

**SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT – 2013/2014: 1st
QUARTER: 01 JULY TO 30 SEPTEMBER 2013**

8/2/2

**CEM La Cock
09 October 2013**

(028) 313 8080

Hermanus Administration

1. Executive Summary

In terms of Clause 6(4) 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 the following:

- a) awards made through the bid committee system in terms of delegated authority,
- b) deviations from and minor breaches of the Supply Chain Management Policy, respectively approved and ratified by the Accounting Officer in terms of Clause 36 of the Supply Chain Management Policy, dated 25 September 2008 as amended, and
- c) the progress made with regards to internal investigations into the incidences of irregular expenditure identified in the 2012/2013 financial year.

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)
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 1st Quarter of the 2013/2014 financial year, 01 July to 30 September 2013, in order to comply with the requirements of Clause 6(4) of the Policy as well as deviations from the Policy in terms of Clause 36 the Policy (**Annexure A**).

Discussion

A Bid Awards

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

All awards between R200, 000 up to R10 million were approved through the bid committee system. 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.

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

Procurement Function	2013/2014 1st Quarter	2013/2014 to date	2012/2013
Bids Processed	29	29	143
Bids Processed- Average per Quarter	29	29	36
Average days from final evaluation to Bid Adjudication Committee	8	8	7
Average days from initiation to Bid Specification Committee	7	7	7
Estimated Value of Awards (R)	33,296,121.53	33,296,121.53	244,407,031.92

A schedule of these awards for the 1st Quarter of 2013/2014 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.

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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 2013/2014 year to date and the 2012/2013 financial year as per the following schedule:

SCM Policy	Description	2013/2014 1 st Quarter	2013/2014 to date	2012/2013
Clause 36(1)(a)(i)	Emergency	0	0	8
Clause 36(1)(a)(ii)	Sole Supplier	1	1	32
Clause 36(1)(a)(iii)	Special works of Art	0	0	4
Clause 36(1)(a)(v)	Impractical Impossible	21	21	105
		22	22	149

A schedule of all Deviations approved by the Municipal Manager for the 1st Quarter of 2013/2014 is attached as **Annexure C**.

C. Irregular Expenditure

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.

To this end, the Executive Mayor is hereby informed of the status concerning the instances of Irregular Expenditure identified in the 2012/2013 financial year and tabled before Mayoral Committee on 25 September 2013.

SCMIE #	Description	Awarded to	Value of Expenditure	Status
2013/01	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	In process of being submitted to National Treasury
2013/02	Repair of curtain rail in auditorium during the Kalfiefees in 2011 as a strip-and-quote prior to approval of a deviation	Anza Curtains	R 1,000.00	Investigation completed. To be submitted to the Accounting Officer.
2013/03	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	Investigation completed. To be submitted to the Accounting Officer.

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SCMIE #	Description	Awarded to	Value of Expenditure	Status
2013/04	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	Investigation completed. To be submitted to the Accounting Officer.
2013/05	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	In process of being submitted to National Treasury
2013/06	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	In process of being submitted to National Treasury
2013/07	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	Zelpy 1776 (Pty) Ltd	R15,600.00	In process of being submitted to National Treasury
2013/08	Non-compliance with Regulation 22: The award of tender SC 878/2010, for the operation of Gansbaai Landfill site and public drop-offs in Greater Gansbaai and Stanford, with an estimate contract value of above R 10 million (Incl. VAT).	Enviroserv Waste Management (Pty) Ltd	R 25,308,412.32	In process of being submitted to National Treasury
2013/09	Non-compliance with Regulation 22: The award of tender SC 781/2009, for the Transport of Containerised Municipal Solid Waste and Chipping of Garden Waste, with an estimate contract value of above R 10 million (Incl. VAT).	Enviroserv Waste Management (Pty) Ltd	R 20,791,502.57	In process of being submitted to National Treasury

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 1st Quarter of 2013/2014, 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 (29)	R 24,590,714.06	R 4,644,857.46	R 4,060,550.01	R 33,296,121.53
Deviations (22)	R 1,263,208.68	R 0.00	R 176,849.22	R 1,440,057.90
TOTAL	R 25,853,922.74	R 4,644,857.46	R 4,237,399.23	R 34,736,179.43

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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 1st Quarter of 2013/2014;
2. that **cognisance be taken** of the deviations from the procurement processes for the 1st Quarter of 2013/2014;
3. That **cognisance be taken** of the investigations underway into the cases of Irregular Expenditure to the Supply Chain Management Policy for the 2012/2013 financial year.

