No of BEC meetings	12	4	0,20	n/a
3	No of BAC meetings	4	1	0,07	n/a
4	No of orders processed/placed	1017	339	16,95	R31 748 507
5	No of formal quotations awarded (R30k to R300k)	17	6	0,28	R1 723 812
6	No of tenders awarded above R300 000	13	4	0,22	R41 750 936
7	No of awards above R30 000 (CIDB)	7	2	0,12	R22 780 961
8	No of contract price increases approved	2	1	0,03	n/a
9	No of contracts extended i.t.o MFMA circular 62	7	2	0,12	R303 585
10	No of contracts extended i.t.o s.116(3) of MFMA	0	0	0,00	R0
11	No of Deviations	9	3	0,15	R164 706
12	No of objections	2	1	0,03	n/a
13	No of Regulation 17 approvals	28	9	0,47	R262 191
14	No of stock receipts	375	125	6,25	R1 529 867
15	No of stock issued	2792	931	46,53	-R1 708 578
16	No of stock disposal	0	0	0,00	R0
17	No of stock take	3	1	0,05	R5 834 757
18	No of requests received for disposal	0	0	0,00	R0

6. BID COMMITTEE SYSTEM

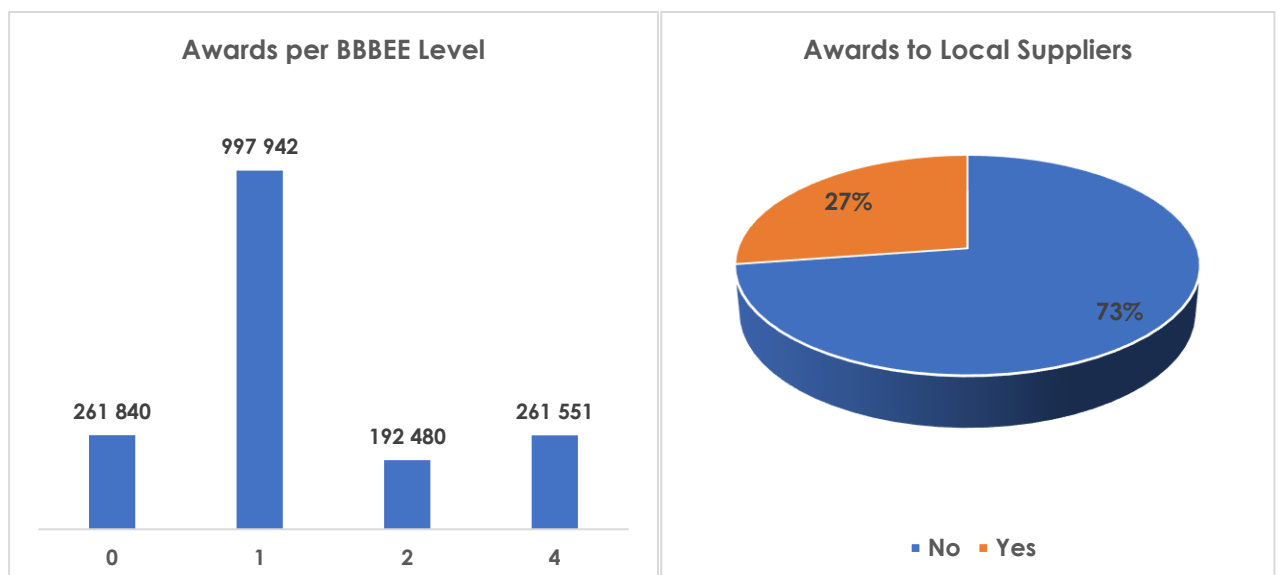
The Accounting Officer has appointed permanent members of the committees as well as secundis. Letters of Appointment, the Code of Conduct and Declaration of Interest have already been signed by the members and secundis of the committees.

Bids awarded



59% was awarded to Companies with women's ownership of 30% and more to the value of R17 201 992.

