

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT – 2012/2013: 4th QUARTER: 01 APRIL TO 30 JUNE 2013

8/2/222

R LA Cock
12 July 2013

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Corporate Head Office

1. Executive Summary

In terms of Clause 6(3) of Council's Supply Chain Management Policy, the Municipal Manager must, within 10 business days of each quarter, submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor.

The report contains schedules of awards made through the bid committee system in terms of delegated authority as well as deviations approved in terms of Clause 36 of the Supply Chain Management Policy. The reasons for the deviations incurred must be reported to Council in terms of Clause 36(2) of the Policy.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Finance
Department: Supply Chain Management

3. Compliance with Strategic Priority/ies

Provision of democratic and accountable governance
Provision and maintenance of municipal services

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act 2003, (Act 56 of 2003)
Local Government: Municipal Finance Management Act 2003, (Act 56 of 2003):
Municipal Supply Chain Management Regulations
Overstrand Municipality Supply Chain Management Policy dated 25 May 2008,
as amended.

6. Background/Discussion/Evaluation/Conclusion**Background**

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy,

specifically regarding, the awards made through the bid committee system for the 4th Quarter of the 2012/2013 financial year, 01 April to 30 June 2013, in order to comply with the requirements of Clause 6(3) of the Policy as well as deviations from the Policy in terms of Clause 36 the Policy (Annexure A).

A Bid Awards

Bids are awarded to the bidder scoring the highest points in terms of Council's Preferential Procurement Policy.

The Accounting Officer has duly delegated the power to award bids below R200, 000 to the respective Directors, after considering the recommendation by the Bid Evaluation Committee, and all awards above R200, 000 up to R10 million were approved through the bid committee system.

Procurement transactions have been processed through the bid committee system within the following timeframes:

Procurement Function	2012/2013 4 th Quarter	2012/2013 to date	2011/2012
Bids Processed	53	143	96
Bids Processed- Average per Quarter	53	36	24
Average days from evaluation to Bid Adjudication Committee	8	7	9
Average days from initiation to Bid Specification Committee	5	7	8
Estimated Value of Awards (R)	25,107,560.53	244,407,031.92	240,643,347.35

A schedule of these awards for the 4th Quarter of 2012/2013 is attached as **Annexure B**.

B. Deviations- Clause 36(1)(a)

Clause 36(1)(a) of the Policy (Annexure A) allows circumstances for deviations from the procurement processes. Furthermore, the policy requires in Clause 36(2), that the reasons for any deviations from the procurement processes must be recorded and be reported to Council at the ensuing Council meeting.

Deviations approved by the Accounting Officer or by the delegated officials were motivated in terms of the following categories and compares to applications approved for the 2012/2013 year to date and the 2011/2012 financial year as per the following schedule:

SCM Policy	Description	2012/2013 4 th Quarter	2012/2013 to date	2011/2012
Clause 36(1)(a)(i)	Emergency	1	8	1
Clause 36(1)(a)(ii)	Sole Supplier	4	32	52
Clause 36(1)(a)(iii)	Special works of Art	1	4	1
Clause 36(1)(a)(v)	Impractical Impossible	21	105	212
		27	149	266

It is clear from the comparison that deviations have been reduced markedly.

A schedule of all Deviations approved by the Municipal Manager for the 4th Quarter of 2012/2013 is attached as **Annexure C**.

C. Irregular Expenditure- Paragraphs 36(1)(c)

In terms of Section 32(4) of the Local Government Municipal Finance Management Act (56 of 2003) inter alia the Executive Mayor must be made aware of all possible irregular expenditure incurred by the municipality.

In May 2013 National Treasury issued MFMA Circular No. 68 which serves to provide clarity on the procedures to be followed when dealing with unauthorised, irregular or fruitless and wasteful expenditure as defined in section 1 of the Municipal Finance Management Act (MFMA).

In terms of this, the following cases of irregular expenditure have been identified:

SCMIE #	Date of payment	Description	Type of Prohibited Expenditure	Awarded to	Value of the Irregular Expenditure Incurred
2013/07	2012/08/30	The procurement of a conference venue for the SDF Forum held on 23 & 24 August 2012, award to a person in the service of the state: Zelpy 1776 (Pty) Ltd t/a Misty Waves: Councillor M. Lerm	SCM Regulation 44	Zelpy 1776 (Pty) Ltd	R 15,600.00

D. Non-compliance to Legislation

With regards to non-compliance, National Treasury MFMA Circular No. 68 reads as follows:

“Although a transaction or an event may trigger irregular expenditure, a municipality or municipal entity will only identify irregular expenditure when a payment is made, in other words, the recognition of irregular expenditure will be linked to a financial transaction. If the possibility of irregular

expenditure is determined prior to a payment being made, the transgression shall be regarded as a matter of non-compliance.”

