

13.

**PROPOSED AMENDMENTS TO BUSINESS SYSTEM CONTRACTS TERMINATING ON 30 JUNE 2016**

8/4

**Johnet van Asperen  
09 May 2016****(028) 313 8959****Corporate Head Office**

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**1. Executive Summary**

The purpose of this report is to provide the necessary information and motivation on the proposed amendment of the Contracts as listed in paragraph 6, ending 30 JUNE 2016, in terms of the enabling provisions of section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA), to enable Council to make an informed decision whether to consent to the amendment of the contracts.

All the contracts, except Bytes Systems Integration a Division of Altron TMT (Pty) Ltd, Maxitec and Wesbank First Auto were previously amended in 2013 through a Section 116 (3) process. The dynamic nature of Information and Communications Technology, as well as investments made in business systems warrant a continuous re-assessment of investments and system functionalities to ensure that value for money is achieved at all times. The long term impact of investments made in business systems and services warrants that the Overstrand Municipality continually re-assess its investment strategies to ensure on-going alignment with the deployment of business systems and services as well as alignment with the deployment strategies of the Provincial Government in the Western Cape and National Treasury.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Finance  
Department: Data Control  
Department: Revenue  
Department: Expenditure and Assets  
Department: Contract Management  
Department: Supply Chain Management

Directorate: Management Services  
Department: Information Communication Technology  
Department: Strategic Services  
Department: Human Resources  
Department: Council Sup Serv

Department: Communication

Directorate: Community Services  
 Department: Deputy Dir : Oper Serv  
 Department: Housing Admin  
 Department: Fleet Management

Directorate: Infrastructure and Planning  
 Department: Electro Tech Service  
 Department: Town & Spatial Plan  
 Department: Building Services  
 Department: Property Admin

Directorate: Local Economic Development  
 Department: Tourism

### **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)  
 Circular 62, National Treasury Practise note  
 Circular 73 National Treasury Practise note  
 Overstrand Municipality Supply Chain Management Policy, as amended  
 Overstrand Municipality Contract Management Policy, as amended

### **6. Background/Discussion/Motivation/Conclusion**

#### **6.1 Background**

Section 116(3) of the MFMA provides as follows:

“(a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and

(b) the local community-

(i) has been given reasonable notice of the intention to amend the contract or agreement; and

(ii) has been invited to submit representations to the municipality or municipal entity.”

The municipality should ideally have a single business system with a single database and workflow. Considerations to introduce such a strategy for business systems should however always be assessed carefully against initial investment costs for such ventures, as well as the potential risks if the anticipated operational efficiencies and return on investments are not realized - this is done by the ICT Steering Committee (refer to Annexure E).

Migration strategies for local government institutions must remain aligned with architectures and technologies of selected manufacturers as well as trusted relationships with selected service providers. Investments made by local government institutions in business system architectures and trusted relationships with service providers are seen as long term investments which cannot readily be changed without exposing the municipality to continuity and contingency risks.

The portfolio of ICT contracts terminating on 30 June 2016 for which a Section 116(3) process is followed are:

<b>Ref no</b>	<b>Service Provider name</b>	<b>Description</b>	<b>Responsible For Service Level Agreement</b>	<b>Responsible For Software Licenses</b>
SC1327(v)/2013	Altech Netstar (Pty) Ltd	Fleet management system for vehicle tracking, operational monitoring management information system.	Roderick Williams Mike Bartman	Desireé Arrison Johnet van Asperen
SC1327(vii)/2013	Business Engineering (Pty) Ltd	Document Archiving and automated process and workflow system.	Desireé Arrison Hanlie van Tonder Roderick Williams Anver Wyngaard Frankie Frans Santie	Desireé Arrison Johnet van Asperen