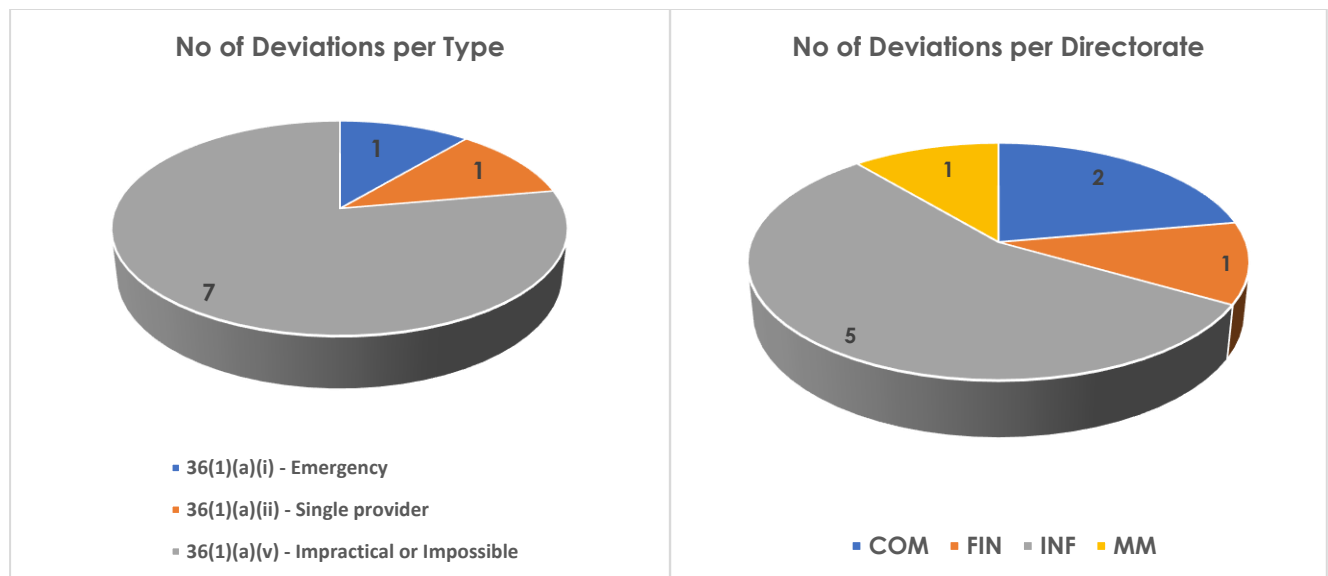
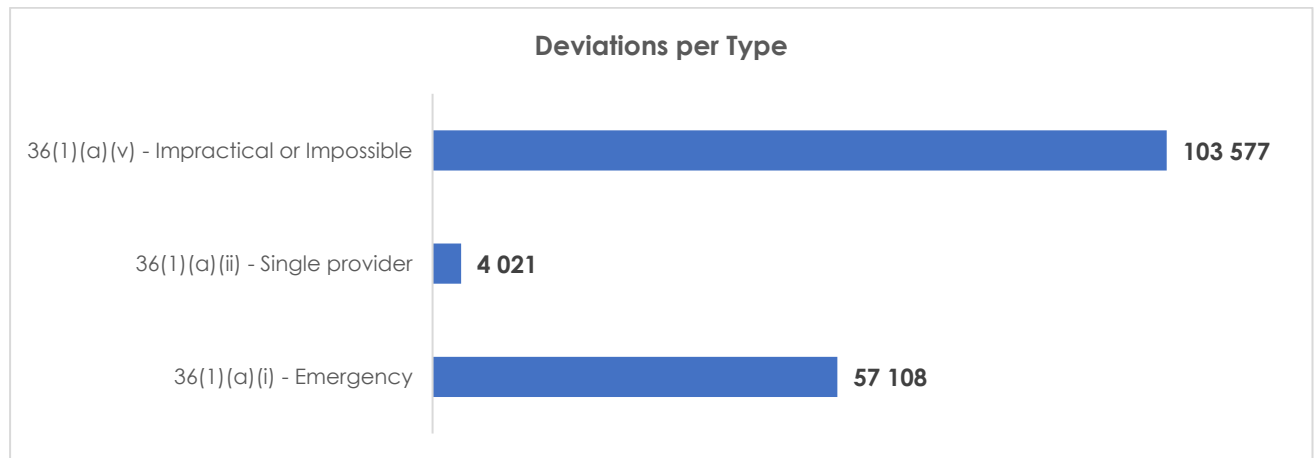
Formal Quotes >R30k awarded



62% was awarded to Companies with Women Ownership of 30% and more to the value of R1 061 218.