In terms of this, the following possible instances of irregular expenditure were identified before payment and are thus declared as non-compliance:

SCMIE #	Date Identified	Date approved for payment	Description	Awarded to	Value of the Irregular Expenditure Incurred
2013/01	2013.01.28	2013.02.13	Leasing of Erf 4485 in Kleinmond for office accommodation without following a competitive bidding process in terms of Paragraph 19(a) of the Policy and awarding to a service provider whose tax matters are not in order	ACM Krige	R 40,960.00
2013/02	2012.07.27	2012.07.27	Repair of curtain rail in auditorium during the Kalfieees in 2011 as a strip-and-quote prior to approval of a deviation	Anza Curtains	R 1,000.00
2013/03	2012.07.24	2012.10.15	Procurement of tow-in services from the only available service provider in Hermanus without obtaining three quotations and prior approval of the deviation	Hermanus Towing	R 550.00
2013/04	2012.12.05	2012.12.06	Procurement of tow-in services from the only service provider available at the time without obtaining either two quotations or prior approval of a deviation	Hermanus Towing	R 1,250.00
2013/05	2013.01.09	2013.01.11	Procurement of the services of an event co-ordinator to arrange the Mayoral Ball without obtaining either three quotations or prior approval of a deviation	Dieter Odendaal	R 5,000.00
2013/06	2013.02.25	2013.03.12	The urgent programming and installation of a municipal radio repeater at Betty's Bay without obtaining either three quotations or prior approval of a deviation.	Estreaux Systems CC t/a Benliekor Communications	R 4,502.43

A directive aimed at prohibiting any procurement related expenditure other than through the Supply Chain Management processes has been issued in order to prevent a recurrence of such expenditure.

7. Financial Implications

Bids are only awarded on condition that the required funds have been secured prior to the meeting of the Bid Adjudication Committee and prior to approval of deviations.

The total value of tenders awarded and deviations processed via the Supply Chain Management Unit for the 4th Quarter of 2012/2013, are as follows:

	Operational Amount (Excluding VAT, where applicable)	Capital Amount (Excluding VAT, where applicable)	VAT @ 14%	Total Value of Awards (Including VAT, where applicable)
Bid Awards (27)	R 14,891,301.68	R 7,312,744.06	R 2,903,514.79	R 25,107,560.53
Deviations (19)	R 1,659,231.25	R 299,328.00	R 119,905.00	R 2,078,464.25
TOTAL	R 16,550,532.93	R 7,612,072.06	R 3,023,419.79	R 27,186,024.78

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

- Annexure A: Clause 6 & 36 of the Supply Chain Management Policy
- Annexure B: Schedule of Awards made through the Bid Committee system
- Annexure C: Schedule of Deviations from the procurement processes

RECOMMENDATION TO THE COUNCIL:

1. that **cognisance be taken** of the awards made through the bid committee system for the 4th Quarter of 2012/2013;
2. that **cognisance be taken** of the deviations from the procurement processes for the 4th Quarter of 2012/2013;
3. That **cognisance be taken** of the schedules of Irregular Expenditure and cases of Non-Compliance to the Supply Chain Management Policy for the 2012/2013 financial year.

RESPONSIBLE OFFICIAL :

R LA COCK

TARGET DATE FOR IMPLEMENTATION :

TO BE NOTED

- 3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with sub-clause (2) must within three (3) business days of the end of each month submit to the official referred to in sub-clause (4) a written report containing particulars of each final award made by such official or committee during that month, including—
 - a) the amount of the award;
 - b) the name of the person to whom the award was made; and
 - c) the reason why the award was made to that person.
 - 4) A written report referred to in sub-clause (3) must be submitted to the accounting officer, in the case of an award by a bid adjudication committee of which the chief financial officer or a senior manager is a member.
 - 5) Sub-clauses (3) and (4) of this policy do not apply to procurement out of petty cash.
 - 6) This clause may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in clause 26 of this Policy. Also refer to clause 4(4) and 5(2)(a) of this Policy.
 - 7) No supply chain management decision-making powers may be delegated to an advisor or consultant.
- 6. Oversight role of council**
- 1) Council must maintain oversight over the implementation of this Policy.
 - 2) For the purposes of such oversight the Accounting Officer must –
 - a) within 22 business days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
 - b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to Council.
 - 3) The accounting officer must, within ten (10) business days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.
 - 4) The availability of these reports must be made public in accordance with section 21A of the Local Government Municipal Systems Act 32, 2002

33. Procurement of goods necessitating special safety arrangements

- 1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gases and fuel, should be avoided where ever possible.
- 2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the employee duly authorised in terms of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).

34. Proudly SA Campaign

The Municipality supports the Proudly SA Campaign to the extent that, as far as possible, preference is given to procuring local goods and services.

35. Appointment of consultants

- 1) The accounting officer may procure consulting services provided that any Treasury guidelines and CIDB requirements in respect of consulting services are taken into account when such procurements are made.
- 2) Consultancy services must be procured through competitive bids if:
 - a) the value of the contract exceeds R200 000 (VAT included); or
 - b) the duration period of the contract exceeds one year.
- 3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
 - a) all consultancy services provided to the municipality in the last five years; and
 - b) any similar consultancy services provided to the municipality in the last five years.
- 4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Municipality.