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<b>Ref no</b>	<b>Service Provider name</b>	<b>Description</b>	<b>Responsible For Service Level Agreement</b>	<b>Responsible For Software Licenses</b>
			Reyneke-Naude Morne Potgieter Stephen Muller Anja Kotze	
SC1327(ii)/2013	Bytes Systems Integration A Division Of Altron TMT (Pty) Ltd	Software used to manage time and attendance of employees	Desireé Arrison Lucinda Bucchianeri	Desireé Arrison Johnet van Asperen
SC1327(i)/2013	Bytes Universal Systems, A Division Of Altron TMT (Pty) Ltd	The core financial system of the municipality	Santie Reyneke-Naude Clint le Roux Elmarie Hooneberg Hannes Vorster Bernard King Theo Loubser	Desireé Arrison Johnet van Asperen
SC1327(viii)/2013 SC1327(x)/2013	Geodebt Solutions CC	Manage the Debt collection from residents whose payments of municipal rates and taxes are in arrears.	Santie Reyneke-Naude Elmarie Hooneberg	Desireé Arrison Johnet van Asperen
SC1327(vi)/2013	Ignite Advisory Services	Software used to manage the Integrated Development Plan, the Service Delivery and Budget Implementation plan and individual performance	Desireé Arrison Rochelle Louw Lucinda Bucchianeri	Desireé Arrison Johnet van Asperen

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Ref no	Service Provider name	Description	Responsible For Service Level Agreement	Responsible For Software Licenses
		management		
SC1418A/2013	Maxitec	Official websites of the municipality	Desireé Arrison Noluthando Zweni Solomzi Madikane	Desireé Arrison Johnet van Asperen
SC1327(ix)/2013	Payday Software Systems (Pty) Ltd	Human Resources Management Payroll	Desireé Arrison Lucinda Bucchianeri Santie Reyneke-Naude Hannes Vorster	Desireé Arrison Johnet van Asperen
SC1327(iv)/2013	Water Management Services CC	Manage the maintenance of all property and infrastructure assets in the municipality	Roderick Williams Mike Bartman Dedre Pedro Stephen Muller Riaan Kuchar John Simson Koos du Plessis Danie Maree	Desireé Arrison Johnet van Asperen
SC1335/2013	Wesbank First Auto	Vehicle fuel and maintenance management	Roderick Williams Mike Bartman	N/A

**6.2 Discussion****6.2.1 Section 116(3) Notification for Public Participation**

Date of Advertising: 22 April 2016  
Method of Advertising: Cape Times, Die Burger,  
Overstrand Municipality Website  
Closing Date for Comments: 23 May 2016

Recommendations or representations from the local community are not included in this report as the closing date is 23 May 2016. Such recommendations or representations, if any, will be tabled during the Mayoral Committee meeting preceding the Council meeting.

### **6.3 Motivation**

#### **6.3.1 Regulatory Requirements from National Treasury**

Recent statements of direction from National Government implies a more strategic approach must be introduced by all local government entities to migrate its existing portfolio of legacy ICT services and systems to a business systems architecture that will enable improved data access and reporting capabilities to all stakeholders.

MFMA Circular 57 dated 20 October 2011: MFMA Circular 57 Issued by National Treasury states: "It is imperative that municipalities operate effectively and utilise financial applications optimally to present credible information on a timely basis for internal and external use".

The mSCOA project undertaken by National Treasury and supported by the outcomes of the Consolidated Auditor General Report (2009/2010) on local government include amongst others:

- 1) "Research and assessment into various financial applications and related software systems in use by municipalities.
- 2) Minimal dependency on service providers, central coordination, guidance and specialist support offered in a cost-effective and efficient manner.
- 3) That guidelines be issued on minimum standards for financial systems which would minimise excessive or duplicate systems, examine critical integrated IT solutions to maximise capabilities and achieve cost effectiveness while addressing associated maintenance costs"

It was observed that municipalities have in the past diluted the benefits of financial applications by choosing to implement certain 'components' or altering the application to meet their specific requirements or utilising an application that was not integrated with the Financial system.

#### **6.3.2 Business Systems Alignment with Strategic Objectives**

The ability to remain constantly aligned with the strategic goals and objectives of the municipality as well as the statements of direction from National Government are inhibited by two major factors:

- 1) Legacy Business Systems

Various business systems with similar functionalities are deployed in the Overstrand Municipality, resulting in on-going increases in, and payment of annual licensing fees and support fees without receiving any substantive value

added services or functionalities as part of the existing Agreements. Also, on-going data integration between disparate business systems results in increased complexities whilst attempting to maintain data integrity between systems.

## 2) Multiple Vendor Contracts

The day-to-day management of vendor business systems contracts remains a major challenge for all municipalities. Vendor contracts are usually very one-sided and do not properly mitigate the potential risks, legally or otherwise, to which municipalities might be exposed to during the term of such contracts.