RESPONSIBLE OFFICIAL :

R LA COCK

TARGET DATE FOR IMPLEMENTATION :

TO BE NOTE

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Annexure A

**OVERSTRAND MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY – PART A**

S 4 / 011

6 Oversight role of council

- 1) No councillor may be a member of the municipal bid specification, evaluation or adjudication committees or any other committee evaluating or approving tenders, quotations, contracts or other bids, nor attend any such meeting as an observer.
- 2) Council must maintain oversight over the implementation of this Policy.
- 3) 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.
- 4) 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.
- 5) The availability of these reports must be made public in accordance with section 21A of the Local Government Municipal Systems Act 32, 2002

7 Supply Chain Management Unit

- 1) A supply chain management unit is hereby established to implement this Policy.
- 2) The Chief Financial Officer is administratively in charge of the supply chain management unit which operates under the direct supervision of the Senior Manager: Supply Chain Management, to whom this duty has been sub-delegated in terms of Section 82 of the Act.

8 Training of Supply Chain Management officials

The training of officials involved in implementing this Policy should be in accordance with relevant legislation, including Treasury guidelines on supply chain management.

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Annexure A

**OVERSTRAND MUNICIPALITY
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- b) any similar consultancy services provided to an organ of state 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;
 - (a) Circumstances that warrant emergency dispensation, includes but are not limited to –
 - (i) the possibility of human injury or death;
 - (ii) the prevalence of human suffering or deprivation of rights;
 - (iii) the possibility of damage to property, or suffering and death of livestock and animals;
 - (iv) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;
 - (v) the possibility of serious damage occurring to the natural environment;
 - (vi) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;
 - (vii) the possibility that the security of the state could be compromised.
 - (b) 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.
 - (c) Procurement in the case of emergencies must be tacitly approved by the relevant director or his delegate 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. **S 4/028**
 - 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.

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Annexure B

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- 1st QUARTER 2013/2014- 01 JULY to 30 SEPTEMBER 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	SC1273/2012	Supply and provision of high security locks & keys for a period ending June 2013.	Overstrand	2013/09/27	Cancelled - Sole bidder deemed non-responsive	N/A	-	-	-	-	-	-
2	SC1311/2013	Leak Detection water pipelines Overstrand area (Contract period ending 30 June 2015)	Overstrand	2013/08/30	Bosch Munitech (Pty) Ltd	3	2015/08/30	Various unit rates	900,000.00	-	112,000.00	912,000.00
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	Powerrec (Pty) Ltd	None	2014/06/30	Various Unit Rates	1,303,641.87	-	182,509.86	1,486,151.73
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	Powertech SA (Pt) Ltd	None	2014/06/30	Various Unit Rates	43,600.00	-	6,104.00	49,704.00
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	PI Technologies Cape CC	None	2014/06/30	Various Unit Rates	7,391.25	-	1,034.78	8,426.03
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	Adcom v/a Electrical Products, a division of Adcom	3	2014/06/30	Various Unit Rates	69,593.02	-	9,743.02	79,336.04
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	Reticalation and General Supplies CC	3	2014/06/30	Various Unit Rates	756,000.00	-	105,840.00	861,840.00
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	Siyphambili Electrical and Industrial Supplies CC	None	2014/06/30	Various Unit Rates	3,511.80	-	491.65	4,003.45
3	SC1313/2013	Supply and delivery of electrical inventory items for a contract period ending 31 March 2014	Overstrand	2013/07/12	Thubalethu Facilities Management (Pty) Ltd	None	2014/06/30	Various Unit Rates	62,118.02	-	8,696.52	70,814.54

