

**SUPPLY CHAIN MANAGEMENT: QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2022**

D Kapot-Witbooi: Head: Supply Chain Management

**PURPOSE**

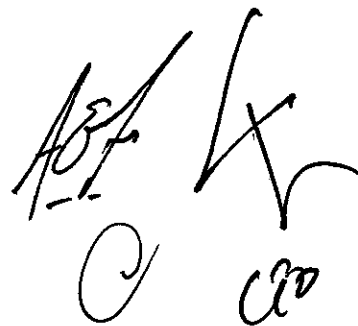
To report on Supply Chain Management issues and activities in order to comply with the Supply Chain Management Policy of the Council and the Municipal Finance Management Act.

**ATTACHMENT**

- SCM quarterly report period ending 31 March 2022.

**RECOMMENDATION**

- 1) That the quarterly report for the period ending 31 March 2022 submitted by the Supply Chain Management unit, be noted.



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## OVERBERG DISTRICT MUNICIPALITY



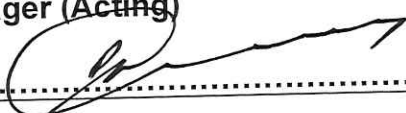
TO : MUNICIPAL MANAGER  
FROM : MANAGER: SUPPLY CHAIN MANAGEMENT  
DATE : 08 APRIL 2022

### SUPPLY CHAIN MANAGEMENT QUARTERLY REPORT FOR THE PERIOD ENDING MARCH 2022


**PURPOSE OF REPORT** For Council to take note of the deviations approved for the quarter January to March 2022 and the reasons thereof.

Attached please find:

1. SCHEDULE A Deviations: January – March 2022
2. SCHEDULE B Final awards made by the adjudication committee for the quarter.
3. SCHEDULE C SCM Regulation 50: disputes, objections, complaints and queries / General

Prepared by	Manager SCM Ms D Kapot-Witbooi..... 
Date	08.04.2022
Reviewed by	Chief Financial Officer Mr N Kruger ..... 
Date	12 APRIL 2022
Approved by	Municipal Manager (Acting) Mr P Oliver ..... 
Date	13.4.2022

### Final Submission

Submitted to	Executive Mayor Alderman Andries Franken ..... 
Date	13/04/2022

SCHEDULE A

1. Report on Regulation 36(2): Deviations

Hereunder, please find the schedule of awards where deviations occur with the reasons for the deviations.

SUPPLY CHAIN MANAGEMENT DEVIATIONS ITO THE SCM REGULATIONS & SCM POLICY FOR THE PERIOD MARCH 2022									
Deviation No	Name of Directorate / Department	Project Title	Name of Supplier	Amount	Incl / Excl	Finding for Deviation	Responsible Official	Reasons for Deviation	Order No
01/01	Finance	Update Long Term Financial Plan	INCA Portfolio Managers	R 103 500.00	Incl.	Exceptional Case	Z Van Rooyen	The Overberg District Municipality appointed INCA Portfolio Managers (IPM) during the 2015/2016 financial year to develop and prepare a ten-year long term financial plan. This plan has been updated in 2018/2019, as a result, the long-term financial plan requires maintenance, review, and update on an annual basis to ensure that the documented financial analysis of the municipality's performance remains a 'life' process in directing the initiatives by Executive and Council towards long term sustainability. It makes economic sense to utilize INCA Portfolio Managers till the end of council's term during the 2024/2025 financial and therefore consider a holistic approach for the revised / developed long term financial plan aligned with the new council's strategic directive, if any towards maintaining long term financial sustainability.	159 673

