

KOUGA MUNICIPALITY: SUPPLY CHAIN MANAGEMENT ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

In terms of paragraph 6 of the Supply Chain Management Policy, the Council must maintain oversight over the implementation of this policy to ensure that the Accounting Officer implements all Supply Chain Management activities in accordance therewith.

A. Compliance and Reporting

1. Sars Tax Compliance Status

The SCM Officials are required to be listed as users on the SARS E-Filing account of the municipality to verify the Tax Compliance Status of the Service Providers. SARS visited SCM on site with Budget & Treasury and completed the loading of two SCM Officials as users. Currently only one official remain in the employ of Kouga Municipality with access: Mrs N Malgas- Goeda

2. National Treasury Centralised Supplier Database

Supply Chain Management Officials were listed on the National Treasury Centralised Supplier Database. The municipality has been added as a supplier on the National Treasury Centralised Supplier database with the supplier number **MAAA0214163**.

3. Annual Database Advert

In May 2016 advertisements were placed in various newspapers informing existing service providers to update their database registration details and inviting new service providers to register on the municipality's supplier database and National Treasury's Supplier database.

In May 2017, Kouga Municipality migrated to the Centralised Supplier Database. An advert was placed in the newspapers on the 20th & 21 July 2017, requesting Service Providers to update their database registration details and also to advise them that the municipality has migrated to the Centralised Supplier Database.

5. Bid Committees

The below mentioned committees are established and functioning in accordance with the SCM Policy:

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

The committees are responsible to ensure that the required procurement processes are followed in respect of formal tenders.

5A. Bid Committee Meeting held for the financial year 2016/17

	BSC	BEC	BAC
Chairperson	A. Perils	A. Koegelenberg	S. Thys
Number of meetings that took place.	20	14	15
Number of meetings cancelled	1	3	0
Provide reasons for all meetings not held as per scheduled dates.	No quorum	No quorum	0

6. Training- Supply Chain/ Stores Section

N. Malgas Goeda-Supply Chain	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	competent
E. Felix- Stores	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	competent

G. Matthee	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	competent
A. Alexander	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	competent
C. Groenewald	University of Pretoria	Municipal Finance Management Programme	Provisional results received

- **Training Workshops held 2016/17 financial Year**

Bid Committee members-

Description	Date	Who Attended	Facilitator	Where
Training on Bid Committees- specifically- Bid Specifications	4 May 2017	Bid Committee Members and Management	Provincial Treasury	In-House
Standard for Infrastructure Procurement and Delivery Management	13-14 July 2017	A. Perils A. Koegelenberg N. Malgas-Goeda C. Groenewald	CESA	Port Elizabeth

7. Monthly and Quarterly reports

Monthly deviations reports are submitted in terms of the SCM policy for the procurement of goods and service (See 7C and 7D below).

Monthly and quarterly reports are required to be submitted to Provincial and National Treasury in respect of procurement of goods and services. These

reports were submitted in terms of paragraph 6 of the Supply Chain Management Policy.

Monthly reports are submitted to the Standing Committee meetings

7A. Informal Tenders (Price Quotations) Awarded:

A Total of Fourteen (14) formal price quotations was awarded for the period 1 July 2016 to 30 June 2017, see details below:

Notice Number	Description	Winning Provider	Service
31/2016	Re-Advertisement of Supply and Delivery of Wheelchairs	Maximed CC	
39/2016	Occupational Health and Safety Training	Nosa PTY LTD and NSA Multiservices CC t/a Riverport SHE Training Academy	
60/2016	Re-Advertisement of 146/2016 Manufacture, Supply and Install Security Gates and Palisade Fencing at Kouga Cultural Centre	Mdani Roof Cleaning and Painting	
74/2016	Engine Overhaul of Toyota Sedan x2 – DTD514EC and DTD515EC	John Dirker Engineering	
75/2016	Hire of Front End Loader	Naomi Plant Hire and Hire Trading	
77/2016	Supply Network and Desktop Management Perpetual License Maintenance Renewal	Sisonke Software Solutions	
137/2016	Supply of five (5) single cabs and one (1) double cad bakkie to hire for 45 days inclusive of variation order	Eco Car Hire	
139/2016	Supply of two (2) vehicles suitable for traffic control to hire for 45 Days inclusive of variation order	Eco Car hire	
78/2016	Engine Overhaul of Isuzu CAB LWD 2X4 – FKM547EC	Isodor Jeggels t/a Truck & Motor City	
132/2016	New Electrical tariffs for 2017/18 Financial Year	Clinkscles Maughan Brown	
10/2017	Re-advertisement: Supply and Delivery of Blankets and Mattresses	Premier Attractions 528 CC t/a ZJS Distributor	
44/2017	Supply and Delivery of an Electronic Binding Machine	Omni Technologies	
63/2017	Engine Overhaul Tipper MAN truck	Isodor Jeggels t/a Truck & Motor City	

20-23/2017	Appointment of an Accredited Recruitment Company: Recruitment of Municipal Manager	Roy Steele & Associates t/a ODS Consultants
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7B. Competitive Bids awarded for the period:

A total of twenty 26 (26) bids was awarded for the Financial Year from 1 July 2016 to 30 June 2017.