7. DEVIATIONS FROM PROCUREMENT PROCESSES

Please find statistics as well as a schedule of the deviations approved by the Accounting Officer during the 3rd quarter of the 2025/26 financial year:



Date	Supplier	Details	Amount	Dir	Reason	Type
09-Jan-26	AAD Truck	Service of refuse compactor (4th service interval at 1600 Hours. CCK 20222	R12 493,65	INF	The municipality has purchased a new refuse compactor for the department solid waste and the truck is under warranty and needs to be serviced at a registered Nissan dealer every 400 hours. The truck is currently on its 4th service interval 1600Hours. The truck needs to be serviced at a registered Nissan dealer for the warranty purposes.	36(1)(a)(v) - Impractical or Impossible
16-Jan-26	Trend Mania 1022 t/a Overberg lighting & Electrical	Assess and testing of airconditioning unit	R3 162,50	INF	The airconditioning unit need to be assessed and tested to determine whether it can be repaired. It is impractical to ask 3 different service providers to remove, assess, test and provide a report on an air conditioning unit. Furthermore, it	36(1)(a)(v) - Impractical or Impossible

					will not be cost effective to pay for 3 different quotes for the testing and assessment of the air conditioning unit.	
13-Feb-26	Truvelo Africa	2 x Cable detector / sensor for portable K53 motorcycle equipment	R4 020,58	COM	This a sole supplier for this type of equipment. Any warranties on Truvelo instruments will expire if instruments are tampered with or maintained/serviced by any other company.	36(1)(a)(iii) - Single provider
25-Feb-26	Hoek's Toyota	Provision of 90 000KM Service on Toyota Starlet CCK8634	R4 586,45	INF	The Vehicle has an engine warranty and need be serviced at a registered Toyota Dealer to maintain the warranty conditions	36(1)(a)(v) - Impractical or Impossible
04-Mar-26	Swellendam Secondary School	Provision of 5 blazers for disadvantaged children	R3 000,00	MM	It is impractical to request three quotations since the uniform and badge are unique to the school.	36(1)(a)(v) - Impractical or Impossible
17-Mar-26	CSX	Servicing of Tattle tape equipment at Libraries	R11 212,50	COM	Due to the specialized and proprietary nature of the equipment, servicing can only be performed by authorized supplier. CSX specializes in the servicing and maintenance of tattle tape equipment. The supplier has specialized equipment, knowlegde and technicians to perform the servicing of the equipment. Obtaining multiple quotations would be impractical without risking equipment damage.	36(1)(a)(v) - Impractical or Impossible
18-Mar-26	AAD Truck	Provision of 2000 hour Service on Nissan UD 330	R29 122,19	INF	The truck is under warranty and need to be serviced at a registered Nissan dealer.	36(1)(a)(v) - Impractical or Impossible
19-Mar-26	Wozani Berg Gasoline	The Supply of Diesel Fuel 50ppm for the period 16 March 2026 to 31 May 2026	R57 107,88	FIN	It is common knowlegde that due to the ongoing Middle East conflict there is growing volatility in global energy markets. This volatility has caused diesel shortages at stations across South Africa, including with our current supplier Sentraal-Suid Koopererasie Bpk. Another supplier of Diesel Swellendam, namley Wozani Berg Gasoline, have indicated that they have diesel available and are able to supply to the Municipality. It should be noted that Wozani Berg Gasoline was awarded the contract SMT13/25/26 for the supply of diesel fuel, however it only comes into effect from 01 June 2026. It should further be noted that SSK had no diesel on 18/03/26 and only expected 5000L delivery. Ongoing engagement with suppliers are conducted but service delivery cannot be compromised.	36(1)(a)(i) - Emergency
20-Mar-26	C De Villiers Electrical & Overberg Lighting and Electrical	Provision of 2 x Vouchers of R20 000,00 each.	R40 000,00	INF	The EEDSM grant conditions require that 1% of the funding be utilised for energy efficient awareness. As per council resolution, it was approved that a voucher of R20 000 be donated to Barrydale Primary School and Suurbraak Primary School for the purchase of energy efficient equipment. The two suppliers were identified. It	36(1)(a)(v) - Impractical or Impossible

