

5. MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM) POLICY: PARAGRAPH 36, 16(1)(b) AND 17(1)(c), FOR DECEMBER 2016

8/2/2

C Le Roux

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Corporate Head Office

06 January 2017

1. Executive Summary

The purpose of this report is to inform Council of all deviations from the Supply Chain Management Policy, approved by the delegated authority in terms of Paragraph 36 of the Supply Chain Management Policy, as well as approvals in terms of 16(1)(b) and 17(1)(c) for December 2016.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Finance

Department: Supply Chain Management

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical 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 Systems Act 2000, (Act 32 of 2000)

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. In terms of Paragraph 36(2) of the said policy, the Accounting Officer must record the reasons for any deviations in terms of Paragraph 36(1) of the policy and report same to council.

Discussion**A. Deviations - Paragraph 36(1)(a)**

Paragraph 36(1)(a) of Council's Supply Chain Management (SCM) Policy allows circumstances for deviations from the procurement processes. Furthermore, the policy requires in Paragraph 36(2), that the reasons for any deviations from the procurement processes must be recorded and be reported to Council.

Deviations approved in terms of clause 36(1)(a) for December 2016 is attached as **Annexure A**.

B. Awards in terms of Paragraph 16(1)(b) and 17(1)(c)

In terms of Paragraph 16(1)(b) and 17(1)(c) of the SCM Policy, where the Written or Formal Written Price Quotation process has been followed for procurement below R 30,000.00 (Incl. VAT) and it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer (CFO) or an official designated by the CFO.

In terms of Paragraph 16(1)(b) and 17(2) of the said policy, the designated official must report all such approvals made by the official in terms of their sub-delegation to the Chief Financial Officer.

A schedule of all such approvals for December 2016 is attached as per **Annexure B**.

7. Financial Implications

None

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: Schedule of deviations from the procurement processes approved in terms of sub-delegations

Annexure B: Schedule of approvals in terms of Paragraph 16(1)(b) and 17(1)(c)

RECOMMENDATION TO THE COUNCIL:

1. that the deviations from the procurement processes, approved in terms of the delegated authority for December 2016, **be noted**; and
2. that the awards made in terms of Paragraph 16(1)(b) and 17(1)(c), approved in terms of the delegated authority for December 2016, **be noted**.

RESPONSIBLE OFFICIAL :**C LE ROUX****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

