



Supply Chain Management Implementation Report

March 2019

To The Executive Mayor

In accordance with Regulation 6(3) of the Municipal Supply Chain Management Regulations, I submit the required report on the implementation of Swartland Municipality's Supply Chain Management Policy for the period: 1 January 2019 to 31 March 2019 for your consideration and purposes of oversight.

A handwritten signature in black ink, consisting of several overlapping loops and strokes, positioned above the typed name and date.

Municipal Manager
31 March 2019

Executive Summary

Introduction

This report is a summary of the implementation of the Supply Chain Management Policy. It highlights the implementation of Supply Chain Management in the Swartland Municipality. Regulation 6(3) of the SCM Regulations requires the Accounting Officer to report quarterly on the implementation of the Supply Chain Management Policy to the Mayor, in order to strengthen oversight.

Implementation of Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council on 1 January 2006 to fully comply with the SCM Regulations communicated under National Treasury general notice 868, Gazette no. 27636. The Supply Chain Management Policy has been reviewed and approved by the Council on 31 January 2019.

Committees

The below mentioned committees are established and are functioning fully according to Council's Supply Chain Management Policy and the Supply Chain Management Regulations. The committees are as listed below:

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

Tenders Awarded

During the quarter the BAC met **2 times**, and **8** tenders were awarded.

Attached as Annexure A (Formal Tenders) and Annexure B (Informal Tenders) is a list of all tenders awarded during this quarter by the Bid Adjudication Committee and Manager: Supply Chain Management respectively.

Herewith a summary of tenders awarded for the 2018/2019 financial year as it pertain to the specific quarter.

	Formal Tenders Awarded			Informal Tenders Awarded	
	Number of Tenders	Bid Committee Meetings	Tender Amount	Number of Tenders	Tender Amount
1 July 2018-30 September 2018	16	4	R 12 751 161.27	28	R 2 061 012.65
1 October 2018-31 December 2018	7	4	R 4 559 712.93	31	R 2 898 040.37
1 January 2019-31 March 2019	8	2	R 5 701 491.34	21	R 1 541 261.79
1 April 2019-30 June 2019					
	31	10	R 23 012 365.54	80	R 6 500 314.81

Deviations Approved

In accordance with Paragraph 36 of the Supply Chain Management Policy, all deviations from the official procurement processes must be approved and recorded by the Accounting Officer, and reported to Council. The approval of deviations with a transaction value of up to R30,000 (VAT included), has been delegated to the Manager: Supply Chain Management. The total value of

deviations approved by the Manager: Supply Chain Management for the period 1 January 2019 to 31 March 2019 amount to **R 693 102.26**. The list of approved deviations is attached as Annexure C.

Herewith a summary of deviations <R30 000 approved for the 2018/2019 financial year as it pertain to the specific quarter.

	Deviations < R30 000	
	Number of Deviations	Deviations Amount
1 July 2018-30 September 2018	133	R 1 129 318.68
1 October 2018-31 December 2018	113	R 969 194.35
1 January 2019-31 March 2019	77	R 693 102.26
1 April 2019-30 June 2019		
	323	R 2 791 615.29

In January 2019 the Supply Chain Management Policy was amended in a bid to improve management oversight responsibility over deviations which now requires that the relevant director consider and motivate the approval of deviations below R30 000. As seen in the table above, the Rand-value of deviations have declined since the approval of the amendment to the SCM Policy.

Deviations with Reference to Exceptions from the Supply Chain Processes in terms of the Supply Chain Management Policy

In paragraph 2(6) of the Supply Chain Management Policy provision is made for exceptions from the supply chain processes regarding the procurement of certain services. These services include the appointment of attorneys, advocates, town planners and surveyors, as well as the servicing and repairs of vehicles at the vehicle agents. In these instances only 1 quote needs to be obtained. In accordance with paragraph 36(2) of the Supply Chain Management Policy, these deviations must be reported to Council. Attached as "Annexure D", please find a summary of deviations with reference to exceptions from the supply chain processes for the period 1 January 2019 to 31 March 2019.

Staffing Issues

The staff complement of the Supply Chain Management unit is as follows:

- Manager: Supply Chain Management,
- Head: Logistics,
- Head: Demand & Acquisition,
- Principal Clerk: Orders,
- Two Senior Clerk: Logistics,
- Secretary: SCM,
- Senior Storeman,
- Storeman,
- Senior Clerk: Stationery and
- Three Senior Clerks (Buyers).

