

SWELLENDAM MUNICIPALITY



SUPPLY CHAIN MANAGEMENT MONTHLY REPORT

June 2026

TABLE OF CONTENTS

1.	ABBREVIATIONS	2
2.	PURPOSE OF THIS POLICY	2
3.	LEGISLATIVE FRAMEWORK	2
4.	PROCUREMENT STATISTICS FOR THE MONTH	3
5.	AWARDS ABOVE R 100 000 REPORTED TO NATIONAL TREASURY	3
6.	SCM DEVIATIONS	4
7.	AWARDS TO CLOSE FAMILY MEMBERS	8
8.	REPORT ON GIFTS	8
9.	REPORT ON OBJECTIONS	9
10.	REPORT ON s.114 AWARDS	9

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, 2025

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 BSC meetings	0	n/a
2	No of BEC meetings	9	n/a
3	No of BAC meetings	3	n/a
4	No of orders processed/placed	291	R14 684 039
5	No of formal quotations awarded (R30k to R300k)	9	R961 886
6	No of tenders awarded above R300 000	12	R35 217 725
7	No of awards above R30 000 (CIDB)	2	R8 086 288
8	No of contract price increases approved	3	tariffs
9	No of contracts amended i.t.o MFMA circular 62	5	R1 602 540
10	No of contracts amended i.t.o s.116(3) of MFMA	0	R1 403 000
11	No of Deviations	9	R712 069
12	No of objections	1	n/a
13	No of Regulation 17 approvals	11	R220 318
14	No of stock receipts	166	R735 602
15	No of stock issued	832	-R715 667
16	No of stock disposal	0	R0
17	No of stock take	1	R6 237 976
18	No of requests received for disposal	0	R0

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) prescribe 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 est. value of contract	Contract Period	BBBEE Level
SMQ76/25/26	Bloemhof electrical (Pty) Ltd	Replace Existing Luminaires on 18M Poles In Railton, Suurbraak, Barrydale And Powell Stadium	R207 471,50	4 days	1
SMQ77/25/26	Morar Incorporated	Provision of Financial Misconduct Investigating Services	R253 000,00	3 months	1
SCMD54/25/26	Riversdal Electrical	Provision of Repair work on Electrical Infrastructure	R187 762,75	1 month	4
SCMD55/25/26	Easypay (Pty) Ltd	Facilitation of Third Party Payments	R416 000,00	1 year	3
SMT13/25/26	Sentraal-Suid Co_Operative Ltd	Supply of Petrol and Diesel Fuel for a 3 year period (Swellendam Town)	R149 200,19	3-years	7

SMT28/25/26	Tosas (Pty)Ltd	Supply and deliver roads and storm water related construction materials Category 5	R216 348,70	3-years	1
SMT30/25/26	Last Samurai Property holdings ta Ithuba Industries	Supply, Delivery and Offload of Water and Sewerage Pipes & Fittings for a 3-year period	R4 704 126,52	3-years	1
SMT36/25/26	Fam Genote (Pty) Ltd ta Secunet Security Solutions and Patrols	Supply, Installation, Maintenance and Live Monitoring of Alarm and CCTV cameras with Operational Control Room and Armed Response	R1 620 346,50	3-years	4
SMT41/25/26	Thoka Geosciences (Pty) Ltd	Drilling of new Boreholes in Swellendam	R920 000,00	4 weeks	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 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;	11	R220 318
2.	SCM Regulation 36(1)(a)(i) dispensing of the official procurement process in the case of an emergency;	3	R219 796
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;	6	R492 273
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
01-Jun-26	ARB Electrical Wholesalers	Supply and Delivery of various materials and supplies	R 22 087,82	02-Jun-26	FIN	Four bidders were approached and only two quotes were received
01-Feb-26	Agrimark Operations Ltd	Supply and Delivery of various materials and supplies	R 10 413,03	02-Jun-26	FIN	Three bidders were approached and only two quotes were received
04-Jun-26	Autoboys	Supply and Fitting of a Case digger side window	R 4 950,00	08-Jun-26	INF	Three bidders were approached and only one quote was received
26-May-26	David van der merwe	Supply and Installation of a Geyser (Caravan Park)	R 13 500,00	05-Jun-26	INF	Three bidders were approached and only one quote was received
10-Jun-26	Z4P (Pty) Ltd	Supply and Delivery of Catering Services	R 3 500,00	10-Jun-26	FIN	Four bidders were approached and only one quote was received

