



OVERBERG DISTRICT MUNICIPALITY

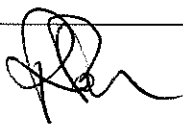
TO : MUNICIPAL MANAGER
FROM : MANAGER: SUPPLY CHAIN MANAGEMENT
DATE : 09 OCTOBER 2024

SUPPLY CHAIN MANAGEMENT QUARTERLY REPORT FOR THE PERIOD ENDING JUNE 2024

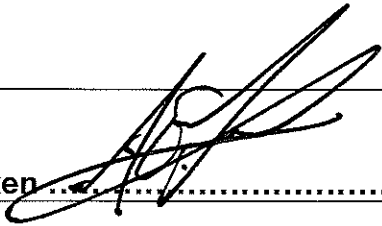
PURPOSE OF REPORT For Council to take note of the deviations approved for the quarter July – September 2024 and the reasons thereof.

Attached please find:

1. SCHEDULE A Deviations: July – September 2024
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 & Assets Ms D Kapot-Witbooi..... 
Date	10.10.2024
Reviewed by	Chief Financial Officer
Date	
Approved by	Municipal Manager Mr R Bosman 
Date	10/10/2024

Final Submission

Submitted to	Executive Mayor Alderman Andries Franken 
Date	14/10/2024

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 JULY – SEPTEMBER 2024							
Deviation No	Directorate / Department	Project Title	Name of Supplier	Amount	Incl. / Excl.	Finding for Deviation	Responsible Official
JULY 2024							
D01/07	Community Services / Resorts	Emergency repair work to restore the electricity at Die Dam	Simons Electric	R4 570.00	Incl.	Emergency	F Kotze / M Boyce
AUGUST 2024							
No deviations for August 2024							

The electricity feed to Die Dam resort was disrupted leaving the whole resort without electricity. The repairs had to be done urgently seeing that accommodation and basic services were affected by the outage. It was decided that the service provider who did the installation of the electrical cable after the previous fire damage, will be used seeing that they are knowledgeable regarding their installation as well as the electricity network of the said resort. It could then also be confirmed whether it was a new fault seeing that they worked on it before. After the initial inspection it could be confirmed that it was due to an Eskom spike that burnt the cable and blown all security lights. The fault was reported to Eskom who also confirmed the problem and are attending to the repairs required. The initial and temporary repair could not be finished on day one due to the heavy rains experienced and had to be done on the following day to ensure a permanent repair is in place.

SEPTEMBER 2024

D01/09	Community Services / Resorts	Replacement of proprietary pre-paid meters and implementation of Contour private vending system at ODM Resorts.	Contour Technology	R81 609.75	Incl.	Exceptional Case	F Kotze / M Boyce	The Standard Transfer Specification (STS) is the global standard for the transfer of electricity and other utility prepayment tokens. The prepayment meters that are based on STS technology will stop dispensing electricity on 24 November 2024. Thus, no new electricity credit will be able to be loaded on to the system, unless the prepayment meter is updated/reset or replaced before the afore-mentioned token identifier (TID) rollover deadline. Therefore, to prevent this risk all the prepayment meters must be updated/reset or replaced through a process called TID rollover. National Treasury and CoGTA issued a joint circular earlier this year in consultation with SALGA to urge municipalities to prioritize their budgets and SCM processes to ensure that all pre-paid meters and vending software are reprogrammed or replace before 24 November 2024. The Office of the Chief Procurement Officer (OCPO) also issued a transversal tender in this regard and municipalities were also cautioned against issuing their own tender or formal written quotations to address the STS TID rollover. Unfortunately, this transversal tender only made provision for the installation of "smart meters" which does not support the meter types used at the Resorts, thus the reason for this deviation from the SCM processes. At De Dam resort, ODM is redistributing electricity obtained from ESKOM under the NERSA reselling arrangements to occupants of the holiday homes. There are 116 connections of which 62 are Contour pre-paid meters which can be reprogrammed with the new vending software. The other 64 connections at De Dam resort are Syntell proprietary meters of which the encryption cards will no longer be supported and will necessitating the replacement of these meters by November 2024. There are also 11 Contour meters
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									(that can also be reprogrammed), installed at Uilenkraalsmond resort bungalows which are rented out to the public and redistribute electricity internally that are obtained through the Overstrand Municipalities' electricity connection. As the pre-paid meters will be taken into stock, an additional 10 pre-paid meters will be ordered to ensure a minimum stock of meters to be available for replacement of any defect meters. Because the Syntell meters need to be replace, it makes sense to standardized on one vending system, hence the changing over from Contour Cybervendit and Syntell vending to standardized on one vending system, Contour Electricity Private vending system. Two vending terminals need to be obtained, one each at De Dam and Uilenkraalsmond but customers will also be able make purchases online at any of the four major banks or at any listed retail stores. This system also has much more internal control measures to curb any possible losses of meter by-passed. The price of the pre-paid meters compares favourability in the same price range as the smart pre-paid meters on the Transversal tender list. The quoted price for the installation is also in line with recent quotations obtained through a tender process. It needs to be mentioned that the current SCM process had been delayed due to objections received on the allocated tender bids that was allocated by the BAC. Hence the reason why the previous electrical service provider, Simon Electrical will be utilized as they were involved with this project on the auditing, repair, and replacement of pre-paid meters at De Dam resort.	
D02/09	Community Services / Resorts	INSTALLATION AND OR REPLACE-MENT OF ELECTRICAL PRE-PAID METERS AT	SIMONS ELEC-TRIC	R66 235.00	Incl.	Exceptional Case	F Kotze / M Boyce	It was decided that the service provider (Simons Electrical) who serviced both resorts in the recent past as electrical service provider for the past years will be used, seeing that they are knowledgeable regarding the installation as well as the electricity network and pre-paid meters used at the resorts. The service provider is local and can deal with installation issues immediately		