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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)
4	SC1317/2013	Cleaning of invasive alien plants in Berghof and De Bos Dam area	Hermanus	2013/07/05	Cancelled - none of the bids received met the minimum qualifying criteria	N/A	-	-	-	-	-	-
6	SC1332/2013	Sale of two portions of Erf 210, Gansbaai for Aquaculture use	Hermanus	2013/07/05	Cancelled - Sole bidder deemed non-responsive	N/A	-	-	-	-	-	-
6	SC1333/2013	Provision of a Time Attendance Systems for the Overstrand Municipality	Overstrand	2013/07/26	Cancelled - All bidders deemed non-responsive	N/A	-	-	-	-	-	-
7	SC1335/2013	Provision of a Fuel Management System	Overstrand	2013/09/27	Webbank a division of FirstRand Ltd	N/A	2016.06.30	Various unit rates	1,380,125.51	-	193,217.57	1,573,343.08
8	SC1336/2013	Replacement of Domestic Water Meters, Internal Water and Sewer Domestic Repairs for the Period ending 30 June 2016	Overstrand	2013/08/19	Sakhikaya Suppliers CC	1	2016/06/30	Various unit rates	11,100,000.00	-	1,554,000.00	12,654,000.00
9	SC1337/2013	Management of Informal Settlements in the Overstrand Area	Overstrand	2013/07/12	Metro Urban Management	1	2016/06/30	Various unit rates	4,688,800.00	-	656,432.00	5,345,232.00
10	SC1338/2013	Repair of Small Plant (Lawnmowers, Weedsters, etc.)	Overstrand	2013/09/27	Leazen Endeavour CC vs Lammoner & Cheliasse Clinic Hermanus	None	2016.06.30	173.68	418,943.42	-	58,652.08	477,595.50
11	SC1342/2013	Printing & Distribution of accounts and newsletter	Overstrand	2013/07/12	CAB Holdings (Pty) Ltd	None	2016/06/30	Various unit rates	1,382,400.00	-	193,536.00	1,575,936.00
12	SC1346/2013	Rental, Refill and Delivery of Gas Cylinders	Overstrand	2013/09/27	Cancelled - All bidders deemed non-responsive	N/A	-	-	-	-	-	-

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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)
13	SC1346/2013	Sale of Street Sweeper	Hermanus	2013/09/27	Cancelled - No bids received	N/A	-	-	-	-	-	-
14	SC1361/2013	Supply & Delivery of Inventory Items	Overstrand	2013/09/20	Purple Rose Distributors (Pty) Ltd	3	2015.06.30	Various unit rates	160,510.44	-	22,471.46	182,981.90
14	SC1361/2013	Supply & Delivery of Inventory Items	Overstrand	2013/09/20	Kleinmond Verspreiders CC	None	2015.06.30	Various unit rates	1,420,064.10	-	198,811.77	1,618,885.87
14	SC1361/2013	Supply & Delivery of Inventory Items	Overstrand	2013/09/20	Fusion Properties CC	368	2015.06.30	Various unit rates	199,719.45	-	Not VAT registered	199,719.45
14	SC1361/2013	Supply & Delivery of Inventory Items	Overstrand	2013/09/20	Microzone Trading CC	539	2015.06.30	Various unit rates	19,210.73	-	2,689.50	21,900.23
14	SC1361/2013	Supply & Delivery of Inventory Items	Overstrand	2013/09/20	Safety Chemicals CC	None	2015.06.30	Various unit rates	116,230.10	-	16,272.21	132,502.31
15	SC1363/2013	Supply & Delivery of Storm Water Pipes to Overstrand Municipality	Hermanus	2013/08/08	Vinies Trading CC Via Moutonn Centre	None	2013/09/31	1,932.00	77,280.00	-	10,819.20	88,099.20
16	SC1363/2013	Supply & Delivery of Storm Water Pipes to Overstrand Municipality	Hermanus	2013/08/08	Leat Samural Holdings Va thuba industries	1	2013/09/31	3,550.00	71,004.00	-	9,940.56	80,944.56
16	SC1364/2013	Provision of Small bore Network Connections	Hermanus	2013/09/20	Cancelled - Specifications deemed insufficient	N/A	-	-	-	-	-	-