1. Notice 05/2016 Provision of Maintenance and Fuel Card Services

Contractor	Amount	Date
Wesbank	R 560 563.27	22 August 2016

2. Notice 38 of 2016 Appointment of an Occupational Medical Practitioner (OMP) to Conduct Medical Surveillance on Kouga Local Municipality Employees

Contractor	Amount	Date
Poli Clinic	R 1 150.00 per employee	23 September 2016

3. Notice 59/2016 – Water Safety Plan Review, Risk Management and Incident Management Protocol for Blue Drop Programme at All Water Treatment Works

Contractor	Amount	Date
Uhambiso Consult	R 410 856.00	23 September 2016

4. Notice 58/2016 – Resealing of Roads

Contractor	Amount	Date
CCST	R 2 325 429.00	23 September 2016

5. Notice 61/2016 – Upgrading of Jeffreys Bay Water Treatment Works Phase 1

Contractor	Amount	Date
Masiphumele Trading	R 2 387 719.09	23 September 2016

6. Notice 83 of 2016 Appointment of Environmental Management Practitioner for Ocean View Housing Project

Contractor	Amount	Date
Ages Omega PTY LTD	R 286 847.00	02 February 2017

7. Notice 102 of 2016 Bulk Infrastructure Work and Electrification of 190 Sub Economic Houses at Kruisfontein in Humansdorp inclusive of Variation Order.

Contractor	Amount	Date
MDL Electrical	R 4 800 565.59	02 February 2017
Variation order	R 494 759.14	30 March 2017

8. Notice 95 of 2016 Supply and Delivery of a Surge Wave Generator

Contractor	Amount	Date
Flo Specialized Product Solutions	R 447 279.00	02 February 2017

9. Notice 80 of 2016 Various Stores Requirement

Contractor	Amount	Date
Core Bern Pty Ltd	Various Rates	17 February 2017
Premier Pipe Supply Pty Ltd	Various Rates	17 February 2017
Joat Consulting Pty Ltd	Various Rates	17 February 2017
Mso-Ndili Trading	Various Rates	17 February 2017
Nagel t/aBrilliant Paper	Various Rates	17 February 2017
Odesa Trading Pty Ltd	Various Rates	17 February 2017
ARB Electrical Wholesalers	Various Rates	17 February 2017
Herbcon Services CC	Various Rates	17 February 2017
Makwande U Khanyiselo	Various Rates	17 February 2017
Khanda Projects cc	Various Rates	17 February 2017
Midnight Star Trading 186	Various Rates	17 February 2017
Tetcon Sales & Services	Various Rates	17 February 2017
Salimode Pty Ltd	Various Rates	17 February 2017
Actom Pty Ltd	Various Rates	17 February 2017

10. Notice 82 of 2016 Standardization of Fire Hydrants

Contractor	Amount	Date
Iviwe Engineering Solutions	R 6 600.00 per unit	27 February 2017

11. Notice 79 of 2016 Supply and Delivery of Air Conditioners

Contractor	Amount	Date
V and A Airconditioning	Various rates	24 March 2017
Algoa Project Management	Various rates	24 March 2017

12. Notice 94/2016 Supply and Delivery of Desktops and Laptops

Contractor	Amount	Date
Mars Technologies	Various rates	24 March 2017
Go Computer Cash and Carry	Various rates	24 March 2017
TCL Consulting	Various Rates	24 March 2017

13. Notice 126/2017 General and Supplementary Valuations

Contractor	Amount	Date
DDP Valuers	R 3 072 146.00	30 March 2017

14. Notice 124 of 2016 Upgrading of the Cormorant Sewerage Pump Station in Jeffreys Bay

Contractor	Amount	Date
Northfield Engineering	R 1 899 060.55	11 April 2017

15. Notice 2/2017 Supply and Delivery of Skip bins

Contractor	Amount	Date
Trolley and Bin	R 348 840.00	11 April 2017

16. Notice 30 of 2017 Supply and delivery and Installation of Server for MSCOA System

Contractor	Amount	Date
Datacentric	R 497 501.60	25 May 2017

17. Notice 114 of 2016 Supply and Delivery if Mesch Truck and 21 Cubic metre Refuse Compactor Truck

Contractor	Amount	Date
Shorts Nissan – Mesch Truck	R 1 169 474.70	7 June 2017

Shorts Nissan – Refuse Truck	R2 758 401.00	7 June 2017
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18. Notice 3 of 2017 Supply and Delivery of Tables and Chairs for Community Halls