SCHEDULE OF DEVIATIONS IN TERMS OF CLAUSE 36(1)(a) OF THE SCM POLICY - OVERSTRAND MUNICIPALITY - DECEMBER 2016

#	Request	Supplier	Date	Deviation in terms of Clause 36(1)(a)	Amount Operational	Amount Capital	VAT @ 14%	Value of the Deviation	Comments / Line description
1	69674	HERMANUS ANIMAL WELFARE SOCIETY	20160913	Clause 36(1)(a)(i)	R 399.14		R 55.87	R 455.01	IMPOUNDMENT OF STRAY CALF
2	72702	ATLAS FIRE SECURITY (PTY) LTD	20161223	Clause 36(1)(a)(i)	R 18 315.00		R 2 564.10	R 20 879.10	REFILL OF DISCHARGED HFC125 CYLINDER- KLEINMOND ICT SERVER ROOM ADDITIONAL WORK @ ZWELIHE OLD CLINIC BUILDING REPLACE 28M OF FAULTY CABLE INCLUDING LABOUR
3	71142	MG ELECTRICAL	20161028	Clause 36(1)(a)(i)	R 7 000.00		R 0.00	R 7 000.00	INCLUDING LABOUR
4	72653	OVERSTRAND COMMUNITY LIFEGUARD	20161220	Clause 36(1)(a)(i)	R 189 776.00		R 0.00	R 189 776.00	SCD2962/2016 LIFESAVING SERVICES FOR KLEINMOND AREA KLEINMOND STRAND
5	72665	SPECTRUM COMMUNICATIONS (PTY)	20161220	Clause 36(1)(a)(v)	R 5 988.00		R 838.32	R 6 826.32	Renewal of sim cards for Scada communication
6	60/201	EQUIPMENT SPARE PARTS AFRICA (PTY) LTD.	20161228	Clause 36(1)(a)(v)(a)	R 210 000.00		R 29 400.00	R 239 400.00	OVERHAUL TRANSMISSION FOR GRADER CEM18328
7	72331	GANSBAAI AIRCON AND REFRIGERAT	20161206	Clause 36(1)(a)(v)(a)	R 13 055.72		R 1 827.80	R 14 883.52	SERVICING AND REPAIRING OF AIR CONDITIONERS AT TRAFFIC DEPARTMENT
8	72350	GANSBAAI AIRCON AND REFRIGERAT	20161207	Clause 36(1)(a)(v)(a)	R 4 804.00		R 672.56	R 5 476.56	Supply and install new PC Board and labour
9	72459	WORCESTER GEARBOX CENTRE	20161212	Clause 36(1)(a)(v)(a)	R 9 407.52		R 1 317.05	R 10 724.57	REPAIR OF DIFFERENTIAL CEM 26286
10	72460	BARLOWORLD EQUIPMENT	20161212	Clause 36(1)(a)(v)(a)	R 11 855.03		R 1 659.70	R 13 514.73	ATTEND TO TRANSMISSION PROBLEMS FOR GRADER CAM16700
11	72530	GANSBAAI AIRCON AND REFRIGERAT	20161214	Clause 36(1)(a)(v)(a)	R 5 852.00		R 819.28	R 6 671.28	SCD 2955/2016. Strip and quote : Airconditioner at Kleinmond Municipal Offices.
12	72703	GANSBAAI AIRCON AND REFRIGERAT	20161228	Clause 36(1)(a)(v)(a)	R 7 845.00		R 1 098.30	R 8 943.30	DEVIATION TO REPAIR AIRCONS SCD 2954/2016
13	72667	FAIRBRIDGES WERTHEIM BECKER ATT	20161220	Clause 36(1)(a)(v)(c)	R 4 162.50		R 582.75	R 4 745.25	OVE4/0101 CHARMAINE HENNING
14	72305	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 12 691.66		R 1 727.27	R 14 418.93	OVE4/0092 MARKET SQUARE EVICTION
15	72307	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 64 565.41		R 9 010.04	R 73 575.45	OVE4/0093 WATER AND SANITATION SERVICES SA
16	72310	FAIRBRIDGES WERTHEIM BECKER ATT	20161206	Clause 36(1)(a)(v)(c)	R 5 198.67		R 727.81	R 5 926.48	OVE4/0094 ERF 11456
17	72313	FAIRBRIDGES WERTHEIM BECKER ATT	20161206	Clause 36(1)(a)(v)(c)	R 5 005.50		R 700.77	R 5 706.27	OVE4/0101 CHARMAINE HENNING
18	72324	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 2 461.50		R 344.61	R 2 806.11	OVE4/0060 TRANSFER ERF2549 ONRUS
19	72326	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 2 132.33		R 298.53	R 2 430.86	OVE4/0065 DAWID WILLOUGHBY ABBOTT
20	72327	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 4 645.00		R 650.30	R 5 295.30	OVE4/0077 BERGHOF