36. Deviation from, and ratification of minor breaches of, procurement processes

- 1) The accounting officer may –
 - a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –

- i) in an emergency;
 - aa) Circumstances that warrant emergency dispensation, includes but are not limited to -
 - a) the possibility of human injury or death;
 - b) the prevalence of human suffering or deprivation of rights;
 - c) the possibility of damage to property, or suffering and death of livestock and animals;
 - d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;
 - e) the possibility of serious damage occurring to the natural environment;
 - f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;
 - g) the possibility that the security of the state could be compromised.
 - ab) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.
 - ac) Procurement in the case of emergencies must be tacitly approved by the relevant director or his delegatee prior to incurring the expenditure and must be reported to the Municipal Manager or delegated official on the ensuing business day.
 - ii) if such goods or services are produced or available from a single provider only;
 - iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - iv) acquisition of animals for zoos and/or nature and game reserves; or
 - v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes.
- b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature; and
 - c) may condone any irregular expenditure incurred in contravention of, or that is not in accordance with a requirement of this Policy, provided that such

condonation and the reasons therefore shall be reported to Council at the next ensuing meeting.

- 2) The accounting officer must record the reasons for any deviations in terms of sub-clauses (1)(a) and (b) of this policy and report them to the next Council Meeting and include as a note to the annual financial statements.
- 3) Sub-clause (2) does not apply to the procurement of goods and services contemplated in clause 11(2) of this policy.

37. Unsolicited bids

- 1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- 2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
 - a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
 - c) the person who made the bid is the sole provider of the product or service; and
 - d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.
- 3) If the accounting officer decides to consider an unsolicited bid that complies with sub-clause (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
 - a) reasons as to why the bid should not be open to other competitors;
 - b) an explanation of the potential benefits if the unsolicited bid was to be accepted; and
 - c) an invitation to the public or other potential suppliers to submit their comments within 22 business days of the notice.
- 4) The accounting officer must submit all written comments received pursuant to sub-clause (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.
- 5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.
- 6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

SUPPLY CHAIN MANAGEMENT REPORT												
TENDERS & FORMAL WRITTEN QUOTATIONS AWARDED TO THE BIDDER SCORING THE HIGHEST POINTS AS WELL AS TENDERS CANCELLED IN TERMS OF COUNCIL'S PREFERENTIAL PROCUREMENT POLICY- 4th QUARTER 2012/2013: 01 April to 30 June 2013												
#	Tender #	Description	Area	Date Awarded / Cancelled	Awarded to	B-BBEE Status Level	Completion Period	Unit Price	Amount Operational	Amount Capital	VAT @ 14%	Total Amount (including VAT)
1	SC1230A/2012	Amendment of Contract No. SC 1230/2012: Electrification of Mandela Square Informal Settlement in Hermanus	Hermanus	2013/04/12	Adenco Construction (Pty) Ltd	N/A	2013/06/30	-	-	128,277.46	17,958.84	146,236.30
2	SC1314/2013	Citizen satisfaction survey research service	Overstrand	2013/04/11	Prestige ignite NPC	None	10 Weeks	-	70,700.00	-	9,898.00	80,598.00
3	SC1322/2013	Clearing of invasive alien plants in high altitude areas in the Fernkloof Nature Reserve, Hermanus	Overstrand	2013/04/12	Cancelled	N/A	N/A	-	-	-	-	-
4	SC1324/2013	Repair of segmented paving at the Harbour Road & Luchhof Street intersection Kleinmond	Kleinmond	2013/04/11	Coalition Trading 1317	None	4 Weeks	Various unit rates	79,637.50	-	-	79,637.50
5	SC1328/2013	Development of a Service Delivery and Budget Implementation plan SDBIP	Overstrand	2013/04/15	Ignite Advisory Services (Pty) Ltd	None	1 Month	-	52,537.00	-	7,355.18	59,892.18
6	SC1344/2013	Alteration and Additions to Milkwood Toilets at Onrusver	Hermanus	2013/04/26	Cancelled	N/A	N/A	-	-	-	-	-
7	SC1170A/2011	Extension: Construction of Zweihlle Commercial Precinct & Recreational Facilities	Hermanus	2013/05/03	Cape Asphalt CC	None	8 Weeks	-	-	384,945.12	53,892.32	438,837.44
8	SC1259/2012	Protective clothing and uniforms for Protection Services	Overstrand	2013/05/31	Cancelled- No Responses	N/A	N/A	-	-	-	-	-
9	SC1266/2012	Sale of erf 11154 Hermanus for establishing an oncology unit and related facilities	Hermanus	2013/05/31	Cancelled- No Responses	N/A	N/A	-	-	-	-	-
10	SC1289/2012	Sale of erf 484 Gansbaai for single residential purposes	Gansbaai	2013/05/31	Cancelled- No responses	N/A	N/A	-	-	-	-	-
11	SC1272/2012	Sale of Erf 3045, Gansbaai (Blompark) for commercial purposes	Gansbaai	2013/05/31	Cancelled- No responses	N/A	N/A	-	-	-	-	-
12	SC1284/2012	Sale of erf 11440 Hermanus	Hermanus	2013/05/31	Cancelled- No responses	N/A	N/A	-	-	-	-	-
13	SC1293/2012	Provision of Medical Examination Services for 130 beneficiaries of the Work-for-Water project	Overstrand	2013/05/31	Cancelled- No Responses	N/A	N/A	-	-	-	-	-
14	SC1308/2013	Electrification of Asazani Square informal Settlement	Stamford	2013/05/10	Solethu Energy (Pty) Ltd	3	16-18 Weeks	-	-	451,754.38	63,246.61	514,999.99
15	SC1312/2013	Supply & Delivery of an Ozone Generator and activated carbon for Peary Beach WTW	Gansbaai	2013/05/10	Quality Filtration Systems CC	None	2013/06/30	-	34,800.00	141,650.00	24,703.00	201,153.00
16	SC1320/2013	Supply and / or application of fertiliser on sports fields in the Overstrand.	Overstrand	2013/05/31	Hening and Hening CC via Henchem	None	2014/06/30	Various unit rates	199,520.16	-	27,932.82	227,452.98
17	SC1321/2013	RFP: Management and facilitation of stakeholder participation process for coastal setback-lines	Overstrand	2013/05/28	Cancelled- Bidder non-responsive	N/A	N/A	-	-	-	-	-
18	SC1325/2013	Garden maintenance services Hermanus	Hermanus	2013/05/31	Eco Environmental Eco Creations MEC Landscapes (Pty) Ltd	None	2016/06/30	Various unit rates	953,826.94	-	133,535.77	1,087,362.71
19	SC1326/2013	Construction of Cloakroom, Stamford Sports Ground	Gansbaai	2013/05/26	FK Maintenance	None	8 Weeks	Various unit rates	318,986.72	483,560.00	67,712.40	551,372.40