Systems

- **Supplier Database**
 - The municipality is using National Treasury's Central Supplier Database with effect from 1

July 2016.

External Relations

- The SCM Unit works very closely with the Provincial Treasury on all the legislative requirements. A representative from the unit attended the SCM Forum, which was hosted by the Provincial Treasury and held at CTICC, Cape Town on 15 March 2019.

Reporting

Reports of all awards made above R100 000 have been submitted to

- Provincial Treasury in terms of the supply chain management circular no 19 of 2008.

All awards made above R30 000 have been registered on the National Treasury website.

Conclusion

The Supply Chain Management Unit is continuously improving its processes and procedures in order to ensure that Council receives value for money in terms of demand and acquisitions management.

FORMAL TENDERS (>R200,000) AWARDED: 1 JANUARY 2019 - 31 MARCH 2019

DATE	CONTRACT NO	CONTRACT NAME	AMOUNT	COMPLETION/DELIVERY PERIOD	CONTRACTOR	CONTRIBUTION LEVEL
2019-02-05	T18/18/19	Building Project : Yzerfontein Community Hall and Municipal Offices, Darling Outreach Foundation Building	R 827 660.18	6 months	Amahle Building & Renovations	1
2019-02-05	T19/18/19	Riebeek Kasteel: New Community Hall	R 2 564 568.60	6 months	New Era Joinery	1
2019-02-05	T17/18/19	Building Project: Wesbank Community Hall and Malmesbury Traffic Station	R 537 987.71	4 months	Masete Nong Construction cc	1
2019-02-05	T21/18/19	Provision of Social Media Services	R -	16 months	Lumico (Pty) Ltd	0
2019-02-05	T26/18/19	Supply and Delivery of LED floodlights	R 1 123 504.00	9 weeks	Lighting and Allied Manufacturers (Pty) Ltd	2
2019-03-05	T22/18/19	Provision of Vehicle Tracking System	R -	30 June 2021	EWC Vehicle Communication	2
2019-03-05	T30/18/19	Supply, Delivery and Installation of Material and Reinstatement of Existing Floodlight Installations at the Malmesbury Wesbank Sports Field	R 647 770.85	16 weeks	VE Reticulation (Pty) Ltd	2
2019-03-05	T23/18/19	Underwriting of the Municipality's Group Life Insurance Portfolio	R -	36 months	Verso Financial Services (Pty) Ltd	2
			R 5 701 491.34			

INFORMAL TENDERS (>R30,000<R200,000) AWARDED: 1 JANUARY 2019 - 31 MARCH 2019

Contract Description	Tender Number	Date Awarded	Approved Amount	Successful Bidder	Contribution Level
Removal, Repair and Re-Installation of 4 X 100mm Knife Gate Valves at Malmesbury Wastewater Treatment Works	SCM77.18.19	2019-01-31	R 14 310.00	GW Trautmann cc	4
Service and Maintenance of Fire Extinguishers and Hose Reels	SCM76.18.19	2019-01-31	R 13 818.00	Cyote Fire Services Enterprise (Pty) Ltd	1
Supply and Delivery of 8x 3 Cub Roto-Moulded Polyethylene Igloos Shells to Fit on Azteca Frames	SCM84.18.19	2019-01-31	R 115 000.00	Mpact Plastic Containers	4
Manufacture and Supply of 1x 6m ³ REL Waste Container	SCM78.18.19	2019-01-31	R 39 790.00	I'Bini (Pty) Ltd	1
Compilation of CaseWare Financial Statements	SCM82.18.19	2019-02-01	R 126 960.00	Altimax (Pty) Ltd	2
Supply and Delivery of 9x Rugged Smartphones	SCM79.18.19	2019-02-04	R 43 825.01	IT Master	1
Supply and Delivery of 20x Desktop Monitors	SCM80.18.19	2019-02-04	R 37 490.00	Phandu Communications (Pty) Ltd	1
Renewal of 150 x Citrix Xendesktop Licenses	SCM83.18.19	2019-02-06	R 89 391.23	Virtualize (Pty) Ltd	1
Supply and Delivery of 8x Desktop Monitors	SCM81.18.19	2019-02-07	R 36 570.00	Phandu Communications (Pty) Ltd	1
Assistance with the Compilation of the 2019/20 MTREF Draft and Original Budget	SCM89.18.19	2019-02-19	R 33 500.00	Johan van Wyk	1
Renewal of Fortigate 200D UTM License and 1 Year Forticloud Service	SCM90.18.19	2019-02-27	R 58 420.00	Phandu Communications	1
Automatic Real Time License Plate Recognition Service	SCM85.18.19	2019-02-27	R 13 869.00	Visec Sub Shara (Pty) Ltd	4
Supply and Installation of Shelves for Filing Boxes at Moorreesburg City Hall Room No1 & 2 in the Foyer	SCM86.18.19	2019-02-28	R 159 183.00	Iomu Trading (Pty) Ltd	1
Supply and Delivery of Terminals and Desktop PC's	SCM88.18.19	2019-02-28	R 150 320.64	Virtualize (Pty) Ltd	1
Aquatic Weed Control in Various Rivers in Malmesbury	SCM87.18.19	2019-03-01	R 33 805.00	NAS Maintenance and Invasive Control (Pty) Ltd	1