### 6.3.3 Contractual Considerations with Service Providers

It is proposed that all business system contracts terminating on 30 June 2016, be amended to remain in effect for a period of three financial years from 2016/2017 to 2018/2019, except for Wesbank First Auto to remain in effect for a period of one financial year 2016/2017, for the following reasons:

- 1) To limit the administrative costs of following Supply Chain Management processes to request deviations and funding over the short term, specifically taking into account the strategic intent and requirement to be mSCOA compliant.
- 2) For all such agreements with service providers, the proviso is that the Overstrand Municipality may terminate the Agreement at any time and is bound to give at least 6 months prior notice.
- 3) To make a once-off provision for the required funding for a period of three years.

The intent is to follow a holistic approach to ensure that the strategic intent of the Municipality to integrate the similar functionalities into the core financial system can be optimized to its full potential over the next three years.

The contracts are tariff based - the total expenditure (calculated over the last 3 years) on the service provider, as per the SAMRAS financial system as well as the estimate expenditure for the respective 1 year and 3 year amendments is indicated in the table below:

Ref no	Service Provider Name	Total Contract Value as at 29/04/16 (VAT excl)*	Estimated total expenditure 01/07/16 – 30/06/19
SC1327(v)/2013	Altech Netstar	R 4 465 563.86	R 2 727 120.00

Ref no	Service Provider Name	Total Contract Value as at 29/04/16 (VAT excl)*	Estimated total expenditure 01/07/16 – 30/06/19
	(Pty) Ltd		
SC1327(vii)/2013	Business Engineering (Pty) Ltd	R 4 127 970.10	R 2 135 847.21
SC1327(ii)/2013	Bytes Systems Integration A Division Of Altron TMT (Pty) Ltd	R 1 406 076.00	R 537 261.66
SC1327(i)/2013	Bytes Universal Systems, A Division Of Altron TMT (Pty) Ltd	R 4 418 827.85	R 5 046 455.99
SC1327(viii)/2013 SC1327(x)/2013	Geodebt Solutions CC	R 1 152 211.12	R 769 487.00
SC1327(vi)/2013	Ignite Advisory Services	R 875 973.36	R 1 205 660.70
SC1418A/2013	Maxitec	R 655 694.00	R 679 579.58
SC1327(ix)/2013	Payday Software Systems (Pty) Ltd	R 1 272 665.28	R 703 859.00
SC1327(iv)/2013	Water Management Services CC	R 6 367 509.02	R 3 749 749.61
SC1335/2013	Wesbank First Auto	R 33 287 187.00	R 16 000 000.00

The purpose of displaying the above information motivates that a Section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA), was followed, instead of a Circular 62 process.

As per Annexure G, a cost analysis/comparison was done on the quotes received by the service providers for the amendments to the existing contract. Details of how the estimated expenditure was calculated (where applicable) are given in Annexure H.

#### **6.4 Conclusion**



It remains the strategic intent of the Municipality to assimilate similar functionalities from the other business systems deployed in the municipality into the Samras Financial System or at the least build the integration of the functionalities to the Samras Financial System where it is cost effective and functionally viable and is mSCOA compliant. Due to the complexities inherent to such business system conversions and integration, a phased approach will be followed. Priorities and time-lines to do the conversions and integration will be dependent on business needs and available funding over the next three years.

**7. Financial Implications (Values calculated based on Quotations as per Annexure D)****7.1 Altech Netstar (Pty) Ltd**

<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	SAFEGUARD & SECURITY	SAFEGUARD & SECURITY	SAFEGUARD & SECURITY
SCOA Cost Account	10620201620000	10620201620000	10620201620000
SCOA Unique Key	20150212015329	20150212015329	20150212015329
Budget Provision	R 909 040.00	R 909 040.00	R 909 040.00
Balance Available	R 909 040.00	R 909 040.00	R 909 040.00
Total Estimated Expenditure (excl VAT)	R 909 040.00	R 909 040.00	R 909 040.00
Total Estimated Expenditure Extension (excl VAT)	R 2 727 120.00		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