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#	Tender #	Description	Area	Date Awarded / Cancelled	Awarded to	B-BBEE Status Level	Completion Period	Unit Price	Amount Operational	Amount Capital	VAT @ 14%	Total Amount (including VAT)
20	SC1327B/2013	Amendment of Contract: Provision of USQL Licences for integration of GeoDebt collection system into the SAMPRAS Financial Management System.	Overstrand	2013/05/06	Bytes Systems Integrated (Pty) Ltd	N/A	12 Months	-	99,346.18	-	13,908.47	113,254.65
21	SC1340/2013	Supply & Delivery of Symantec Anti-Virus Software	Overstrand	2013/05/13	Khussa Solutions (Pty) Ltd	3	2014/05/16	-	53,400.00	-	7,476.00	60,876.00
22	SC1343/2013	Construction of Carpents at Overstrand Municipality Head Offices, Hermanus	Hermanus	2013/05/28	Take Note Trading 233 CC/ta Shade and Steel Solution	None	2013/06/21	-	-	167,072.10	23,390.09	190,462.19
23	SC1347/2013	Supply and Delivery of Toilet Paper	Overstrand	2013/05/21	Epping Industrial Suppliers (Pty) Ltd	3	2013/06/30	116.00	98,600.00	-	13,804.00	112,404.00
24	SC1350/2013	Storeroom at Auditorium at Overstrand Municipality	Hermanus	2013/05/28	Coalition Trading 1317 CC	3	2013/06/21	-	-	108,950.00	-	108,950.00
25	SC1351/2013	Hawston Library roof alterations and replacement	Hermanus	2013/05/28	Coalition Trading 1317 CC	3	2013/06/21	-	163,000.00	-	-	163,000.00
26	SC1354/2013	Supply and deliver Stormwater Pipes Alteration and Additions to Milkwood Toilets at Onrusshier	Overstrand	2013/05/21	Cancelled	N/A	N/A	-	-	-	-	-
27	SC1355/2013	Amendment of the lease agreement for the Onrus/Hawston radio mast site	Hermanus	2013/05/28	Coalition Trading 1317 CC	3	2013/06/21	-	113,400.00	-	-	113,400.00
28	SC1360a/2013	The extension of the contract period for the Management of Informal Settlements within the Overstrand area	Hermanus	2013/05/17	RFG Electronics CC	None	2013/10/31	-	29,591.45	-	4,142.80	33,734.25
29	SC833a/2010	The extension of the contract period for the Management of Informal Settlements within the Overstrand area	Overstrand	2013/05/31	Metro Urban Management Support Services (Pty) Ltd	None	2013/06/30	Various unit rates	390,000.00	-	42,000.00	342,000.00
30	SC1316/2013	Mechanical, Electrical & Civil works for new Water Treatment Works Baardskroersbos	Gansbaai	2013/06/14	Ikussa Chemicals (Pty) Ltd	3	32 weeks	-	-	5,388,535.00	754,450.90	6,143,385.90
31	SC1318/2013	Supply and delivery of protective clothing and uniform: Overstrand Protection Services	Overstrand	2013/06/14	Inwuyani Safety CC	3	2015/06/30	Various unit rate	31,600.00	-	4,424.00	36,024.00
31	SC1318/2013	Supply and delivery of protective clothing and uniform: Overstrand Protection Services	Overstrand	2013/06/14	FG Uniforms CC	1	2015/06/30	Various unit rate	744,954.85	-	104,293.68	849,248.53
31	SC1318/2013	Supply and delivery of protective clothing and uniform: Overstrand Protection Services	Overstrand	2013/06/14	TR Supply CC/ta TRF Sport	1	2015/06/30	Various unit rate	73,840.00	-	10,337.60	84,177.60
31	SC1318/2013	Supply and delivery of protective clothing and uniform: Overstrand Protection Services	Overstrand	2013/06/14	Marcus Projects (Pty) Ltd	4	2015/06/30	Various unit rate	32,700.00	-	4,578.00	37,278.00
32	SC 1329B/2013	Amendment of Contract No. SCD 2144/2011: The Rental of Office Accommodation for the Department of Local Economic Development, at 3 Myrtle Street, Hermanus for an additional three years from 01 July 2013 to 30 June 2016	Hermanus	2013/06/28	Arvesco 100 (Pty) Ltd	N/A	2016/06/30	R 12,497.87 per month excluding municipal service	491,631.21	-	68,828.37	560,459.58
33	SC 1329C/2013	Amendment of Contract No. SCD 2143/2011: The Rental of Office Accommodation for the Department of Human Resources in MIQ House: 96 Dirkie Uys Street, Hermanus for an additional three years from 01 July 2013 to 30 June 2016	Hermanus	2013/06/28	MLC Trust/ta MLC Trading	N/A	2016/06/30	R 23,877.98 per month excluding municipal service	912,215.25	-	127,710.14	1,039,925.39