21	72328	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 21 427.00		R 2 999.78	R 24 426.78	OVE4/0086 WHALECOVE MEMO
22	72329	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 4 482.18		R 627.50	R 5 109.68	OVE4/0091 HERMANUS BEACH CLUB HOMEOWNERS ASSOCIATION
23	72330	FAIRBRIDGES WERTHEIM BECKER AT	20161206	Clause 36(1)(a)(v)(c)	R 29 353.66		R 4 109.50	R 33 463.16	OVE4/0031 PARADISE PARK
24	72383	FAIRBRIDGES WERTHEIM BECKER (O	20161207	Clause 36(1)(a)(v)(c)	R 10 717.86		R 1 500.49	R 12 218.35	OVE4/0102 LOBI DEVELOPMENT CC
25	72664	FAIRBRIDGES WERTHEIM BECKER AT	20161220	Clause 36(1)(a)(v)(c)	R 29 353.65		R 4 109.51	R 33 463.16	OVE4/0031 PARADISE PARK
26	72666	FAIRBRIDGES WERTHEIM BECKER (O	20161220	Clause 36(1)(a)(v)(c)	R 3 684.68		R 515.85	R 4 200.53	OVE4/0102 LOBI DEVELOPMENTS
27	72668	FAIRBRIDGES WERTHEIM BECKER AT	20161221	Clause 36(1)(a)(v)(c)	R 5 513.46		R 771.88	R 6 285.34	OVE4/0097 MOUNT PLEASANT STAGE 2 HOUSING PROJECT INVITATION FOR COMMENTS WITH REGARDS TO REVISION OF THE BY-LAW AND THE ZONING SCHEME
28	72130	THEMBEKA PROPERTIES (PTY) LTD	20161129	Clause 36(1)(a)(v)(d)	R 4 080.00		R 0.00	R 4 080.00	SCHEME
29	72137	SECOND CHANCE MEDIA (PTY) LTD	20161129	Clause 36(1)(a)(v)(d)	R 5 000.00		R 0.00	R 5 000.00	Mzansi Travel 4th Edition - 1 x half page, horizontal, full colour advert.
30	72300	BURGER A DIVISION OF MEDIA 24	20161208	Clause 36(1)(a)(v)(d)	R 4 245.00		R 594.30	R 4 839.30	PUBLICATION OF BY - LAW
31	72312	BURGER A DIVISION OF MEDIA 24	20161208	Clause 36(1)(a)(v)(d)	R 2 681.06		R 375.34	R 3 056.40	ADVERT SC 1750.2016 S.BAAI MEENT H/TIMES
32	72315	BURGER A DIVISION OF MEDIA 24	20161208	Clause 36(1)(a)(v)(d)	R 7 650.00		R 1 071.00	R 8 721.00	RAPPOR - ADVERT SC 1750/2016 S.BAAI MEENT
33	72320	INDEPENDENT NEWSPAPERS (PTY) L	20161208	Clause 36(1)(a)(v)(d)	R 2 574.44		R 360.42	R 2 934.86	ADVERT SC 1750.2016 S.BAAI MEENT
34	72346	BURGER A DIVISION OF MEDIA 24	20161208	Clause 36(1)(a)(v)(d)	R 3 642.85		R 509.99	R 4 152.84	ADVERT SC 1750.2016 DIE BURGER S.BAAI MEENT
35	72389	THEMBEKA PROPERTIES (PTY) LTD	20161207	Clause 36(1)(a)(v)(d)	R 2 784.00		R 0.00	R 2 784.00	MAYORAL XMAS MESSAGE (THE VILLAGE NEWS 13 DEC ISSUE)
36	72474	THEMBEKA PROPERTIES (PTY) LTD	20161213	Clause 36(1)(a)(v)(d)	R 2 880.00		R 0.00	R 2 880.00	ADVERT: HNC 243 - JOSHGR0
37	72479	THEMBEKA PROPERTIES (PTY) LTD	20161213	Clause 36(1)(a)(v)(d)	R 2 640.00		R 0.00	R 2 640.00	Ref: HIND243-Nissan
38	72590	WHALE COAST FM	20161215	Clause 36(1)(a)(v)(d)	R 2 770.00		R 0.00	R 2 770.00	Whale Coast FM - airtime
39	72393	BURGER A DIVISION OF MEDIA 24	20161208	Clause 36(1)(a)(v)(d)	R 4 170.53		R 583.87	R 4 754.40	28 x4 Mayor's Xmas Message ADVERT. Issue of 15 Dec 2016.
40	72371	INSTITUTE OF ENVIRONMENT AND R	20161207	Clause 36(1)(a)(v)(f)	R 1 842.11		R 257.89	R 2 100.00	Membership fees 3485
41	72615	ASSOCIATION OF MUNICIPAL ELECT	20161219	Clause 36(1)(a)(v)(f)	R 2 149.12		R 300.88	R 2 450.00	AMEU MEMBERSHIP NO 470
42	72452	PAYDAY SOFTWARE SYSTEMS (PTY)	20161212	Clause 36(1)(a)(v)(g)	R 9 119.30		R 1 276.70	R 10 396.00	PAYE LEGISLATIVE UPDATE SYMPOSIUM 09 & 10 MARCH 2016 FOR RETHA RUST & CARL OPPELT
TOTAL					R 747 920.88	R 0.00	R 74 259.96	R 822 180.84	