## 7.2 Business Engineering (Pty) Ltd:

<b>LICENSE FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence
SCOA Cost Account	10660204370000	10660204370000	10660204370000
SCOA Unique Key	20150212015956	20150212015956	20150212015956
Budget Provision	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Balance Available	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Total Estimated Expenditure (excl VAT)	R 131 850.00	R 140 156.55	R 148 986.41
Sub Total License fees (excl VAT) <sup>(1)</sup>	R 420 992.96		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-System Adviser	Ext Comp Serv-System Adviser	Ext Comp Serv-System Adviser
SCOA Cost Account	10670204390000	10670204390000	10670204390000
SCOA Unique Key	20150212016075	20150212016075	20150212016075
Budget Provision	R 590 000.00	R 607 700.00	R 625 000.00
Balance Available	R 590 000.00	R 607 700.00	R 625 000.00

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Total Estimated Expenditure (excl VAT)	R 537 072.00	R 570 907.54	R 606 874.71
Sub Total Support fees (excl VAT) <sup>(2)</sup>	R 1 714 854.25		
Total Estimated Expenditure Extension <sup>(1) + (2)</sup> (excl VAT)	R 2 135 847.21		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

**7.3 Bytes Systems Integration a Division of Altron TMT (Pty) Ltd**

<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Human Resources	ConsServ:Human Resources	ConsServ:Human Resources
SCOA Cost Account	10650200760000	10650200760000	10650200760000
SCOA Unique Key	20150212015697	20150212015697	20150212015697
Budget Provision	R 312 270.00	R 343 497.00	R 377 847.00
Balance Available	R 312 270.00	R 343 497.00	R 377 847.00
Total Estimated Expenditure (excl VAT)	R 170 424.00	R 178 945.20	R 187 892.46
Total Estimated Expenditure Extension (excl VAT)	R 537 261.66		
Escalation (if any)	CPI to a maximum of 10% for Service Fees and USD Exchange rate for Licenses		
Escalation date	Anniversary date of implementation of the contract		

## 7.4 Bytes Universal Systems a Division of Altron TMT (Pty) Ltd

<b>LICENSE FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence
SCOA Cost Account	10660204370000	10660204370000	10660204370000
SCOA Unique Key	20150212015956	20150212015956	20150212015956
Budget Provision	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Balance Available	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Total Estimated Expenditure (excl VAT)	R 1 104 882.63	R 1 174 490.23	R 1 248 483.12
Sub Total License fees (excl VAT) <sup>(1)</sup>	R 3 527 855.99		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Business&Fin Managemnt	ConsServ:Business&Fin Managemnt	ConsServ:Business&Fin Managemnt
SCOA Cost Account	10220200730000	10220200730000	10220200730000
SCOA Unique Key	20150212014118	20150212014118	20150212014118
Budget Provision	R 477 000.00	R 505 620.00	R 536 000.00
Balance Available	R 477 000.00	R 505 600.00	R 536 000.00

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Total Estimated Expenditure (excl VAT)	R 477 000.00	R 505 600.00	R 536 000.00
Sub Total Support fees (excl VAT) <sup>(2)</sup>	R 1 518 600.00		
Total Estimated Expenditure Extension <sup>(1) + (2)</sup> (excl VAT)	R 5 046 455.99		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

**7.5 Geodebt Solutions CC**

<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ: Legal Cost - Collections	ConsServ: Legal Cost - Collections	ConsServ: Legal Cost - Collections
SCOA Cost Account	10200201140000	10200201140000	10200201140000
SCOA Unique Key	20150212013725	20150212013725	20150212013725
Budget Provision	R 1 008 000.00	R 1 063 440.00	R 1 121 929.00
Balance Available	R 1 008 000.00	R 1 063 440.00	R 1 121 929.00
Total Estimated Expenditure (excl VAT)	R 245 654.00	R 256 092.00	R 267 741.00
Total Estimated Expenditure Extension (excl VAT)	R 769 487.00		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

## 7.6 Ignite Advisory Services

<b>LICENSE FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence
SCOA Cost Account	10660204370000	10660204370000	10660204370000
SCOA Unique Key	20150212015956	20150212015956	20150212015956
Budget Provision	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Balance Available	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Total Estimated Expenditure (excl VAT)	R 156 700.00	R 122 535.00	R 128 661.75
Sub Total License fees (excl VAT) <sup>(1)</sup>	R 407 896.75		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Business&Fin Management	ConsServ:Business&Fin Management	ConsServ:Business&Fin Management
SCOA Cost Account	10130200730000	10130200730000	10130200730000
SCOA Unique Key	20150212013007	20150212013007	20150212013007
Budget Provision	R 189 450.00	R208 395.00	R 229 235.00