		BOTH DIE DAM AND UILENKRAALS MOND RESORTS								seeing that the replacement of -pre-paid meters was communicated by the National Treasury in various joint circulars to emphasise the urgency thereof. The matter was also communicated with risk mitigation recommendations to address this before the deadline of November 2024 No electrical service providers have been appointed yet due to the occurrence seeing that the tender process was still in the appeal period.	
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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.)** Minutes of the bid committee meetings have been submitted monthly. 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. T22-2023/24: HIRING OF (A) HONEY SUCKER, SUPER SUCKER OR LIQUID RING UNIT FOR SEWERAGE REMOVAL; (B) COMBINATION UNIT FOR THE MAINTENANCE OF SEWERAGE AND STORMWATER INFRASTRUCTURE OF THE OVERBERG DISTRICT MUNICIPALITY FOR THE PERIOD 01 JULY 2024 TO 30 JUNE 2027

Awarded To:	1. Genadendal Jackies Bazaar CC 2. Juno Corp (Pty) Ltd 3. Rex Investments (Pty) Ltd
Amount:	Rate based
Reason for Award:	Compliant bidder
BBBEE:	Level 1, 8 & 1
Date Awarded:	31 July 2024

II. T28-2023/24: OFFICE SPACE IN KLEINMOND FOR MUNICIPAL HEALTH SERVICES FOR A THREE (3) YEAR PERIOD

Awarded To:	The Grail Centre Trust
Amount:	R303 774.84
Reason for Award:	Scored the Highest Preferential Points / Compliant
BBBEE:	Level 1
Date Awarded:	03 September 2024

III. Q01-2024/25: SUPPLY AND DELIVERY OF 25 MOBILE TABLETS AND ACCESSORIES

Awarded To:	Waltons
Amount:	R102 612.78
Reason for Award:	Scored the highest preferential points
BBBEE:	Level 4
Date Awarded:	11 April 2024

IV. Q02-2024: SUPPLY AND DELIVERY OF 100 X P2P DELINEATORS (REBOUNDABLE/FLEXI PLUS MOUNT AND HEAVY-DUTY BASE) AT BREDASDORP

Awarded To:	Southern Ambition 1281 CC t/a Nuway Enterprises CC
Amount:	R132 020.00
Reason for Award:	Scored the highest preferential points
BBBEE:	Level 1
Date Awarded:	12 September 2024

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
T21-2023/24	Electrical services at the resorts (Die Dam & Uilenkraalsmond) of the Overberg District Municipality for the period 01 July 2024 to 30 June 2027	28 June 2024	1. His Majesty Electrical Services 2. Simons Electric	Resolved

GENERAL

The database of accredited service providers has been updated and captured on the SAMRAS system and the SCM unit is busy daily 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 to comply with the SCM policy and regulations.

The supply chain management unit consists of the following officials working at the roads depot:

- Ms. D Kapot-Witbooi Head SCM
- Mr J Leonard Accountant: Asset Management
- *Vacant* Accountant: SCM
- Mr. J Harmse Administrator: SCM
- Ms. B Brighton Principal Clerk: SCM Procurement
- Ms. Z Mahangu Principal Clerk: SCM Database
- Mr. L Tshambu Principal Clerk: Assets & Stores
- Mr. C Abrahams Storekeeper (Bredasdorp)
- Mr. Vuyolwethu Nkanunu Storekeeper (Caledon)

One finance intern, Mr Athenkosi Plaatjie is currently placed in SCM to assist with various tasks.

One additional person, Ms. Tamlin Engel, was appointed on 11 September 2024 to assist with the new PPR Regulations process.

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 training. Staff members need to be trained internally on supply chain management.