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#	Tender #	Description	Area	Date Awarded / Cancelled	Awarded to	B-BBEE Status Level	Completion Performed	Unit Price	Amount Operational	Amount Capital	VAT @ 14%	Total Amount (including VAT)
17	SC1367/2013	Provision of small works and maintenance " as and when"	Overstrand	2013/09/20	Cancelled - Specifications deemed insufficient	N/A	-	-	-	-	-	-
18	SC1368/2013	Provision of a Subscription for an Online, web-based Legal Information System	Overstrand	2013/07/02	Lexis Nexis (Pty) Ltd	None	2014/08/30	71,227.07	71,227.07	-	9,971.79	81,198.86
19	SC1371/2013	Supply and Delivery of Herbicide	Overstrand	2013/09/16	Cancelled - No acceptable bids received	N/A	-	-	-	-	-	-
20	SC1372/2013	Cleaning Project - Sanbeal	Hermanus	2013/08/28	Van Rooyen Tuindienste	None	2013/09/30	7,600.81	31,923.40	-	Not VAT registered	31,923.40
21	SC1373/2013	Building of exhibition stand	Overstrand	2013/09/21	Cancelled - No bids received	N/A	-	-	-	-	-	-
22	SC1374/2013	Lease of portion Erf 4771, Hermanus known as Dutchies Restaurant	Hermanus	2013/09/16	Superfecta Trading 608 CC	N/A	2016.09.30	3,771.93	90,529.32	-	12,674.10	103,203.42
23	SC1376/2013	Protective clothing and uniforms	Overstrand	2013/09/20	TR Supply CC	1	2014.10.31	Various unit rates	71,050.00	-	9,947.00	80,997.00
23	SC1376/2013	Protective clothing and uniforms	Overstrand	2013/09/20	Uthambo Procurement and Distribution CC	1	2014.10.31	Various unit rates	1,150.00	-	161.00	1,311.00
24	SC1378/2013	Paving of roads in Hawston Phase 3	Hermanus	2013/09/27	Peter Starke Civils CC	2	2014.04.10	4,538,662.60	-	4,538,662.60	635,388.76	5,173,951.36

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#	Tender #	Description	Area	Date Awarded / Cancelled	Awarded to	E-BBEE Status Level	Completion Period	Unit Price	Amount Operational	Amount Capital	VAT @ 14%	Total Amount (including VAT)
25	SC1383/2013	Building of exhibition stand	Overstrand	2013/09/21	Cancelled - No bids received	N/A	-	-	-	-	-	-
26	SC0867/2010	Amendment of the contract agreement for the Management and Operation of the Hermanus Material Recovery Facility at the Hermanus Solid Waste Transfer Station	Hermanus	2013/07/26	Hermanus Recycling CC / /a Walker Bay Recycling	N/A	2013/11/30	48,776.00	195,104.00	-	27,314.56	222,418.56
27	SC1210/2012	Amendment of contract: Maintenance and Support Services for the RF network and PABX system	Overstrand	2013/09/16	Giljima Holdings (Pty) Ltd	N/A	2015.06.30	698.00	16,566.56	-	2,319.32	18,885.88
28	SC1216/2012	Amendment of contract: Provision of Parking Management System for the Hermanus Central Business District	Hermanus	2013/09/20	Red Flame Technologies (Pty) Ltd	N/A	2013.10.24	17.50%	33,000.00	-	4,620.00	37,620.00
29	SC1213A/2012	Amendment of contract: Hermanus Parallel Road Project Phase 1 - Construction of Mbeki Street and associated roads	Hermanus	2013/09/16	Peter, Statke & Anner Construction JV	N/A	58 Weeks	106,294.86	-	106,294.86	14,881.28	121,176.14
									24,590,714.06	4,644,867.46	4,060,550.01	33,295,121.53