Schedule of approvals in terms of Clause 16 and 17(1)(c) of the SCM Policy - Overstrand Municipality December 2016

Reason Codes for exceptions:

10 Received only one quote at closing time and date of submission of quotation

11 Received only two quotes at closing time and date of submission of quotation

Note: Please be advised that some of the descriptions below are only of the first line item on the request

Number	Request	OREDR	Supplier	Value (Excl VAT)	VAT	Value (VAT Incl)	Reason Code	Comments / Line description
1	71010	217993	GANSBAAI AIRCON AND REFRIGERAT	R 12 385.63	R 1 739.98	R 14 119.61	10	FIT NEW CONDENSING UNIT TO MATCH EXISTING N1750 BLOWER COIL RGAS R22 INCLUDING INSTALLATION MAJOR
2	72143	218012	HS METALWORKS	R 6 026.32	R 843.68	R 6 870.00	10	MANUFACTURE, GALVANIZE AND INSTALL FRAME FOR SUN PANEL (MESH TOP & BOTTOM)
3	72206	217820	BOLAND TOILET SERVICES (PTY) L	R 5 842.08	R 817.89	R 6 659.97	10	HIRE OF 6 X POLYJOHNS INCLUDING 1 SERVICE, DELIVERY AND COLLECTION AT GROTTO BEACH
4	72359	218088	HERMANUS EXTINGUISHER SERVICES	R 3 260.00	R 456.40	R 3 716.40	10	SUPPLY 5 X 1,5KG DCP EXTINGUISHER WITH BRACKETS
5	72400	218121	GANSBAAI AIRCON AND REFRIGERAT	R 21 585.48	R 3 021.96	R 24 607.44	10	SUPPLY AND INSTALL 24000 BTU ALLIANCE CASSETTE UNIT R410 NON INVERTER (HEATING AND COOLING
6	72531	218080	LINDA JACOBS PROMOTIONS	R 14 950.00	R 2 093.00	R 17 043.00	10	PRINTING OF CAPE WHALE COAST GENERIC BROCHURE 5000 UNITS.SAMPLE TO BE SENT BEFORE MASS PRINTING.
7	72658	218117	OVERSTRAND COMMUNITY LIFEGUARD	R 20 230.00	R 0.00	R 20 230.00	10	2 LIFEGUARDS TO DELIVER LIFESAVING SERVICES AT DIE VLEI FROM 23 DEC 2016 TO 8 JAN 2017
8	72672	218174	INSTITUTE FOR CAREER DEVELOPME	R 15 600.00	R 0.00	R 15 600.00	10	CUSTOMER CARE/FROTLINE TRAINING, UNIT STANDARD 8600 CARE FOR CUSTOMERS NOF 4
9	70633	217890	WATER AND SANITATION SERVICES	R 19 306.21	R 2 702.86	R 22 009.07	11	SERVICE AND REPLACEMENT OF MATERIAL IN PUMPROOM
10	71757	217754	PHETOE KC	R 8 800.00	R 0.00	R 8 800.00	11	SKOON MAAK VAN GANSBAAI DORPS GEBIED VIR 20 DAE
11	71835	217757	CABLE'S CABLING CC	R 3 820.06	R 534.80	R 4 354.86	11	2 PAIR TELEPHONE CABLING (SUPPLYING & INSTALLATION)
12	71875	217758	CABLE'S CABLING CC	R 10 009.67	R 1 401.35	R 11 411.02	11	TELEPHONE & NETWORK CABLING CAT6 KRONE (SUPPLY & INSTALLATION)