Contract Description	Tender Number	Date Awarded	Approved Amount	Successful Bidder	Contribution Level
Provision of a Destination Marketing Video	SCM92.18.19	2019-03-13	R 120 000.00	JZ Van Loggenberg Multimedia (Pty) Ltd	4
Repair and Upgrade of Break Testing Machine at Moorreesburg Vehicle Testing Station	SCM93.18.19	2019-03-14	R 175 418.70	Fulcrum Technologies	4
Supply and Delivery of Uniforms for Traffic and Law Enforcement Officials	SCM97.18.19	2019-03-18	R 169 555.71	FG Uniforms cc	1
Manufacture, Supply and Install of Dralon Fabric Curtains at Community Hall, Darling	SCM103.18.19	2019-03-27	R 36 378.00	Earl-Nique Decorators	1
Supply of GFI Faxmaker	SCM106.18.19	2019-03-28	R 42 624.75	First Technology Western Cape (Pty) Ltd	1
Supply and Delivery of Jumpsuits for Law Enforcement Officers	SCM105.18.19	2019-03-28	R 31 032.75	Environmental Safety Systems	4
			R 1 541 261.79		

DEVIATIONS APPROVED BY MANAGER: SUPPLY CHAIN MANAGEMENT FOR THE QUARTER 1 JANUARY 2019 TO 31 MARCH 2019

Supplier Name	Purchase Order Date	Deviation Type	Department	Total
WJ Cotter Electrical cc	2019-01-03	Impractical	Civil Engineering Services	R 29 915.00
MAC Auto t/a M.A.C Auto	2019-01-04	Impractical	Protection Services	R 14 215.00
WJ Cotter Electrical	2019-01-03	Emergency Item	Civil Engineering Services	R 6 320.40
Johan Bester Ingenieurswerke	2019-01-03	Emergency Item	Civil Engineering Services	R 2 317.25
Johan Bester Ingenieurswerke	2019-01-02	Impractical	Civil Engineering Services	R 3 145.55
WJ Cotter Electrical	2019-01-04	Emergency Item	Civil Engineering Services	R 4 413.10
WJ Cotter Electrical	2019-01-04	Emergency Item	Civil Engineering Services	R 2 991.52
Inside Decor	2019-01-03	Emergency Item	Corporate Services	R 4 830.00
Viking Pony Africa Pumps t/a Tricom Africa	2019-01-02	Emergency Item	Civil Engineering Services	R 4 516.05
Viking Pony Africa Pumps t/a Tricom Africa	2019-01-11	Emergency Item	Civil Engineering Services	R 27 099.06
Moorreesburg Bandediens t/a Supa Quick Moorreesburg	2019-01-11	Impractical	Civil Engineering Services	R 2 216.69
Platinum Pumps	2019-01-14	Emergency Item	Civil Engineering Services	R 5 692.50
WJ Cotter Electrical	2019-01-03	Emergency Item	Civil Engineering Services	R 2 884.20
Patco Manufacturing	2019-01-03	Sole Supplier	Civil Engineering Services	R 16 663.50
Avalon Works	2019-01-04	Impractical	Civil Engineering Services	R 3 996.00
Henntech Services	2019-01-02	Sole Supplier	Civil Engineering Services	R 2 834.75
Platinum Pumps	2019-01-03	Emergency Item	Civil Engineering Services	R 29 704.50
Platinum Pumps	2019-01-03	Emergency Item	Civil Engineering Services	R 28 842.00
Skaarland Ingenieurswerke	2019-01-11	Impractical	Electrical Engineering Services	R 21 596.08
Platinum Pumps	2019-01-03	Emergency Item	Civil Engineering Services	R 6 635.50
TMT Services and Supplies t/a Traffic Management Technologies	2019-01-03	Impractical	Electrical Engineering Services	R 5 796.00
Patco Manufacturing	2019-01-18	Sole Supplier	Civil Engineering Services	R 29 994.30
Smith Mining Equipment t/a Smith Power Equipment	2019-01-18	Impractical	Electrical Engineering Services	R 2 957.27
WJ Cotter Elektries	2019-01-30	Emergency Item	Civil Engineering Services	R 3 501.58
Die Courant	2019-01-25	Impractical	Development Services	R 7 389.90
The Provincial Gazette	2019-01-25	Impractical	Development Services	R 3 000.00
Die Courant	2019-01-31	Impractical	Corporate Services	R 3 042.90
Media 24 - Swartland Gazette	2019-01-31	Impractical	Corporate Services	R 3 105.00
GW Trautmann Cc	2019-01-31	Emergency Item	Civil Engineering Services	R 5 301.50
Patco Manufacturing	2019-01-16	Sole Supplier	Civil Engineering Services	R 29 994.30
F E S Manufacturing	2019-01-31	Impractical	Protection Services	R 3 685.52
Media 24 - Swartland Gazette	2019-01-25	Impractical	Development Services	R 6 037.50
Helena Johanna Maria Oosthuizen t/a SCH Traders	2019-02-12	Emergency Item	Civil Engineering Services	R 22 841.50
WJ Cotter Electrical	2019-02-08	Emergency Item	Civil Engineering Services	R 4 705.20
Media 24 - Swartland Gazette	2019-02-05	Impractical	Corporate Services	R 2 242.50
Media 24 - Swartland Gazette	2019-02-05	Impractical	Corporate Services	R 2 415.00
Trentyre	2019-02-06	Emergency Item	Civil Engineering Services	R 3 658.15
Maxal Projects (SA)	2019-02-22	Impractical	Civil Engineering Services	R 3 435.05
Master Airbrake Truck Services	2019-02-22	Impractical	Protection Services	R 5 658.86