➤ No deviations for February 2022

Deviation No	Name of Directorate / Department	Project Title	Name of Supplier	Amount	Incl / Excl	Finding for Deviation	Responsible Official	Reasons for Deviation	Order No
01/03	Human Resources	Relocation of Household Furniture	Biddulphs International	R44 620,00	Incl.	Exceptional Case	S Mdewu	The ODM official (Mr Smith) obtained quotations from different service providers. Some of the service providers are not registered on the Central Supplier Database and others requested a deposit or full payment before loading the furniture. These quotations were all more than R30 000 which constitutes a formal quotation process. Due to the Constitutional Court Judgement in the case of (CT279120) the ODM was unable to follow the tender or formal quotation process. It was decided to use Biddulphs as the service provider since they are the cheapest out of all the quotations provided by Mr Smith.	160 502

**COMPLIANCE/PROGRESS**

The SCM unit was established during May 2008 and a Head of SCM was appointed on 1 October 2008. Bid committees have been established and are functioning well. New members have been appointed. Monthly reports have been submitted in respect of procurement of goods and services in terms of each required regulation of the Supply Chain Management Policy of the Council. (**Reports are available on request.**) Bid committee meetings have been minuted and submitted on a monthly basis. Hereunder, please find the schedule containing the final awards made by the adjudication committee for the quarter.

Performance ratings on service providers have been done and no complaints of bad performances by service providers have been received by the SCM unit.

**I. T05-2021/22: OFFICE 365**

<b>Awarded To:</b>	First Technology Western Cape (Pty) Ltd
<b>Amount:</b>	Various
<b>Reason for Award:</b>	Compliant Bidder / Scored the Highest Preferential points
<b>BBBEE:</b>	Level 1
<b>Date Awarded:</b>	19 January 2022

**II. T07-2021/22: HIRING (SERVICES), SERVICING, MAINTENANCE & REPAIRS AND SUPPLIES**

<b>Awarded To:</b>	<b>ITEM 1 (ELECTRICAL)</b> Simons Electric (Level 1)
	<b>ITEM 2 (HIRING OF HONEY SUCKER, SUPER SUCKER OR LIQUID RING UNIT FOR SEWERAGE REMOVAL)</b> Juno Corp (Pty) Ltd (Level 2)
	<b>ITEM 3 (HIRING OF A COMBINATION UNIT FOR SEWER AND STORMWATER MAINTENANCE)</b> Juno Corp (Pty) Ltd (Level 2)
	<b>ITEM 4 (LIFESAVERS AT UILENKRAALSMOND AND DIE DAM RESORT)</b> Nasionale See en Sand Instituut (Level 4)

**Amount:** Various  
**Reason for Award:** Compliant Bidder / Scored the Highest Preferential points  
**Date Awarded:** 19 January 2022

**III. T08-2021/22: RENDERING OF PROFESSIONAL (PSYCHOLOGY) COUNSELLING SERVICES FOR A PERIOD OF THREE YEARS**

**Awarded To:** Premium Consulting  
**Amount:** Year 1 (period ending 30 June 2022) R526.13 per hour  
Year 2 (period ending 30 June 2023) R578.74 per hour  
Year 3 (period ending 30 June 2024) R636.61 per hour  
**Reason for Award:** Compliant Bidder  
**BBBEE:** Level 1  
**Date Awarded:** 03 March 2022

**IV. T10-2021/22: OFFICE SPACE IN KLEINMOND FOR ONE ENVIRONMENTALHEALTH PRACTITIONER – THREE (3) YEAR PERIOD**

**Awarded To:** The Grail Centre Trust (IT 1981 / 2004)  
**Amount:** Year 1 (period ending 30 June 2022) R33 362.64  
Year 2 (period ending 30 June 2023) R36 698.88  
Year 3 (period ending 30 June 2024) R40 368.72  
**Reason for Award:** Compliant Bidder  
**BBBEE:** Level 4  
**Date Awarded:** 03 March 2022