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Balance Available	R 189 450.00	R208 395.00	R 229 235.00
Total Estimated Expenditure (excl VAT)	R 188 380.00	R 197 799.00	R 207 688.95
Sub Total Support fees (excl VAT) <sup>(2)</sup>	R 593 867.95		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Human Resources	ConsServ:Human Resources	ConsServ:Human Resources
SCOA Cost Account	10650200760000	10650200760000	10650200760000
SCOA Unique Key	20150212015697	20150212015697	20150212015697
Budget Provision	R 312 270.00	R 343 497.00	R 377 847.00
Balance Available	R 312 270.00	R 343 497.00	R 377 847.00
Total Estimated Expenditure (excl VAT)	R 61 600.00	R 67 760.00	R 74 536.00
Sub Total Support fees (excl VAT) <sup>(3)</sup>	R 203 896.00		
Total Estimated Expenditure Extension <sup>(1) + (2) + (3)</sup> (excl VAT)	R 1 205 660.70		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

**7.7 Maxitec**

<b>LICENSE FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>



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<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence
SCOA Cost Account	10660204370000	10660204370000	10660204370000
SCOA Unique Key	20150212015956	20150212015956	20150212015956
Budget Provision	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Balance Available	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Total Estimated Expenditure (excl VAT)	R 7 859.32	R 8 330.88	R 8 830.73
Sub Total License fees (excl VAT) <sup>(1)</sup>	R 25 020.93		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Project Management	Project Management	Project Management
SCOA Cost Account	11120200800000	11120200800000	11120200800000
SCOA Unique Key	20150212018272	20150212018272	20150212018272
Budget Provision	R 140 000.00	R 140 000.00	R 140 000.00
Balance Available	R 140 000.00	R 140 000.00	R 140 000.00
Total Estimated Expenditure (excl VAT)	R 65 000.00	R 69 095.00	R 73 447.99
Sub Total Support fees (excl VAT) <sup>(2)</sup>	R 207 542.99		
<b>SUPPORT FEES</b>			

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<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Prof. Bodies Memberships&Subs	Prof. Bodies Memberships&Subs	Prof. Bodies Memberships&Subs
SCOA Cost Account	10090204730000	10090204730000	10090204730000
SCOA Unique Key	20150212012589	20150212012589	20150212012589
Budget Provision	R 503 500.00	R 513 570.00	R 513 570.00
Balance Available	R 503 500.00	R 513 570.00	R 513 570.00
Total Estimated Expenditure (excl VAT)	R 140 000.00	R 148 820.00	R 158 195.66
Sub Total Support fees (excl VAT) <sup>(3)</sup>	R 447 015.66		
Total Estimated Expenditure Extension <sup>(1) + (2) + (3)</sup> (excl VAT)	R 679 579.58		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

**7.8 Payday Software Systems (Pty) Ltd**

<b>LICENSE FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence
SCOA Cost Account	10660204370000	10660204370000	10660204370000
SCOA Unique Key	20150212015956	20150212015956	20150212015956

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Budget Provision	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Balance Available	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Total Estimated Expenditure (excl VAT)	R 135 539.00	R 146 895.00	R 159 273.00
Sub Total License fees (excl VAT) <sup>(1)</sup>	R 441 707.00		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Business&Fin Managemnt	ConsServ:Business&Fin Managemnt	ConsServ:Business&Fin Managemnt
SCOA Cost Account	10190200730000	10190200730000	10190200730000
SCOA Unique Key	20150212013582	20150212013582	20150212013582
Budget Provision	R 225 600.00	R 225 600.00	R 225 600.00
Balance Available	R 225 600.00	R 225 600.00	R 225 600.00
Total Estimated Expenditure (excl VAT)	R 39 600.00	R 43 560.00	R 47 916.00
Sub Total Support fees (excl VAT) <sup>(2)</sup>	R 131 076.00		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Human Resources	ConsServ:Human Resources	ConsServ:Human Resources
SCOA Cost Account	10650200760000	10650200760000	10650200760000