					would be impractical to follow a procurement process.	
			R164 705,75			

7.1. SCM REG. 17 APPROVALS

Date Requested	Supplier	Quotation Details	Amount	Approved Date	Dir	Reasons
18-Dec-25	Z4P	Laundry Services for municipal branding (banners and gazebo)	R 4 750,00	07-Jan-26	MM	Three bidders were approached and only one quote was received
05-Jan-26	SSK	Supply and delivery of various materials and supplies	R 5 501,65	05-Jan-26	FIN	Three bidders were approached and only two quotes were received
05-Jan-26	Agrimark Operations Ltd	Supply of Cable Tie Nylon	R 2 119,92	05-Jan-26	FIN	Three bidders were approached and only two quotes were received
15-Jan-26	Flo Specialized	Supply and delivery of various materials and supplies	R 21 681,00	16-Jan-26	FIN	Four bidders were approached and only two quotes were received
21-Jan-26	Agrimark Operations Ltd	Supply and Delivery of a 154L Fridge	R 3 998,55	22-Jan-26	INF	Three bidders were approached and only two quotes were received
27-Jan-26	Introstat (Pty) Ltd	Supply and Delivery of computer equipment	R 11 244,70	27-Jan-26	FIN	Three bidders were approached and only one quote was received
04-Feb-26	Superspar	Supply of Grocery Items	R 2 672,41	05-Feb-26	MM	Three bidders were approached and only one quote was received
05-Feb-26	Agrimark	Supply of Redback work shoes	R 2 699,99	05-Feb-26	INF	Four bidders were approached and only one quote was received
11-Feb-26	Superspar	Supply of Grocery Items	R 5 387,10	12-Feb-26	MM	Three bidders were approached and only one quote was received
11-Feb-26	Kaap Agri	Supply and delivery of various materials and supplies (Painting supplies for Stores)	R 16 465,69	13-Feb-26	FIN	Three bidders were approached and only two quotes were received
11-Feb-26	Midas	Supply and delivery of Stecto Compressor, 5 piece coupler ser, Spray gun and Hose Spiral	R 3 335,00	17-Feb-26	TRAF	Four bidders were approached and only one quote was received
11-Feb-26	SSK	Supply and delivery of steel products	R 4 246,39	17-Feb-26	COM	Three bidders were approached and only two quotes were received
19-Feb-26	Tosas	Supply of 10 drums of KMS 65% Cationic Pre-mix grade	R 26 050,00	19-Feb-26	INF	Four bidders were approached and only one quote was received
24-Feb-26	Agrimark	Supply and delivery of a Fridge, Microwave and Vacuum Cleaner	R 7 147,55	27-Feb-26	FIN	Four bidders were approached and only two quotes were received
27-Feb-26	N2 Civils	Supply and Installation of new safety gate at checkers taxi rank toilets	R 3 800,00	05-Mar-26	INF	Three bidders were approached and only one quote was received

02-Mar-26	N2 Civils	Provision of Small Building works at Rallton Community Hall Kitchen	R 17 300,00	05-Mar-26	COM	Three bidders were approached and only two quotes were received
10-Mar-26	Z4P (Pty) Ltd	Provision of Catering Services for Library Week from 16-19 March 2026	R 10 560,00	10-Mar-26	COM	Four bidders were approached and only two quotes were received
03-Mar-26	Agrimark	Supply and Delivery of materials for replacement of door in Yard	R 9 009,91	11-Mar-26	INF	Three bidders were approached and only two quotes were received
12-Mar-26	Swellendam Begrafnis Dienste	Provision of Burial Services	R 3 299,00	12-Mar-26	COM	Three bidders were approached and only one quote was received
05-Mar-26	SSK	Supply and delivery of a chain block	R 2 851,93	12-Mar-26	INF	Three bidders were approached and only two quotes were received
13-Mar-26	TVM Konstruksie	Hire of a Grader	R 28 635,00	13-Mar-26	INF	Three bidders were approached and only two quotes were received
11-Mar-26	Swellendam Grassnyers	Supply and delivery of 3 x Husqvarna 541 or equivalent brush cutters	R 23 100,00	17-Mar-26	COM	Three bidders were approached and only one quote was received
18-Mar-26	AH Marais	Supply and of Various Tools and Equipment	R 7 744,00	24-Mar-26	INF	Three bidders were approached and only two quotes were received
18-Mar-25	Agrimark	Supply of a tile cutter	R 2 265,99	26-Mar-26	INF	Three bidders were approached and only two quotes were received
26-Mar-26	Langeberg Teels	Supply and delivery of materials and supplies for tiling of floor - Municipal House on yard	R 6 941,00	26-Mar-26	INF	Three bidders were approached and only two quotes were received
23-Mar-26	Take Note Trading	Supply and Delivery of a PG Clamp	R 2 304,60	26-Mar-26	FIN	Three bidders were approached and only two quotes were received
25-Mar-26	Insimbi Security Services	Provision for Shotgun Training	R 22 540,00	30-Mar-26	MM	Three bidders were approached and only one quote was received
27-Mar-26	Swellendam Meubelmark	Supply and Installation of Belgotex Berberpoint	R 4 539,88	31-Mar-26	FIN	Three bidders were approached and only two quotes were received
			R 262 191,26			

8. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

In terms of paragraph 45 of the Supply Chain Management Policy of Council, awards to close family members of persons in the service of the state must disclose particulars of awards of more than R 2000 in the Annual Financial Statements. The following bids were awarded to a person who is a family member of a person in the service of the state:

Nr	Supplier	Family member	Relationship	Institution	Jan	Feb	Mar	Total
1.	AH Windvogel	MPL R. Windvogel	Mother	Provincial Legislature	-	-	-	-
2.	Bazil Koopman	B. Koopman	Son	Dept of Education	R1 980	-	R1 980	R3 960
3.	Gert Coetzee	L. Coetzee	Wife	Swellendam Municipality	-	-	-	-
4.	Hein's Auto Electrical	J. de Jager	Brother	Swellendam Municipality	-	-	-	-
5.	Kemanzi (Pty) Ltd	J. du Toit	Wife	Dept of Education	R90 321	-	R50 000	R140 321

6.	Parkers and Partners (Pty) Ltd	K. Juries	Stepson	Swellendam Municipality	-	-	-	-
7.	Masakane Trading (Pty) Ltd	Q. Martin	Husband	SAPS	R1 985	-	-	R1 985
8.	E. Vermaak	J. Vermaak	Wife	Dept of Health	-	-	-	-
9.	Desmond Prins	J. Francis	Daughter	Dept of Health	-	-	-	-
10.	Hermanus Jacobus Swart	F. Swart	Brother	Swellendam Municipality	-	-	-	-
11.	Jacobus Cornelius Kouter	J. Kouter	Brother	Swellendam Municipality	-	-	-	-
12.	RD Beukes	D. Beukes	Mother	Swellendam Municipality	-	-	-	-
13.	Swellendam Bestuurskool (Pty) Ltd	R. Blauw	Son	Dept. of Education	-	R2 800	-	R2 800
14.	AgriTech CC T/A Autozone	L. Baransky	Wife	Swellendam Municipality	R3 582	-	-	R3 582
15.	Phillip Crafford T/A Crafford Blinds	J. Crafford	Wife	Swellendam Municipality	-	-	-	-
16.	Jarsiem Carelse	W. Carelse	Son	Swellendam Municipality	R3 966	-	-	R3 966
17.	Durcharme Consulting	L.Mbekeni	Wife	Dept of Rural Development and Land Reform	-	R97 400	R84 942	R182 342
Total					R340 856			

9. AWARDS TO PERSONS IN THE SERVICE OF THE STATE

In terms of the Council's Supply Chain Management Policy, paragraph 44, the municipality is prohibited from doing business with any person in the service of the state.

None

10. REPORTING OF AWARDS ABOVE R100, 000

In terms of MFMA circular 34, all awards above R100 000.00 must be reported to the Provincial and National Treasury on a monthly basis. The following awards were reported for the 3rd quarter of the 2025/26 financial year:

Contract details					Premium Value Paid		B-BBEE Status Level of Contributor	Method of procurement
Contract reference	Service provider/ Supplier	Contract Description	Total value of contract	Lowest Acceptable Bid Value	Premium Value Paid	Premium % Paid	Level	Quotation/ Competitive Bidding/ Deviation
SMQ31/25/26	Memotek Trading Cc	Supply and Delivery of Trapezoidal Ditch Liners to Barrydale	R118 973,00	R118 973,00	0,00	0,00	1	Formal Quotation
SMT16/25/26	Sparks & Ellis Uniforms	Supply and Delivery of Traffic Uniform for a 3 year period	R488 250,40	R488 250,40	0,00	0,00	1	Tender