Contractor	Amount	Date
Rawat Distributors - Tables	R 682.86	7 June 2017
Bokgaga IT Technologies - Chairs	R 79.99	7 June 2017

19. Notice 11 of 2017 Upgrading of Oysterbay Waste site to a Drop Off Zone

Contractor	Amount	Date
NTC General Trading	R 426 701.58	7 June 2017

20. Notice 12 of 2017 Supply and Delivery of Fire Fighting Uniforms and Protective equipment

Contractor	Amount	Date
Select PPE PTY LTD	Various Rates	30 June 2017
TR Supply t/a TR Sport		
Sparks and Ellis		
Quench Atlantic PTY LTD t/a Vanguard Fire and Safety		
Mac Net Business Development		
AJ Charnaud & Co PTY LTD		
Mabhobho Trading PTY LTD		

21. Notice 25 of 2017 Supply and Delivery of a Skip truck

Contractor	Amount	Date
Southern Ambition 1547 CC	R 990 470.00	7 June 2017

22. Notice 26 of 2017 Supply and Delivery of a New Light Delivery Vehicle

Contractor	Amount	Date
Simunye Fleet Management PTY LTD	R 276 128.39	30 June 2017

23. Notice 29 of 2017 Supply and Delivery of Grass Cutting Equipment

Contractor	Amount	Date
Tender cancelled		30 June 2017

24. Notice 31 of 2017 Supply and Delivery of a Mesch Truck and 21 Cubic metre Refuse Compactor Truck

Contractor	Amount	Date
Shorts Nissan – Mesch Truck	R 1 170 614.70	30 June 2017
Shorts Nissan – Refuse Truck	R 2 522 382.24	

25. Notice 34 of 2017 Supply and Delivery of Traffic/Law Enforcement/ Security Uniforms and Protective Clothing

Contractor	Amount	Date
Southern Ambition 1547 CC	Various Rates	30 June 2017
Sparks and Ellis	Various Rates	

26. MFMA Section 32 award for GRAP Compliant Integrated Asset Management Consultancy and Support Services

Contractor	Amount	Date
A2A Kopano Incorporated Chartered Accountants and Registered Auditors	R 741 000.00	03 May 2017

7C. Operational Deviations for the period below R30 000.00:

The breakdown per directorate for the period 1 July 2016 to 30 June 2017 is as follows:

Total Expenditure for Operational Deviations per Directorate	
Finance	R 2 553 812,90
Social Services	R 195 105,03
Infrastructure/Planning/Development	R 89 962,53
Administration	R 1 271 028,92
LED and Tourism	R -
Total	R 4 109 909,38

7D. Section 39 Deviations in terms of Supply Chain Management Policy

The section 39 deviations for the period amounted to R 14 086 643.64 below please find the breakdown per section and directorate:

2016/17 S39 DEVIATION TOTAL PER SECTION/ DIRECTORATE

FINANCE: FLEET AND ASSET	R 6 300848.70
FINANCE: REVENUE SECTION	R 0,00
FINANCE - BUDGET & TREASURY	R 49 128,00
FINANCE: STORES	R 0,00
FINANCE: IT	R 35 890,00

FINANCE –TOTAL = R 6 385 866.70

INFRASTRUCTURE DEVELOPMENT & PLANNING: TECHNICAL SERVICE (ROADS/WATER/CHEMICALS/SEWERAGE/PROFESSIONAL FEES)	R 1 961 647,73
INFRASTRUCTURE DEVELOPMENT & PLANNING: ELECTRICAL	R 544 285,12
INFRASTRUCTURE DEVELOPMENT & PLANNING: HOUSING	R 1 077 597,54

IPD TOTAL= R 3 583 530.39

ADMINISTRATION: LEGAL FEES	R 3342584.40
ADMINISTRATION: SKILLS DEVELOPMENT	R 136 839,50
ADMINISTRATION: OTHER	R 45 600,00
ADMINISTRATION: HR	R 0,00
ADMINISTRATION: ARCHIVES	R 0,00

AME TOTAL= R 3 525 023.90

SOCIAL SERVICES: FIRE DEPARTMENT / DISASTER MANAGEMENT	R 129 478,65
SOCIAL SERVICES: TRAFFIC DEPARTMENT/LAW ENFORCEMENT	R 330 743,00
SOCIAL SERVICES: WASTE MANAGEMENT	R 0,00
SOCIAL SERVICES: PARKS/REFUSE	R 132 001,00

SOICAL SERVICES TOTAL = R 592 222.65

LED/TOURISM

R 0,00

STATEGIC TOTAL= R 0.00

TOTAL AMOUNT OF DEVIATION FOR 2016/17 FIN YR

R 14 086 643,64