02-Jun-26	Agrimark Operations Ltd	Supply and Delivery of various materials and supplies	R 6 228,90	12-Jun-26	COM	Three bidders were approached and only one quote was received
19-Jun-26	Agrimark Operations Ltd	Supply and Delivery of various materials and supplies	R 3 051,62	19-Jun-26	INF	Three bidders were approached and only two quotes were received
08-Jun-26	Agrimark Operations Ltd	Supply and Delivery of a Stihl Brushcutter	R 22 315,04	22-Jun-26	INF	Three bidders were approached and only one quote was received
22-Jun-26	SSK	Supply and Delivery of Sluices for irrigation channels	R 5 700,80	23-Jun-26	INF	Three bidders were approached and only two quotes were received
22-Jun-26	Neoteric Trading Services	Supply and Delivery of Cricket Balls (Ward 4 Committee Project)	R 2 294,40	23-Jun-26	MM	Three bidders were approached and only two quotes were received
28-Apr-26	Miekana Hire (Pty) Ltd t/a Coastal Hire	SMALL PLANT AND TOOL HIRE FOR A 3 YEAR PERIOD	R 126 276,24	05-Jun-26	INF	Bid document was distributed to 3 suppliers, and invitation to bid was advertised for 7 days, but only 1 bid was received
			R 220 317,85			

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	Reason	Type
03-Jun-26	Isuzu Swellendam	Provision of Service on Isuzu Bakkie (first 15 000km service) CCK 13290	R4 086,04	INF	The bakkie is still under engine warranty and must be serviced at a registered Isuzu dealer to maintain the warranty.	36(1)(a)(v) - Impractical or Impossible
05-Jun-26	Parkers and Partners	Repair of N2 Pump Station roof	R28 783,40	INF	This is an emergency situation, as the roof of the N2 pump station has been left exposed which could cause damage to infrastructure and illegal access. The roof sheets of the of the building was blown off during the storm. The process of waiting for the accessor of the insurance is taking time, due to the numerous claims and damages related to the heavy storm winds in Swellendam and surrounding areas.	36(1)(a)(i) - Emergency
10-Jun-26	Magnacorp 174 cc t/a Turfmaster	Strip and Quote, Repair of SCAG Machine	R31 050,00	COM	The Service Provider was approached to do a strip & quote to identify the problem with the SCAG machine as the problem can only be identified after inspection. It is impossible to take the machine to three different suppliers as each supplier will then have to be paid for stripping the machine, the municipality also runs the risk of losing parts in the process. Upon inspection, the service provider found that the	36(1)(a)(v) - Impractical or Impossible

					engine is beyond repair and needs to be replaced.	
15-Jun-26	Rina van der Watt	Facilitation of emergency counseling sessions for employees in the refuse removal section who found a baby in a refuse bag.	R3 250,00	MM	The normal quotation process could not be followed due to the urgent and unforeseen nature of the traumatic incident where a baby was found in a refuse bag while employees were busy with residential refuse removal, which required immediate, specialised counselling services to protect employee wellbeing, fulfill the employer's duty of care, and prevent further psychological harm. Delaying intervention to conduct a competitive procurement process would have posed significant risk to employees and operational continuity, justifying the use of emergency procurement measures. This deviation was executed under the direct instruction and authorisation of the Municipal Manager, who, having duly considered the urgency and risks involved, recommended the deviation in order to safeguard the interests of the employees and the Municipality.	36(1)(a)(i) - Emergency
23-Jun-26	Bontebok Primary School	Provision of Rugby Shorts	R7 476,84	MM	It is impractical to request three quotations since the rugby pants, which form part of the school uniform are unique to the school's colours.	36(1)(a)(v) - Impractical or Impossible
23-Jun-26	Riversdal Electrical	Provision of Repair work on Electrical Infrastructure	R187 762,75	INF	This was due to damage to the electrical infrastructure after the storm. The service provider's scope of works already include the fault finding and repairs on Electrical Infrastructure. However, the original scope of works does not include the use of an Aerial Platform (Crane truck with Bucket) as and when required.	36(1)(a)(i) - Emergency
23-Jun-26	Easypay (Pty) Ltd	Facilitation of Third Party Payments from 1 June 2025 to July 2026	R416 000,00	FIN	The Municipality became aware of an agreement entered into in October 2016 for third-party payment services, without following the required procurement process under the Municipal SCM Policy and applicable legislation. The service provider's fees were deducted directly from the Municipality's bank account, therefore, the agreement was not identified through the normal SCM controls. The agreement only came to the Municipality's attention when its primary banking services contract moved from ABSA Bank to Standard Bank in 2025, after a separate competitive tender process for banking	36(1)(a)(v) - Impractical or Impossible