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SCOA Unique Key	20150212015697	20150212015697	20150212015697
Budget Provision	R 312 270.00	R 343 497.00	R 377 847.00
Balance Available	R 312 270.00	R 343 497.00	R 377 847.00
Total Estimated Expenditure (excl VAT)	R 39 600.00	R 43 560.00	R 47 916.00
Sub Total Support fees (excl VAT) <sup>(3)</sup>	R 131 076.00		
Total Estimated Expenditure Extension <sup>(1) + (2) + (3)</sup> (excl VAT)	R 703 859.00		
Escalation (if any)	CPI + 2% to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

**7.9 Water Management Services CC**

<b>LICENSE FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence	Ext Comp Serv-Software Licence
SCOA Cost Account	10660204370000	10660204370000	10660204370000
SCOA Unique Key	20150212015956	20150212015956	20150212015956
Budget Provision	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Balance Available	R 3 203 309.00	R 3 363 474.00	R 3 531 648.00
Total Estimated Expenditure (excl VAT)	R 133 768.88	R 141 795.01	R 150 302.71

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Sub Total License fees (excl VAT) <sup>(1)</sup>	R 425 866.61		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	Contracted Services: Organisational	Contracted Services: Organisational	Contracted Services: Organisational
SCOA Cost Account	10510200790000	10510200790000	10510200790000
SCOA Unique Key	20150212014456	20150212014456	20150212014456
Budget Provision	R 910 075.00	R 937 377.00	R 965 499.00
Balance Available	R 910 075.00	R 937 377.00	R 965 499.00
Total Estimated Expenditure (excl VAT)	R 881 629.16	R 934 526.91	R 962 562.72
Sub Total Support fees (excl VAT) <sup>(2)</sup>	R 2 778 718.79		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Inf&Plan-Town Planner	ConsServ:Inf&Plan-Town Planner	ConsServ:Inf&Plan-Town Planner
SCOA Cost Account	12200201050000	12200201050000	12200201050000
SCOA Unique Key	20150212023355	20150212023355	20150212023355
Budget Provision	R1 620 000.00	R1 717 200.00	R1 820 232.00
Balance Available	R1 620 000.00	R1 717 200.00	R1 820 232.00

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Total Estimated Expenditure (excl VAT)	R 88 162.92	R 93 452.69	R 99 059.85
Sub Total Support fees (excl VAT) <sup>(3)</sup>	R 280 675.46		
<b>SUPPORT FEES</b>			
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>	<b>Draft Budget 2017/2018</b>	<b>Draft Budget 2018/2019</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>	<b>Operational Budget</b>	<b>Operational Budget</b>
SCOA Description	ConsServ:Project Management	ConsServ:Project Management	ConsServ:Project Management
SCOA Cost Account	12250200800000	12250200800000	12250200800000
SCOA Unique Key	20150212023906	20150212023906	20150212023906
Budget Provision	R 90 000.00	R 92 700.00	R 95 481.00
Balance Available	R 90 000.00	R 92 700.00	R 95 481.00
Total Estimated Expenditure (excl VAT)	R 88 162.92	R 85 664.97	R 90 804.86
Sub Total Support fees (excl VAT) <sup>(4)</sup>	R 264 632.75		
Total Estimated Expenditure Extension <sup>(1) + (2) + (3) + (4)</sup> (excl VAT)	R 3 749 893.60		
Escalation (if any)	CPI to a maximum of 10%		
Escalation date	Anniversary date of implementation of the contract		

**7.10 Wesbank First Auto**

<b>FUEL FEES</b>	
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10200203270000
<b>SCOA Unique Key</b>	20150212013790
<b>Budget Provision</b>	R 64 149.00
<b>Balance Available</b>	R 64 149.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10210203270000
<b>SCOA Unique Key</b>	20150212013990
<b>Budget Provision</b>	R 42 766.00
<b>Balance Available</b>	R 42 766.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10530203270000
<b>SCOA Unique Key</b>	20150212014632
<b>Budget Provision</b>	R 112 197.00
<b>Balance Available</b>	R 112 197.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10540203270000
<b>SCOA Unique Key</b>	20150212014781