Supplier Name	Purchase Order Date	Deviation Type	Department	Total
Jan Hendrik Henning t/a Henntech Services	2019-02-20	Sole Supplier	Civil Engineering Services	R 11 615.00
Drager South Africa Pty Ltd	2019-02-08	Impractical	Protection Services	R 28 232.50
Die Courant	2019-02-05	Impractical	Corporate Services	R 2 980.80
Master Airbrake Truck Services	2019-02-22	Impractical	Protection Services	R 10 941.45
Patco Manufacturing CC	2019-02-06	Sole Supplier	Civil Engineering Services	R 29 994.30
Viking Pony Africa Pumps t/a Tricom Africa	2019-02-18	Impractical	Civil Engineering Services	R 6 354.21
Die Courant	2019-02-05	Impractical	Corporate Services	R 2 173.50
Henrit Agri BK	2019-02-19	Impractical	Protection Services	R 2 944.00
Saliel Fidei t/a Sure Swartland Travel	2019-02-14	Impractical	Electrical Engineering Services	R 11 666.10
Provincial Gazette	2019-02-25	Impractical	Development Services	R 3 000.00
Die Courant	2019-02-26	Impractical	Development Services	R 6 665.40
Die Courant	2019-02-26	Impractical	Corporate Services	R 2 173.50
Johan Bester Ingenieurswerke	2019-02-22	Emergency Item	Civil Engineering Services	R 5 378.85
Die Courant	2019-02-26	Impractical	Corporate Services	R 2 028.60
Trentyre Malmesbury	2019-02-19	Impractical	Civil Engineering Services	R 4 214.75
Media 24 - Swartland Gazette	2019-02-25	Impractical	Development Services	R 5 347.50
Integrity Control Systems	2019-02-19	Sole Supplier	Electrical Engineering Services	R 4 350.25
Jan Hendrik Henning t/a Henntech Services	2019-02-20	Sole Supplier	Civil Engineering Services	R 4 427.50
Maxal Projects (SA)	2019-02-22	Impractical	Civil Engineering Services	R 2 322.03
Trentyre	2019-02-06	Emergency Item	Civil Engineering Services	R 3 658.15
Jan Hendrik Henning t/a Henntech Services	2019-03-28	Emergency Item	Civil Engineering Services	R 4 034.20
Sasfin Commercial Solutions (Global Trade)	2019-03-01	Impractical	Corporate Services	R 2 576.64
WJ Cotter Electrical cc	2019-03-22	Emergency Item	Civil Engineering Services	R 2 486.35
Henrit Agri BK	2019-03-28	Impractical	Civil Engineering Services	R 2 669.69
Media 24 - Swartland Gazette	2019-03-05	Impractical	Development Services	R 5 175.00