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34	SC-1323D/2013	Amendment of Contract No. SCD 2142/2011: The Rental of Office Accommodation for the Departments of Legal & Internal Audit Services in the PSS Building: Cor. Dikie Ups & Magnolia Streets, Hermanus for an additional three years from 01 July 2013 to 30 June 2015	Hermanus	2013/06/28	Liberty Lane Trading 197 (Pty) Ltd	N/A	2015/06/30	R 13,842.74 per month excluding municipal service accounts	348,837.05	-	48,837.19	397,674.24
35	SC-1327A/2013	Amendment of Contract: Provision of SAMIRAS Financial Management System per MFMA Section 116(3) 2013-2016	Overstrand	2013/06/27	Bytes Systems Integrated (Pty) Ltd	N/A	2016/06/30	Various unit rate	3,719,032.92	-	520,664.51	4,239,697.53
36	SC-1327C/2013	Amendment of SCD 2510 & 2489 for license agreements for the use of the Inkeeper booking service at various municipal caravan parks	Overstrand	2013/06/27	PSD Distribution Africa (Pty) Ltd	N/A	2016/06/30	Various unit rate	172,925.92	-	24,209.83	197,135.55
37	SC-1327D/2013	Amendment of contract SCD2512/2012 for the license and support services of Emis, Plantman and Buildman for a period of three years	Overstrand	2013/06/27	Water Management Services CC	N/A	2016/06/30	Various unit rate	1,351,703.01	-	189,238.42	1,540,941.43
38	SC-1327F/2013	Amendment of contracts SC 787, 1208 and 1239 for the provision of Performance management, and SOBIP support and assistance in the completion of the annual report	Overstrand	2013/06/27	Ignite Advisory Services (Pty) Ltd	N/A	2016/06/30	Various unit rate	806,150.50	-	112,861.07	919,011.57
39	SC-1327G/2013	Amendment of contract SCD 2274 for the provision of the Collaborator Foundation System for a period of three years	Overstrand	2013/06/27	Business Engineering (Pty) Ltd	N/A	2016/06/30	Various unit rate	554,259.50	-	77,956.33	631,855.83
40	SC-1327H/2013	Amendment of contract SC 999/2010 for the providing of a credit control and debt collection system as a mechanism to recover debt, for a period of three years	Overstrand	2013/06/27	Geodebt Solutions CC	N/A	2016/06/30	Various unit rate	408,520.20	-	57,192.83	465,713.03
41	SC-1327I/2013	Amendment of contract for the provision of Payroll and Human Resources business software for a period of 3 years	Overstrand	2013/06/28	Pay-Day Software Solutions Pty (Ltd)	N/A	2016/06/30	Various unit rate	524,816.88	-	73,474.80	598,293.18
42	SC-1330/2013	Service, maintenance and replacement of Server Room Air Conditioners for a period ending 30 June 2015	Overstrand	2013/06/27	Ganstaar Aircon & Refrigeration CC	4	2016/06/30	Various unit rate	496,500.00	-	69,510.00	566,010.00
43	SC-1331/2013	Installation & Maintenance of ICT Network Infrastructure	Overstrand	2013/06/27	Cables Cabling CC	3	2016/06/30	Various unit rate	343,644.00	-	48,110.16	391,754.16
44	SC-1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Royal Haskoning DHV	3	2016/06/30	Based on ECSCA guideline fees	-	-	-	-
44	SC-1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	ICE Boland	None	2016/06/30	Based on ECSCA guideline fees	-	-	-	-
44	SC-1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Davering Consulting Engineers	1	2016/06/30	Based on ECSCA guideline fees	-	-	-	-