13	72004	217896	FG UNIFORMS CC	R 4 970.00	R 695.80	R 5 665.80	11	2 * LAW ENFORCEMENT ASSISTANT CHIEF BASE BALL CAPS ROYAL BLUE
14	72008	217678	CANDI-LITE CABLES CC	R 2 620.00	R 366.80	R 2 986.80	11	LN009 2 WIRE SYSTEM ROPELIGHT CONTROLLER
15	72029	217939	MG ELECTRICAL	R 7 100.00	R 0.00	R 7 100.00	11	CONNECT & DISCONNECT BOOSTER POMPE BY CLARENCE DRIVE 2616 & SEAVIEW DRIVE 3095 BETTY BAAI
16	72040	217942	BRUNING DA (ALBRU ELECTRICAL)	R 10 405.00	R 0.00	R 10 405.00	11	REPLACE ALL LIGHT FITTINGS AT KLEINMOND MAIN BEACH TOILETS
17	72075	217705	FG UNIFORMS CC	R 25 400.00	R 3 556.00	R 28 956.00	11	JERSEY WITH FIRE INSIGNIA
18	72090	217880	DOGS AND ALL CC	R 19 200.00	R 2 688.00	R 21 888.00	11	A GUARD WITH A DOG FROM 09/12/2016 TILL 09/01/2016 AT ONRUS CAMP
19	72095	217711	CALEDON VERKOELING & GAS	R 2 780.00	R 389.20	R 3 169.20	11	SERVICE AIR CONDITIONERS
20	72099	217689	CALEDON VERKOELING & GAS	R 6 750.00	R 945.00	R 7 695.00	11	SUPPLY AND INSTALLATION OF 12000 BTU ALLIANCE R410 NON INVERTER MIDWALL SPLIT UNIT
21	72131	218017	HENDRICKS M	R 26 000.00	R 0.00	R 26 000.00	11	HERSTEL VAN TOILETTE BY NEVINIASTR. KLEINMOND BARRAKKE.
22	72142	218149	ARTHUR AA	R 10 000.00	R 0.00	R 10 000.00	11	VERNIS VAN RONDEVLEI PLANKPAD
23	72170	217815	RC SUPPLIERS	R 4 277.55	R 598.85	R 4 876.40	11	SCOTCH TAPE AWAY TRNSPARENT 12MMX7M 134 ROLL
24	72177	217867	OVERSTRAND BUILD IT (PTY) LTD	R 7 779.98	R 1 089.16	R 8 869.14	11	TILE NEVADA COTTO 30X30 P/BOX (1.5)
25	72445	217976	RIGTECH SERVICES	R 8 500.00	R 1 190.00	R 9 690.00	11	RECOVERY OF ABANDONED 8 TON RIGID TRUCK IN KLEINMOND TO VEHICLE POUND IN ONRUS
26	72491	218155	INEO TECHNOLOGIES (PTY) LTD	R 12 232.00	R 1 712.48	R 13 944.48	11	TRANSCEND 8GB DDR4-2133 288-PIN
27	72504	218116	BIDVEST WALTONS	R 3 889.02	R 544.47	R 4 433.49	11	0.5 MM LEADS
28	72604	218179	HERMANUS HARDWARE	R 2 418.46	R 338.54	R 2 757.00	11	1 X 5L HIGH GLOSS SIGNAL RED
29	72695	218173	BROUWERS PROPERTY DEVELOPMENTS	R 23 550.00	R 3 297.00	R 26 847.00	11	LOAD AND REMOVE FOUR (4) SEPTICK TANKS FROM UNDERNEATH GROUND LEVEL AND CART AWAY TO MOOIUTSIG

TOTAL	R 319 687.46	R 31 017.22	R 350 704.68
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