Platinum Pumps	2019-03-28	Impractical	Civil Engineering Services	R 16 399.00
Platinum Pumps	2019-03-15	Impractical	Civil Engineering Services	R 18 066.50
WJ Cotter Electrical CC	2019-03-28	Emergency Item	Civil Engineering Services	R 2 852.30
Provincial Gazette	2019-03-05	Impractical	Development Services	R 3 000.00
Platinum Pumps	2019-03-15	Impractical	Civil Engineering Services	R 19 889.25
Patco Manufacturing CC	2019-03-28	Sole Supplier	Civil Engineering Services	R 16 663.50
Platinum Pumps	2019-03-15	Impractical	Civil Engineering Services	R 16 376.00
Die Courant	2019-03-05	Impractical	Development Services	R 7 734.04
Die Courant	2019-03-29	Impractical	Corporate Services	R 5 208.64
Viking Pony Africa Pumps t/a Tricom Africa	2019-03-15	Emergency Item	Civil Engineering Services	R 25 659.38
Johannes Hendrik Conradie t/a Conradie Besproeiing	2019-03-28	Impractical	Civil Engineering Services	R 4 619.55
BEMET Measurement and Control	2019-03-07	Impractical	Civil Engineering Services	R 17 113.15
T P Dapula	2019-03-15	Impractical	Corporate Services	R 2 520.00
				R 693 102.26

ANNEXURE D

DEVIATIONS WITH REFERENCE TO PARAGRAPH 2(6) OF THE SUPPLY CHAIN MANAGEMENT POLICY (WHERE IT IS IMPRACTICAL TO TEST THE MARKET) FOR THE PERIOD 1 JANUARY 2019 TO 31 MARCH 2019

SERVICE PROVIDER	AMOUNT	TOTAL TRANSACTIONS
<u>Attorneys</u>		
Bradley Conradie Attorneys	R 65 260.00	2
DHM- Du Plessis Hofmeyer	R 97 836.00	2
Du Plessis en Mostert	R 161 473.30	7
Terblanche Slabber en Pieters	R 11 085.80	1
Roux & Van Dyk Prokureurs	R 2 995.00	1
Webber Wentzel	R 512 053.20	2
<u>Town planners and Surveyors</u>		
CK Rumboll en Vennote	R 404 475.97	15
<u>Vehicles: Services & Repairs</u>		
600CT Manufacturing (Pty)Ltd	R 16 415.00	2
Babcock Equipment	R 9 020.70	1
CSE Northmec	R 52 033.61	1
HD Transmissions (Pty)Ltd	R 5 046.26	2
JB's Nissan (Diens En Herstel)	R 47 730.76	10
JB's Trucks - UD Trucks Malmesbury	R 281 784.27	40
Kemach JCB Equipment Pty Ltd	R 14 702.96	2
Malmesbury Toyota	R 16 237.89	6
Perdeberg Motors	R 60 479.65	8
Rola VW Malmesbury	R 11 150.80	4
TFM Transtech	R 104 647.54	7
<u>Equipment: Repairs</u>		
Compaction + Industrial Equipment	R 10 226.74	2
Euraf Agencies	R 2 713.04	1
Wacker South Africa (Pty)Ltd	R 24 485.02	5
	R 1 748 757.51	117