SUPPLY CHAIN MANAGEMENT REPORT												
TENDERS & FORMAL WRITTEN QUOTATIONS AWARDED TO THE BIDDER SCORING THE HIGHEST POINTS AS WELL AS TENDERS CANCELLED IN TERMS OF COUNCIL'S PREFERENTIAL PROCUREMENT POLICY - 4th QUARTER 2012/2013: 01 April to 30 June 2013												
#	Tender#	Description	Area	Date Awarded / Cancelled	Awarded to	B-BBEE Status Level	Completion Period	Unit Price	Amount Operational	Amount Capital	VAT @ 14%	Total Amount (including VAT)
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Jan Palm Consulting Engineers	2	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	M&V Consulting Engineers (Pty) Ltd	4	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Gibb Pty (Ltd)	2	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Qunu Consulting (Pty) Ltd	2	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Neil Lyners & Associates CC	4	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Worley Parsons (Pty) Ltd	2	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Jeffares & Green	3	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Aurecon Joint Africa (Pty) Ltd	3	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Accom SA (Pty) Ltd	2	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	SRK Consulting	3	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	SMEC South Africa (Pty) Ltd	3	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Element Consulting Engineers	3	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Water & Waste Water Engineering	None	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	GLS Consulting (Pty) Ltd	4	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	AVDM Consulting Engineers	4	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Hatch Goba	4	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-

SUPPLY CHAIN MANAGEMENT REPORT												
TENDERS & FORMAL WRITTEN QUOTATIONS AWARDED TO THE BIDDER SCORING THE HIGHEST POINTS AS WELL AS TENDERS CANCELLED IN TERMS OF COUNCIL'S PREFERENTIAL PROCUREMENT POLICY- 4th QUARTER 2012/2013: 01 April to 30 June 2013												
#	Tender #	Description	Area	Date Awarded / Cancelled	Awarded to	B-BBEE Status Level	Completion Period	Unit Price	Amount Operational	Amount Capital	VAT @ 14%	Total Amount (Including VAT)
44	SC1334/2013	Appointment of Consultants for Various Engineering and Groundwater Projects in the Overstrand Area	Overstrand	2013/06/27	Umvoto Africa	1	2016/06/30	Based on ECSA guideline fees	-	As per the approved annual budget	-	-
45	SC1339/2013	Operation of Hermanus Material Recovery Facility	Hermanus	2013/06/27	Cancelled	N/A	-	-	-	-	-	-
46	SC1341/2013	Supply & Delivery of a Tsunami QB 8100 Link	Hermanus	2013/06/25	Gijma Holdings (Pty) Ltd	2	2013/06/27	-	-	57,600.00	8,064.00	65,664.00
47	SC1352/2013	Supply & Delivery of Synsoft Maintenance Renewal Software	Overstrand	2013/06/13	Lateral Dynamics (Pty) Ltd	None	2016/05/31	-	91,083.00	-	12,751.62	103,834.62
48	SC1353/2013	Supply and deliver cement pavers	Overstrand	2013/06/13	AWY Project Management	1	2013/06/30	1.70	44,324.28	-	6,205.40	50,529.68
49	SC1358/2013	Financial services support	Overstrand	2013/06/03	Ducharme Consulting (Pty) Ltd	None	2014/05/31	Various unit rate	175,438.60	-	24,561.40	200,000.00
50	SC1366/2013	Management services for Gansbaai Caravan Park	Gansbaai	2013/06/06	Cancelled	N/A	-	-	-	-	-	-
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Nicodemus Gardiner	N/A	11 weeks	5,000.00	76,600.06	-	-	78,600.06
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Nicky's Cleaning Services	N/A	12 weeks	3,240.00	43,685.52	-	-	43,685.52
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Nogobile Construction Services	N/A	12 weeks	8,912.31	120,166.44	-	-	120,166.44
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Lobi Landscaping & Projects	N/A	12 weeks	8,613.73	115,140.56	-	-	115,140.56
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Bannet Construction	N/A	12 weeks	7,837.51	105,674.76	-	-	105,674.76
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Bannet Construction	N/A	12 weeks	8,379.33	112,980.24	-	-	112,980.24
51	1101a/2011	Amendment of contract agreement for the provision of Cleaning services, Hermanus, extended for up to 12 weeks	Hermanus	2013/05/26	Bannet Construction	N/A	12 weeks	7,889.33	105,375.28	-	-	105,375.28
52	1140a/2011	Amendment of contract agreement for the provision of Cleaning services in Sandbaai, Onrus and Vermont extended for up to 10 weeks	Hermanus	2013/06/26	Dean Louw	N/A	10 weeks	10,621.74	119,346.00	-	-	119,346.00
53	SC1370/2013	Management services for Gansbaai Caravan Park	Gansbaai	2013/06/28	P. Nowers	N/A	24 Months	8,200.00	195,900.00	-	-	195,900.00
									14,891,301.68	7,312,744.06	2,903,514.79	25,107,560.53

Supply Chain Management Report

Deviations from the Policy, Approved in terms of Clause 36(1)(a) for the 4th Quarter of 2012/2013- 01 April to 30 June 2013