SMT19/25/26	All Terrain Services and Equipment (Pty)Ltd	Supply & Delivery of a 12M Mobile Cherry Picker Trailer to Swellendam Municipality	R701 395,35	R701 395,35	0,00	0,00	2	Tender
SMT24/25/26	Matimba Yeru Energy	The Supply, Delivery Of High Mast Led Lights As And When Requirement Basis For A Three-Year Period For Swellendam Municipality	R1 250 535,00	R1 250 535,00	0,00	0,00	1	Tender
SMT09/25/26	Brasika Consulting (Pty) Ltd	Provision of Specialist Legal Services (MFMA, SCM and Related Services)	R719 883,36	R719 883,36	0,00	0,00	4	Tender
SMT25/25/26	J and E Communications	Provision of Radio Repeater Services for a Three-year Period	R128 087,25	R128 087,25	0,00	0,00	4	Tender
SMQ36/25/26	Nexia SAB&T	Provision Of External Quality Assessment Services For The Review Of The Swellendam Municipality Internal Audit Function	R178 500,00	R178 500,00	0,00	0,00	1	Formal Quotation
SMQ23/25/26	Dynamic R Consultants (Pty)Ltd	Construction of Four Masonry Bins in Barrydale	R239 500,00	R239 500,00	0,00	0,00	1	Formal Quotation
SMQ28/25/26	Potgieter Broers Grondverskuiwing (Edms)Bpk	Hiring of Excavator, Roller, Dumper and Bulldozer - Barrydale	R209 540,00	R209 540,00	0,00	0,00	0	Formal Quotation
SMT15/25/26	Nkutwala Construction	Upgrading of Silo Wastewater Pump Station Phase 2	R2 803 066,86	R2 803 066,86	0,00	0,00	4	Tender
SMT33/25/26	Key Spirit Trading 218	Supply and Delivery of a 7 Ton Truck	R999 250,00	R999 250,00	0,00	0,00	1	Transversal Tender
SMQ57/25/26	EM Shelving & Racking	Supply, Delivery and Installation of a Structural Mezzanine Floor	R166 629,25	R166 629,25	0,00	0,00	2	Transversal Tender
SMQ65/25/26	Diopoint (Pty)Ltd	Supply and Deliver Personal Computing Devices and Accessories	R275 804,90	R275 804,90	0,00	0,00	1	Transversal Tender

11. LOGISTICS, DISPOSAL AND RISK MANAGEMENT

The SCM unit must provide an effective system to ensure the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, vendor performance, maintenance and contract administration as well as provide for an effective method of disposal and letting of assets which are inclusive of redundant and obsolete stock. Such systems must also have in place mechanisms to identify, consider and avoid potential risks in the SCM system.

11.1 Inventory Control

The value of the stock at the end of the 3rd quarter was recorded at R5 883 162. Regular ad hoc inspections and scheduled stock-takes are conducted.

11.2 Placing of orders

The sourcing of quotations for purchases below R30 000 is currently handled by the relevant departments but is processed centrally at the SCM unit, ensuring some control. It should be noted that purchasing is a specialised function whilst technical staff is currently doing purchasing whereas they should concentrate on their core function, namely service delivery. It is recommended that procurement be centralised.

TOP 10 SUPPLIERS FOR 3RD QUARTER

SUPPLIER	TOTAL
ESKOM HOLDINGS SOC LTD	34 237 731
ASLA KONSTRUKSIE (EDMS) BPK	22 581 729
BENVER CIVILS AND PLANTHIRE CC	5 538 498
AMANDLA TESS JOINT VENTURE	4 179 780
ISUZU MOTORS SOUTH AFRICA (PTY) LTD	1 495 834
KINGSHIP MANAGEMENT SERVICES AND SUPPLIERS (PTY) LTD	1 294 375
HESSEQUA CONSULTING ENGINEERS CC	1 291 064
RAALEBBORG ENVIROMENTAL (PTY) LTD	1 123 011
KEY SPIRIT TRADING 218 CC	999 925
TMT SERVICES & SUPPLIES (PTY) LTD	859 529

11.3 Receiving and distribution of goods

The receipt and issuing of goods are recorded timeously at the stores department. The way goods are currently distributed should however be reconsidered taking into account the cost involved. It is recommended that where practical a central point be used for the receiving and distribution of specified goods.

11.4 Vendor performance, maintenance and contract administration

Vendor performance is continuously monitored and problems are promptly addressed by this office as they become known. Vendor records are updated regularly however the management and administration of contracts are not on the standard. This needs to receive the necessary attention and resources for improvement.

Out of the 185 contracts, four (4) unsatisfactory performance report was registered during this quarter.

Disposal of assets

None.

12 RECOMMENDATION:

1. That cognisance is taken of the report.
2. That the report is made public in accordance with section 21A of the Municipal Systems Act.