					services. After confirmation, the Municipality acted to correct the matter. A 90-day cancellation notice was issued in terms of clause 4.2 of the 2016 agreement. The contract was therefore terminated effective 31 July 2026. The contract was cancelled because it did not comply with the required SCM processes. The previous arrangement should be dealt with separately as possible irregular expenditure under the relevant UIFW processes and is not part of this deviation request. The third-party payment service is important for the Municipality's revenue collection and financial administration. It allows residents and customers to pay municipal accounts through third-party platforms, such as retail outlets or other payment channels. The service provider transfers the money to the Municipality and provides reports so that payments can be correctly allocated and reconciled. If this service stops suddenly, it could affect cash flow, delay payment allocations, create reconciliation difficulties and inconvenience the public. The Municipality has already started a competitive tender process to appoint a service provider for third-party payment services. Tender No. SMT44-25-26 was advertised and closed 19 June 2025. The tender is currently being evaluated and has not yet reached final award or implementation stage, illustrating that the Municipality is working towards a proper procurement solution. This deviation is requested because the Municipality is dealing with an exceptional situation. It is not practical to follow the normal procurement process for the stipulated period before the new tender appointment is in place.	
30-Jun-26	Isuzu Swellendam	Provision of Service on Isuzu Bakkie (first 15 000km service) CCK 19052	R4 106,74	INF	The bakkie is still under engine warranty and must be serviced at a registered Isuzu dealer to maintain the warranty.	36(1)(a)(v) - Impractical or Impossible
30-Jun-26	AAD Truck & Bus	Provision of Service on Nissan UD 330 Croner - Refuse Compactor(6th service interval, 2400 hours) CCK 20222	R29 553,08	INF	The truck is under warranty and needs to be serviced at a registered Nissan dealer to maintain the warranty	36(1)(a)(v) - Impractical or Impossible
			R712 068,85			

7. AWARDS TO CLOSE FAMILY MEMBERS

The table below 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	R182 233
5.	Gert Coetzee	L. Coetzee	Wife	Swellendam Municipality	-
6.	Hein's Auto Electrical	J. de Jager	Brother	Swellendam Municipality	-
7.	Hermanus Jacobus Swart	F. Swart	Brother	Swellendam Municipality	-
8.	Jarsiem Carelse	W. Carelse	Son	Swellendam Municipality	-
9.	Jacobus Cornelius Kouter	J. Kouter	Brother	Swellendam Municipality	-
10.	Kemanzi (Pty) Ltd	J. du Toit	Wife	Dept of Education	-
11.	Genlux	I. Kruger	Son	City of Cape Town	-
12.	LSL Enterprises	G. Lebazi	Sister	Swellendam Municipality	-
13.	Masakane Trading (Pty) Ltd	Q. Martin	Husband	SAPS	-
14.	KJ Uys	R. Theodore	Uncle	Swellendam Municipality	-
15.	Paul Cupido	T. Cupido	Wife	Swellendam Municipality	-
16.	Parkers and Partners (Pty) Ltd	K. Juries	Stepson	Swellendam Municipality	R170 144
17.	Phillip Crafford T/A Crafford Blinds	J. Crafford	Wife	Swellendam Municipality	-
18.	RD Beukes	D. Beukes	Mother	Swellendam Municipality	-
19.	Swellendam Bestuurskool (Pty) Ltd	R. Blauw	Son	Dept. of Education	R 800
Total					R353 177

8. REPORT ON GIFTS

The table below 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:

MONTH: JUNE 2026						
Name of employee	Description of gift	Value of Gift	Source of gift	Relationship	Date received	Date approved by MM/Manager
Name of Department : Municipal Manager & Administrative Support Services						
<i>No gifts reported</i>						
Name of Department : Financial Services						
<i>No gifts reported</i>						
Name of Department : Infrastructure & Planning Services						
<i>No gifts reported</i>						
Name of Department : Community Services						
<i>No gifts reported</i>						

9. REPORT ON OBJECTIONS

The below contains details of objections received for the month, in terms of section 49 of the SCM regulations:

OBJECTION REGISTER						
MONTH: JUNE 2026						
TENDER NUMBER	DESCRIPTION	AWARDED TO	COMPLAINANT	DATE RECEIVED	OUTCOME	OUTCOME DATE
SMT18-25-26	The Provision Of Services For The Demolition Of Illegal Structures In The Swellendam Municipality Area For A Three (3) Year Period	Red Ant Security Relocation and Eviction Services (Pty) Ltd	Cruzline Projects (Pty) Ltd	2026/06/22	Objection in progress.	Objection in progress.

For all the objections stated above, the bidders did not pay the objection fees. This may be because the bidders realised that they do not have sufficient grounds to object.

10. REPORT ON s.114 AWARDS

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
Infrastructure Services	None	None
Community Services	None	None