#	Deviation #	Date approved	Deviation in terms of Clause 36(1)(a)	Description	Responsible Official	Awarded to	Amount Operational	Amount Capital	VAT @ 14%	Value of the Deviation
1	SCD2612	2013/04/02	Clause 36(1)(a)(i)	The testing and service of 21 units of Draeger Self Containing Breathing Apparatus equipment, by the sole importer, supplier and service company of Draeger equipment in South Africa.	Station Commander: Hermanus, A. Apion	Draeger South Africa (Pty) Ltd	10,896.00	-	1,525.30	12,420.30
2	SCD2613	2013/04/17	Clause 36(1)(a)(v)	The payment of costs related to the continued development and improvement of Overstrand Municipality's Financial Management System (SAMRAS), as per the municipality's SLA with the contractor.	System Administrator: Finance, Loubeur, JT	Bytes System Integration (Pty) Ltd	276,903.15	-	38,766.44	315,669.59
3	SCD2614	2013/04/05	Clause 36(1)(a)(v)	The auditing of bulk meters by a specialist service provider, with the needed equipment, and experience, who is also the original implementer and developer of the current system, with the provision that S116(3) of the MPA will be adhered to by 30 June 2013.	Senior Manager: Chief Electrical Services, K. du Plessis	P.J. Technologies Cape CC	22,100.25	-	3,094.04	25,194.29
4	SCD2615	2013/04/05	Clause 36(1)(a)(v)	The identification and repair of fault with the APC Smart UPS used at the Kleinmond ICT Data Centre, which needed to have its batteries replaced, via a strip-and-quote process.	Acting Manager: IT Communication & Technology, J. Van Staden	UPS Cape CC via AC Digital Energy	2,266.00	-	317.24	2,583.24
5	SCD2616	2013/04/05	Clause 36(1)(a)(v)	The provision of Professional Services for the establishment of market-related requirements for the implementation of Phase 1 of the SAMRAS/SPS system as well as the required Bytes Operating Software for the said system (one-off), from the developer of the system and whom is the current supplier of the municipality's Financial Management System.	Municipal Manager, C. Soenenwald	Work Dynamics (Pty) Ltd	17,543.88	-	2,456.14	20,000.00
6	SCD2617	2013/04/10	Clause 36(1)(a)(v)	The identification and repair of fault with the gearbox for tractor CEH 26561 via a strip-and-quote process, as the municipal workshop does not have the needed equipment to remove the gears in order to perform a full inspection.	Acting Manager: IT Communication & Technology, J. Van Staden	Bytes System Integration (Pty) Ltd	256,768.00	-	36,947.52	292,715.52
7	SCD2618	2013/04/10	Clause 36(1)(a)(v)	The identification and repair of faults within the Hermanus electrical telemetry network, by the original implementer of the system, who is also the only service provider with the required capacity and equipment needed to accurately identify the fault.	Manager: Corporate Services, Aneelze JUF	Urus S.A. (Pty) Ltd	18,460.00	-	2,584.40	21,044.40
8	SCD2619	2013/04/10	Clause 36(1)(a)(v)	The supply and delivery of SPS-Ye Quick Seals, from the sole authorised suppliers of NIC products for the African region.	Senior Manager: Chief Electro Technical Services, du Plessis, K	Spectrum Communications (Pty) Ltd	4,860.00	-	680.40	5,540.40
9	SCD2620	2013/04/11	Clause 36(1)(a)(i)	The testing and service of Draeger Self Containing Breathing Apparatus equipment, by the sole importer, supplier and service company of Draeger equipment in South Africa.	Senior Manager: Chief Electro Technical Services, du Plessis, K	Power Measurement & Distribution CC	12,320.00	-	1,724.80	14,044.80
10	SCD2621	2013/04/12	Clause 36(1)(a)(i)	The testing and calibration of BW Gas Alert Microchip detectors, by the sole approved representative for BV Technology products in the Western Cape.	Station Commander: Hermanus, Apion A.	Draeger South Africa (Pty) Ltd	4,134.50	-	576.83	4,711.33
11	SCD2622	2013/04/15	Clause 36(1)(a)(i)	The removal and hosting of Overstrand Municipality's tourism website (www.visitoverstrand.info), originally controlled by the Cape Whale Coast DMC, until 30 April 2013, by the company who originally developed and currently maintains the site.	Station Commander: Hermanus, Apion A.	Imvuyani Safety CC	1,767.00	-	247.38	2,014.38
12	SCD2623	2013/04/16	Clause 36(1)(a)(v)	The 6 monthly preventative maintenance service of Rello Arcs Multistandard UPS system by the sole ARCS distributor and service centre for Rello Arcs systems in Western and Eastern Cape provinces.	Manager: Tourism, Greeff S.	Studio 137	2,645.00	-	-	2,645.00
13	SCD2624	2013/04/25	Clause 36(1)(a)(v)	The identification and repair of fault with HP Colour Laserjet printer, which needed to have its formatter and fax module replaced, via a strip-and-quote process.	Acting Manager: IT Communication & Technology, J. Van Staden	UPS Cape CC via AC Digital Energy	3,660.00	-	506.60	4,166.60
14	SCD2626	2013/04/29	Clause 36(1)(a)(v)	The technical setup and commissioning of the VM Server environment to host SAMRAS/SPS, as part of the implementation of Phase 1 of the SAMRAS/SPS system, by the developer of the system and whom is the current supplier of the municipality's Financial Management System.	Acting Manager: IT Communication & Technology, J. Van Staden	Heldertech CC	3,270.00	-	457.80	3,727.80
15	SCD2617a	2013/05/30	Clause 36(1)(a)(v)	The emergency procurement of tow-in services for the towing of municipal truck CEM 20030 by the nearest available service provider without being able to obtain three quotations due to the incident occurring outside of office hours (03 April 2013 @ 16:53)	Acting Manager: IT Communication & Technology, J. Van Staden	Bytes System Integration (Pty) Ltd	42,560.00	-	5,956.40	48,516.40
16	SCD2625	2013/05/03	Clause 36(1)(a)(i)		Manager: Corporate Services, Aneelze JUF	De Kook Panel beaters & Spraypainters CC	6,800.00	-	862.00	7,662.00

