

6. MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM) POLICY: PARAGRAPH 36, 16(1)(B) AND 17(1)(C), FOR APRIL 2015

8/2/2

**CEM La Cock
08 May 2015**

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Corporate Head Office

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 April 2015.

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

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.

A schedule of all Deviations approved for April 2015 is attached as per 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 April 2015 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 April 2015, **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 April 2015, **be noted**.

RESPONSIBLE OFFICIAL :**R LA COCK****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

**SUPPLY CHAIN MANAGEMENT REPORT IN TERMS OF CLAUSE 5(3) OF THE SCM POLICY
 DEVIATIONS FROM THE POLICY, APPROVED IN TERMS OF CLAUSE 36(1)(a) FOR THE MONTH- APRIL 2015**

#	Deviation #	Date Approved	Deviation in terms of Clause 36(1)(a)	Description	Responsible Official	Awarded to	Amount Operational	Amount Capital	VAT @ 14%	Value of the Deviation
1	SCD2797	2015/04/02	Clause 36(1)(a)(i)(a) (i&ii)	Extinguishing of fires in the Kleinmond area on the 08 February 2015	Chief: Fire Officer, Smith L	FFA Aviation (Pty) Ltd	R 27 492.36		R 3 848.93	R 31 341.29
2	SCD2798	2015/04/02	Clause 36(1)(a)(v)	The annual maintenance, teleset and SAPO licence fees for the franking machine for Gansbaai en Hangklip/Kleinmond Administration	Manager: Council Services Support	Earlyworx 282 (PTY) LTD	R 2 715.27		R 380.13	R 3 095.40
3	SCD2799	2015/04/10	Clause 36(1)(a)(v)	Repair of hydraulic cylinder (CEM 26438)	Acting Manager : Fleet ,Frans F	Hydreco (PTY) LTD	R 9 725.00		R 1 361.50	R 11 086.50
4	SCD2800	2015/04/21	Clause 36(1)(a)(v)	Procurement of additional equipment required for the installation of an ICT Server cabinet in the Hermanus Server room.	Senior Manager: Systems Development, Johnson C	Cable's Cabling CC	R 13 315.00		R 1 864.10	R 15 179.10
5	SCD2801	2015/04/23	Clause 36(1)(a)(v)	Attendance of three municipal officials to the Regional Water Leakage Summit 2015 on the 23 and 24 June 2015.	Director: Infrastructure and Planning, Muller S	Nina Freysen Consultants CC	R 10 500.00		R -	R 10 500.00
6	SCD2802	2015/04/30	Clause 36(1)(a)(v)	Servicing and/or repair of the Fire Services breathing apparatus ,to ensure compliance with the OHASA Act of 1993, via a strip and quote process.	Chief: Fire Officer, Smith L	Drager South Africa (PTY) LTD	R 8 420.00		R 1 178.80	R 9 598.80
							R 72 167.63	R -	R 8 633.46	R 80 801.09

Annexure B: Schedule of approvals in terms of Paragraph 17(1) of the SCM Policy - Overstrand Municipality – April 2015

10		11			
Received only one quote by closing time and date of submission of quotation		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 requisitions lodged					
#	Supplier	Date	Amount	Reason Code	Description
1	CAPE OTTO SIGNS CC	20150402	R 2 260.00	10	NO DUMPING/GEEN STORTING / AKULAHLA APHA, MUNICIPALITY EMBEM
2	OVERBERG SCAFFOLD & MACHINE HI	20150407	R 5 043.86	10	HUUR VAN HOE-DRUK MET OPERATEUR/TOERUSTING/PETROL & VERVOER INGESLUIT
3	MG ELECTRICAL	20150407	R 2 750.00	10	REPAIR CLOSE CHANNEL LIGHT FITTING INCLUDING BULB
4	OVERBERG AGRI BEDRYWE (PTY) LT	20150407	R 6 165.00	11	HEAVY DUTY POP UP SPRINKLERS 7000S
5	TSETHA'S ENTERPRISE	20150407	R 7 204.40	11	THERMAL ROLLS 76/40
6	SANNITREE INTERNATIONAL CC	20150407	R 13 107.00	11	20KG SPECIAL MIX FAT CRACKER
7	BURMAR CIVILS (PTY) LTD	20150408	R 10 500.00	10	SUPPLY AND DELIVER 7 X 210 LITER CATIONIC 65% BITUMEN DRUMS
8	OVERBERG AGRI BEDRYWE (PTY) LT	20150408	R 3 919.88	10	PYP KLAMP 62/70 HD
9	GAFFLEY'S COACH TOURS (PTY) LT	20150408	R 15 460.00	10	28 APRIL 2015: HERMANUS-KLEINMOND - JUNIOR COUNCIL ORIENTATION TOURS
10	BIDVEST WALTONS	20150408	R 4 903.90	11	STATIONERY CUPBOARD 1800HX900WX450D - 4 SHELVES - HAMMER GREY (X2)
11	GILBERTS CATERING (K2011/12488	20150409	R 6 560.00	11	REFRESHMENTS FOR WOMENS ENTREPRENUERIAL COCKTAIL EVENT 17 APRIL 2015
12	NEO TECHNOLOGIES (PTY) LTD	20150410	R 19 833.00	11	SUPPLY 650 BATTERY APC - RBD 17
13	STARTUNE (PTY) LTD	20150412	R 25 662.00	11	RAIN SUITS: 2-XL - NAVY WITH REFLECTIVE TAPE
14	COLOURPIX GRAPHIC DESIGNS CC	20150420	R 6 160.00	11	ARTWORK AND DESIGN (2 HOURS) OF WATER AND SEWER NETWORK BROCHURE