**V. T11-2021/22: ELECTRONIC CPD POINTS (ECPD) FOR ENVIRONMENTAL HEALTH PRACTITIONERS – THREE (3) YEAR PERIOD**

**Awarded To:** African Online Scientific Information Systems (Pty) Ltd t/a AOSIS (Pty) Ltd  
**Amount:** Year 1 (period ending 30 June 2022) R 14 364.95  
Year 2 (period ending 30 June 2023) R15 011.47  
Year 3 (period ending 30 June 2024) R 15 686.92  
**Reason for Award:** Compliant Bidder  
**BBBEE:** Level 4  
**Date Awarded:** 03 March 2022

**VI. Q11-2021/22: ASBESTOS SERVICES**

**Awarded To:** Acu - Chron (Pty) Ltd  
**Amount:** R 55 741.00  
**Reason for Award:** Compliant Bidder  
**BBBEE:** Level 4  
**Date Awarded:** 24 January 2022

**VII. Q12-2021/22: RECRUITMENT AND SELECTION PROCESS OF TWO MANAGEMENT POSTS**

**Awarded To:** Riel Hugo & Associates  
**Amount:** R 69 861.53  
**Reason for Award:** Compliant Bidder / Scored the Highest Preferential Points  
**BBBEE:** Level 4  
**Date Awarded:** 24 January 2022

**VIII. Q13-2021/22: SUPPLY AND DELIVERY OF HARDOX 500 STEEL SHEETS**

**Awarded To:** KFC Engineering & Industrial Supplies  
**Amount:** R 184 000.00  
**Reason for Award:** Compliant Bidder / Scored the Highest Preferential Points  
**BBBEE:** Level 1  
**Date Awarded:** 08 March 2022

**IX. Q14-2021/22: SUPPLY AND DELIVERY OF THREE (3) CENTRIFUGAL AND SELF-PRIMING PUMPS**

**Awarded To:** Kobua Industrial Valves  
**Amount:** R 166 741.09  
**Reason for Award:** Compliant Bidder / Scored the Highest Preferential Points  
**BBBEE:** Level 1  
**Date Awarded:** 08 March 2022

## SCHEDULE C

### SCM REGULATION 50: DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES

Submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.

Tender Number	Tender Description	Date Awarded	Tenderers	Comments
T21-2020/21	Control & Eradication of Alien and Invasive Vegetation	01 October 2021	a) Fiona Lourens b) Vuka Construction	Resolved

### GENERAL

The database of accredited service providers has been updated and captured on the SAMRAS system and the SCM unit is busy on a daily basis to register new service providers on the ODM database; assist suppliers to register on the CSD and obtain new tax clearance certificates and municipal accounts.

A checklist has been implemented before placing of orders as a control mechanism in order to comply with the SCM policy and regulations.

The supply chain management unit consists of the following officials working at the road's depot:

- Ms. D Kapot-Witbooi      Head SCM
- Mr. C Abrahams          Storekeeper (Bredasdorp)
- Ms. B Brighton          Clerk Procurement
- Ms. C Reid                Senior Administrator
- Vacant                     Senior Clerk
- Mr. J Harmse              Clerk Database Management
- Mr. Vuyolwethu Nkanunu   Storekeeper (Caledon)

Ms. D Kapot-Witbooi needs to complete two (2) additional unit standards of the MMC training and Mr Jacques Harmse is currently doing his MMC competency training. Staff members need to be trained internally on supply chain management.

On Wednesday, 16 February 2022, the Constitutional Court handed down judgement in the application for leave to appeal against a judgement and order of the Supreme Court of Appeal (SCA). Due to the interconnectedness of the regulations, the SCA declared the entire Procurement Regulations invalid.

The National- and Provincial Treasury has in the interim (whilst seeking guidance from the Court on the date of the invalidity of the regulations), provided guidance to organs of state. Due to the invalidity of the regulations the municipality's Preferential Procurement Policy has been revoked by Council and reference to the regulations were removed from the Supply Chain Management Policy. Draft Regulations were issued on 10 March 2022 and the closing date for comments is 11 April 2022.