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Annexure C

Supply Chain Management Report										
Deviations from the Policy, Approved in terms of Clause 36(1)(a) for the 1st Quarter of 2013/2014- 01 July to 30 September 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	SCD2638	2013/07/11	Clause 36(1)(a)(v)	The identification and repair of fault with the transmission for Reckoe Leader CEM 31789, which had a faulty transmission control valve, via a strip-and-quote process.	Manager, Corporate Services, Arentse J JF	Barloworld Equipment, a division of Barloworld South Africa (Pty) Ltd	R 19,827.95		R 2,775.83	R 22,603.18
2	SCD2639	2013/07/18	Clause 36(1)(a)(v)	The booking of a space at the Gauteng Gateway Show, 30 August to 01 September 2013, without requesting quotations from other show organizers due to the uniqueness of the show and the Municipality's intended target market.	Manager, Tourism, Graeff S	Ramsay Media (Pty) Ltd	R 16,776.00		R 2,348.64	R 19,124.64
3	SCD2640	2013/07/29	Clause 36(1)(a)(v)	Provision of electricity power quality monitoring services for a 1 year period by the manufacturer and supplier of the system employed by the municipality, with the provision that S116(3) of the MFMA will be adhered to by 30 June 2014.	Senior Manager: Chief Electro Technical Services, Du Plessis K	CT Lab (Pty) Ltd	R 120,000.00		R 18,000.00	R 138,000.00
4	SCD2641	2013/07/23	Clause 36(1)(a)(v)	Updates of PHMAX software & 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 the preferred due process (clause 36(1)(b)(3)) will be followed by 30 June 2014.	Senior Manager: Chief Electro Technical Services, Du Plessis K	PJ Technologies Cape CC	R 32,462.23		R 4,544.71	R 37,006.94
5	SCD2642	2013/07/24	Clause 36(1)(a)(v)	Procurement of Specialist testing kits for Water Testing Equipment at the Gasbaal Wastewater Treatment Works, from the authorised distributor as per the attached memorandum.	Superintendent, Water and Sanitation, Frankfort H	PREI Instrumentation (Pty) Ltd	R 23,460.00		R 3,284.40	R 26,744.40
6	SCD2643	2013/07/24	Clause 36(1)(a)(v)	Procurement of credits for a postage franking machine for Gansbaal Administration from the sole service provider for this specific equipment, for the period ending 30 June 2014 and not exceeding a total cost of R 39 000.00, inclusive of VAT.	Senior Manager: Gansbaal and Standford, Myburgh F	Earlywork 282 (Pty) Ltd	R 34,210.53		R 4,789.47	R 39,000.00
7	SCD2644	2013/07/29	Clause 36(1)(a)(v)	Renewal of Novell licenses from an authorized Novell reseller, who is also the current service provider for the Provision of Data Support and ICT Advisory Services, in order to mitigate potential security risks and unforeseen disruptions in service delivery of the Data Centre.	Manager: IT Communication & Technology, van Staden J	Lateral Dynamics (Pty) Ltd	R 680,525.00		R 95,273.50	R 775,798.50
8	SCD2645	2013/07/30	Clause 36(1)(a)(v)	The identification and repair of fault with a buscuttler via a strip-and-quote process, as it is required that the supplier first investigate the equipment before providing a reliable quote	Manager, Corporate Services, Arentse J JF	Hermanus Mower Centre	R 3,239.48		R 453.53	R 3,693.01
9	SCD2646	2013/08/07	Clause 36(1)(a)(v)	The procurement of system specific Payroll IRP5 training on 05 and 06 September 2013, for one municipal employee, by current service provider of the municipality's personnel and payroll system.	Senior Manager: HR Buchanani L	Pay-Day Software Systems	R 3,508.77		R 491.23	R 4,000.00
10	SCD2647	2013/08/13	Clause 36(1)(a)(v)	Procurement of credits for a postage franking machine for Hermanus Administration from the sole service provider for this specific equipment, for the period ending 30 June 2014	Manager, Council Support Services Van Tonder H	Earlywork 282 (Pty) Ltd	R 149,122.81		R 20,877.19	R 170,000.00
12	SCD2649	2013/08/15	Clause 36(1)(a)(v)	The procurement of a service provider for the establishment of an exhibition stand at the Gauteng Gateway Show, to be held on 30 August - 01 September 2013 only for 1 of the 3 shows requested in the Formal Written Quotation as there is too little time allowed before establishment of the stand is needed for the show	Manager, Tourism, Graeff S	Scan Display Solutions (Pty) Ltd	R 15,730.00		R 2,202.20	R 17,932.20
13	SCD2650	2013/08/21	Clause 36(1)(a)(v)	Calibration of Truvelo speed law enforcement equipment by the sole supplier and manufacturer of the equipment including service, repair, maintenance and installation.	Chief, Traffic Services Fraser R	Truvelo Manufacturers (Pty) Ltd	R 9,809.04		R 1,373.27	R 11,182.31
14	SCD2651	2013/08/28	Clause 36(1)(a)(v)	The servicing, calibration and possible repair of Drager breathalyzer equipment, by the sole importer, supplier and service company of Drager equipment in South Africa.	Chief, Traffic Services Fraser R	Drager South Africa (Pty) Ltd	R 1,900.00		R 266.00	R 2,166.00
15	SCD2652	2013/08/21	Clause 36(1)(a)(v)	The identification of fault with the hydraulic cylinder of vehicle CEM 15338, which had begun leaking, via a strip-and-quote process.	Manager, Corporate Services, Arentse J JF	Hyo Hydraulics & Pneumatics CC	R 2,670.00		R 373.80	R 3,043.80
16	SCD2653	2013/08/21	Clause 36(1)(a)(v)	The inspection of fault with the switchgear of vehicle CEM 8154, which was faulty and providing incorrect warning messages, by the sole dealer/agent for the Western and Eastern Cape, via a strip-and-quote process.	Manager, Corporate Services, Arentse J JF	Kemach Cape (Pty) Ltd	R 3,711.20		R 519.57	R 4,230.77
17	SCD2654	2013/08/23	Clause 36(1)(a)(v)	Procurement of credits for a postage franking machine for Kleinmond Administration from the sole service provider for this specific equipment, for the period ending 30 June 2014.	Senior Manager: Hancklups-Kleinmond, Jonkhaid C	Earlywork 282 (Pty) Ltd	R 35,087.72		R 4,912.28	R 40,000.00
18	SCD2655	2013/08/28	Clause 36(1)(a)(v)	The inspection of fault with the pistons and valves of vehicle CEM 24211, which was faulty and resulted in high oil pressure and usage, via a strip-and-quote process.	Manager, Corporate Services, Arentse J JF	Automotive Dynamix Engine Rebuilders CC	R 65,350.75		R 8,149.11	R 74,499.86

