



**APRIL 2016**  
**SUPPLY CHAIN MANAGEMENT SECTION**  
**REPORT**

## **BUDGET AND TREASURY DEPARTMENT**

### **1. PURPOSE**

To inform Council about the activities of the Supply Chain Management Section.

### **2. LEGAL/STATUTORY REQUIREMENTS**

MFMA Act 56 of 2003

PPPFA Act 5 of 2000

SCM Policy

SCM regulations

### **3. BACKGROUND**

The Supply Chain Management Section is required to submit a report on all its operations

#### 4. REPORT ON ACTIVITIES

##### 4.1 Awarded bids for April 2016

Bids less than R100, 000.00 awarded in April 2016

TENDER NAME	BID NUMBER	STATUS	B-BBEE STATUS LEVEL OF CONTRIBUTION	CLAIMED POINTS	LOCALITY	AMOUNT

## 4.2 Awarded bids for April 2016

Bids more than R100, 000.00 awarded in April 2016

TENDER NAME	BID NUMBER	STATUS	B-BBEE STATUS LEVEL OF CONTRIBUTION	CLAIMED POINTS	LOCALITY	AMOUNT
1.						
2.						

### 4.3 Deviations - April 2016

#### Deviations less than R30, 000.00.

COMPANY NAME	AMOUNT	DEPARTMENT	DESCRIPTION	REASON FOR DEPARTMENT
1. AC SPARES AND REPAIRS	R 2 800.00	IP&D	Towing of Mahindra (HBZ 808 EC)	Emergency as the Mahindra (HBZ 808 EC) had a breakdown at Lahlangubo Mt Fletcher and needs to be towed to Maclear.
2. UGIE MAC QUARRY CC	R 2 796.99	IP&D	Repairs TLB-1 CAT416(DKR 554 EC)	Exceptional case as the service provider need to strip the tar spray before discovering the fault before making repairs.
3. ARCH Actuarial Consulting	R 24 510.00	Budget and Treasury Office	Valuation of Medical Aid Subsidy and Long Service Award	Such services have already been provided to them by the municipality to perform actuarial services. Therefore it would be impractical to appoint a separate service provider to sort and accurately the data at this advanced stage.
4. NOSA	R 16 490.00	Corporate Services	Training Programme: SAMTRAC	Exceptional case, as this training was done before, but the employee was sick and the proposal of another date was done therefor it is impractical to follow SCM processes.
5. CONLOG	R 17 913.05	Infrastructure Planning & Development	Supply and Delivery of Conlog Meters	Such goods (Conlog meters) are currently installed on most metering installation in Ugie and Maclear hence it will be impractical to acquire a different type /make of meter.

6. National ARTS Festival	R 8 333.40	Strategic planning & Economic Development	Hire Exhibition Space in Grahamstown Arts Festival	Exceptional case, as such services can only be acquired from the National Arts festival Village Green Fair and this requires an upfront payment.
7. UGIE MAC QUARRY CC	R 8 783.47	IP&D	Service 120H Grader	Exceptional case as the service provider need to strip the grader before discovering the fault before making repairs.
8. UGIE MAC QUARRY	R 2 965.14	IP&D	Repairs of Tar Sprayer	Exceptional case as the service provider need to strip the tar spray before discovering the fault before making repairs
9. Queenstown Nissan	R 19 638.61	Community Services	Service Nissan (FRC 412 EC)	Exceptional case, as the service provider need to strip the vehicle before they do key service and this is a closest manufacturer of Nissan hence only one quotation was obtained
10. Queenstown Nissan	R 6 141.82	IP&D	Service Ton Truck (FRS 544 EC)	Exceptional case, as the service provider need to strip the vehicle before they do key service and this is a closest manufacturer of Nissan hence only one quotation was obtained
11. Maclear Fire Protection Association	R 10 000.00	Community Services	Remainder Maclear Commonage	Exceptional case, as the Municipality is the member of Maclear Fire Protection Association so every calendar year the municipality is obligated to pay the subscription fee to keep its membership valid.

12. Media Maestro	R 5 200.00	Community Services	Advertisement	Sole supplier as this is the only service provider on our data base that can render these services as others does not comply.
13. Media Maestro	R 14 400.00	Municipal Manager's office	Advertisement	Sole supplier as this is the only service provider on our data base that can render these services as others does not comply.
14. Media Maestro	R 14 400.00	Strategic Planning	Advertisement	Sole supplier as this is the only service provider on our data base that can render these services as others does not comply.
15. Media Maestro	R 6 500.00	Strategic Planning	Advertisement	Sole supplier as this is the only service provider on our data base that can render these services as others does not comply.

#### 4.4 Deviations - April 2016

##### Deviations more than R30, 000.00

COMPANY NAME	BID NUMBER	DESCRIPTION	REASON FOR DEPARTMENT	B-BBEE & POINTS	LOCALITY	AMOUNT
1. CQS Technology Holdings PTY LTD	ELM-2/019/2015-2016	Renewal of Annual Licences	Sole supplier, as we are using this service provider for preparing Annual Financial Statements this is the software that we use for reporting, therefor this a annual licence fees	16	Dunkeld West	R 53 709.96
2. BOSCH MUNITECH	ELM-2/021/2015-2016	Landfill Valuations for Use in AFS	Exceptional case, as the nature of this service is highly specialized and requires data analysis and arranging hence this service provider has all the necessary data in place.		East London	R 36 500.00
3. EICT	ELM-1/021/2015-2016	Website Training for Staff Members	Such services have already been acquired by the municipality, EICT developed the municipality's website and it would be proper if it provide the training.	20	East London	R 43 300.00
4. ION Consulting (PTY) LTD	ELM-4/063/2015-2016	VSAT Satellite Renewal	Such services have already been acquired by the municipality from this service provider as the ICT Infrastructure is operating at a high risk as we do not have offsite backup hence we want NAS device that is similar to the one that we are using which is from this	20	Durban	R 40 666.26



			service provider			
5. Yakha Lungisa Engineering Services	ELM-3/81/2015-2016	Supply and Delivery of Streetlights Material	Exceptional case, since there was only one submission and did not meet the minimum threshold set in the functionality Criteria, therefore Yakha Lungisa Engineering was the recommended supplier.	16	Mt Ayliff	R 198 804.60
6. NSJ Trading	ELM-3/067/2015-2016	Supply and Delivery of Street light Metering Materials	Exceptional case, since there was no submission received when the RFQ closed and a list of prospective providers were sent via email but there was only one response, hence NSJ trading was appointed.	16	Amalinda	R 51 513.00
7. Ugie Mac Quarry	ELM-3/055/2015-2016	Hiring of Excavator for a period of 7 Working Days.	Less than three quotes since there were only two responses on the request for quote.	16	Ugie	R 45 098.40
8. University of Fort Hare	ELM-4/061/2015-2016	Honours in Public Administration	Exceptional case, as this is a continuation of Honours in Public Administration, hence the quotation is from the university.		King William's Town	R 30 000.00
9. Brian Singh Consulting	ELM-4/069/2015-2016	Facilitation, Assessment and Amendments to Job Description-On Site	Exceptional case, as the service provider was appointed for the validation of Job Descriptions,		Durban	R 60 754.00

			however it appeared that some departments did not have a good understanding of the process, hence the same service provider was appointed for the finalization of the project.			
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**4.5 Irregular - April 2016**

**Irregular less than R30, 000.00**

COMPANY NAME	AMOUNT	DEPARTMENT	DESCRIPTION	REASON FOR DEPARTMENT
1.				
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