Supply Chain Management Report										
Deviations from the Policy, Approved in terms of Clause 36(1)(a) for the 4th Quarter of 2012/2013-01 April to 30 June 2013										
#	Deviation #	Date approved	Deviation in terms of Clause 36(1)(a)	Description	Responsible Official	Awarded to	Amount Operational	Amount Capital	VAT @ 14%	Value of the Deviation
17	SCD2627	2013/05/23	Clause 36(1)(e)(v)	Provision of the Municipal Finance Management Development Programme for Group 4 to ensure compliance with the MFMA.	Senior Manager: Human Resources L Burchianeri	Stellenbosch University – School of Public Leadership	1,087,500.00	-	-	1,087,500.00
18	SCD2628	2013/05/17	Clause 36(1)(a)(v)	A presentation on the expected future economic trends within South Africa and its impact on local government, by a specialist.	Municipal Manager, Groenewald C	Mr. Mike Schuster via his corporation: Saia, CC	24,561.40	-	3,436.60	28,000.00
19	SCD2629	2013/05/20	Clause 36(1)(e)(v)	The identification and repair of fault with the final drive for tractor CEM 21823 via a strip-and-quote process, as the municipal workshop does not have the needed equipment to perform a full inspection.	Manager: Corporate Services, Avenue JJJ	Urus S.A. (Pty) Ltd	3,473.93	-	486.35	3,960.28
20	SCD2630	2013/05/22	Clause 36(1)(a)(v)	The identification and repair of fault with the cylinder head of vehicle CEM 22015, which had been damaged after the timing-belt snapped, via a strip-and-quote process.	Manager: Corporate Services, Avenue JJJ	Worcester Engineering	2,895.00	-	405.30	3,300.30
21	SCD2631	2013/05/23	Clause 36(1)(a)(iii)	The manufacture and erection of a specially designed sun dial to be used as an attraction at Swallow Park, Hermanus	Senior Manager: Hermanus, Kearney D	Hermanus Astronomy Centre	11,750.00	-	-	11,750.00
22	SCD2632	2013/06/27	Clause 36(1)(a)(v)	The provision of Intellishark bank reconciliation software from originally designer and developer of the system and who also owns sole copyright, as the risk of implementing an alternative system during the financial year would have an impact on the reconciliations, financial statements and external audit of the municipality.	Senior Manager: Financial Services, King B	Prowaterhouse Coopers Inc.	70,443.37	-	9,862.07	80,305.44
23	SCD2633	2013/06/19	Clause 36(1)(a)(v)	The identification and repair of fault with Caterpillar Grader, which first had to have its blades inspected in order to identify the extent of repairs required, via a strip-and-quote process and by the authorized dealer for Caterpillar equipment in the Republic of South Africa.	Manager: Corporate Services, Avenue JJJ	Barloworld Equipment, a division of Barloworld South Africa (Pty) Ltd	32,175.79	-	4,504.75	36,680.54
24	SCD2634	2013/06/24	Clause 36(1)(a)(v)	The identification and repair of fault with the hydraulic pump for Grader CEM 2445 via a strip-and-quote process, as the municipal workshop does not have the needed equipment to perform a full inspection.	Manager: Corporate Services, Avenue JJJ	Hycro Hydraulics & Pneumatics CC	28,250.00	-	3,955.00	32,205.00
25	SCD2635	2013/06/19	Clause 36(1)(a)(v)	The identification of fault with the fuel pump or vehicle CEM 24211, which had a faulty safety switch, via a strip-and-quote process. Subsequent to the investigation it was decided that the repair will be done via a strip-and-quote process.	Manager: Corporate Services, Avenue JJJ	Barloworld Equipment, a division of Barloworld South Africa (Pty) Ltd	4,380.00	-	613.20	4,993.20
26	SCD2636	2013/06/28	Clause 36(1)(a)(v)	The identification of fault with the radio receiver for a Sanitron, which had been vandalised, via a strip-and-quote process. Subsequent to the investigation it was decided that the site will not be repaired and that an alternate solution will be investigated.	Manager: IT Communication & Technology, van Staden J	Estreux Systems CC t/a Benefactor Communications	2,605.00	-	394.84	2,970.84
27	SCD2637	2013/06/28	Clause 36(1)(a)(v)	The provision of support services regarding the back-up procedures on the SAMRAS DBA server by the sole developer, supplier and implementer on the system.	System Administrator: Finance, Louber, JT	Bytes Systems Integration (Pty) Ltd	3,040.00	-	425.60	3,465.60
							1,556,231.25	299,328.00	119,995.00	2,076,464.25