**AGENDA of the
Mayoral Committee Meeting :
22 October 2013**

Annexure C

Supply Chain Management Report										
Deviations from the Policy, Approved in terms of Clause 36(1)(a) for the 1st Quarter of 2013/2014- 01 July to 30 September 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
19	SCD2656	2013/08/28	Clause 36(1)(a)(v)	The Identification and repair of fault with the two-way radio repeater at Ollantshoeg, which sustained damage due to the RF connector having been broken, via a strip-and-quote process.	Acting Manager: IT Communication & Technology - van Staden, J	Estreux Systems CC t/a Benilektor Communications	R 5,380.00		R 753.20	R 6,133.20
20	SCD2657	2013/09/06	Clause 36(1)(a)(ii)	The Provision of a training workshop on T.A.S.K. Job Evaluation by the sole registered owners of the trade mark and associated intellectual property.	Senior Manager: Human Resources, L Buccliani	Deloitte Consulting (Pty) Ltd	R 38,157.80		R 5,342.09	R 43,499.89
22	SCD2659	2013/09/19	Clause 36(1)(a)(v)	The Rental of Gas Cylinders procured through tender SC 872/2010, which had a contract period ending 30 June 2013, for a period of 3 months, ending 30 September 2013, as the cylinders still contain gas procured during the contract period of the said tender.	Manager, Corporate Services, Arendse JJJ	African Oxygen LTD	R 2,280.00		R 319.20	R 2,599.20
							1,253,288.68		176,849.22	1,440,057.90