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<b>Budget Provision</b>	R 42 573.00
<b>Balance Available</b>	R 42 573.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10620203270000
<b>SCOA Unique Key</b>	20150212015340
<b>Budget Provision</b>	R 183 349.00
<b>Balance Available</b>	R 183 349.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10650203270000
<b>SCOA Unique Key</b>	20150212015747
<b>Budget Provision</b>	R 19 993.00
<b>Balance Available</b>	R 19 993.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10700203270000
<b>SCOA Unique Key</b>	20150212016279
<b>Budget Provision</b>	R 769 791.00
<b>Balance Available</b>	R 769 791.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	10710203270000
<b>SCOA Unique Key</b>	20150212016447
<b>Budget Provision</b>	R 641 493.00
<b>Balance Available</b>	R 641 493.00
<b>SCOA Description</b>	Inventory: Consumables Fuel



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<b>SCOA Cost Account</b>	10740203270000
<b>SCOA Unique Key</b>	20150212016728
<b>Budget Provision</b>	R 855 992.00
<b>Balance Available</b>	R 855 992.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11110203270000
<b>SCOA Unique Key</b>	20150212018154
<b>Budget Provision</b>	R 22 719.00
<b>Balance Available</b>	R 22 719.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11400203270000
<b>SCOA Unique Key</b>	20150212018948
<b>Budget Provision</b>	R 794 200.00
<b>Balance Available</b>	R 794 200.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11410203270000
<b>SCOA Unique Key</b>	20150212019093
<b>Budget Provision</b>	R 630 726.00
<b>Balance Available</b>	R 630 726.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11440203270000
<b>SCOA Unique Key</b>	20150212019376
<b>Budget Provision</b>	R 708 593.00

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<b>Balance Available</b>	R 708 593.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11610203270000
<b>SCOA Unique Key</b>	20150212020197
<b>Budget Provision</b>	R 48 571.00
<b>Balance Available</b>	R 48 571.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11640203270000
<b>SCOA Unique Key</b>	20150212020422
<b>Budget Provision</b>	R 211 382.00
<b>Balance Available</b>	R 211 382.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11650203270000
<b>SCOA Unique Key</b>	20150212020561
<b>Budget Provision</b>	R 427 662.00
<b>Balance Available</b>	R 427 662.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11660203270000
<b>SCOA Unique Key</b>	20150212020694
<b>Budget Provision</b>	R 160 373.00
<b>Balance Available</b>	R 160 373.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11670203270000

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<b>SCOA Unique Key</b>	20150212020832
<b>Budget Provision</b>	R 510 991.00
<b>Balance Available</b>	R 510 991.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11820203270000
<b>SCOA Unique Key</b>	20150212021322
<b>Budget Provision</b>	R 66 800.00
<b>Balance Available</b>	R 66 800.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11830203270000
<b>SCOA Unique Key</b>	20150212021432
<b>Budget Provision</b>	R 111 256.00
<b>Balance Available</b>	R 111 256.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11900203270000
<b>SCOA Unique Key</b>	20150212021692
<b>Budget Provision</b>	R 36 810.00
<b>Balance Available</b>	R 36 810.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	11910203270000
<b>SCOA Unique Key</b>	20150212021802
<b>Budget Provision</b>	R 48 218.00
<b>Balance Available</b>	R 48 218.00

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<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	12300203270000
<b>SCOA Unique Key</b>	20150212024231
<b>Budget Provision</b>	R 140 358.00
<b>Balance Available</b>	R 140 358.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	12600203270000
<b>SCOA Unique Key</b>	20150212024709
<b>Budget Provision</b>	R 6 414.00
<b>Balance Available</b>	R 6 414.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	12620203270000
<b>SCOA Unique Key</b>	20150212024967
<b>Budget Provision</b>	R 13 524.00
<b>Balance Available</b>	R 13 524.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	12630203270000
<b>SCOA Unique Key</b>	20150212025138
<b>Budget Provision</b>	R 37 163.00
<b>Balance Available</b>	R 37 163.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	12900203270000
<b>SCOA Unique Key</b>	20150212025477

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<b>Budget Provision</b>	R 80 913.00
<b>Balance Available</b>	R 80 913.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13300203270000
<b>SCOA Unique Key</b>	20150212025700
<b>Budget Provision</b>	R 443 025.00
<b>Balance Available</b>	R 443 025.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13310203270000
<b>SCOA Unique Key</b>	20150212025821
<b>Budget Provision</b>	R 746 805.00
<b>Balance Available</b>	R 746 805.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13320203270000
<b>SCOA Unique Key</b>	20150212025924
<b>Budget Provision</b>	R 188 289.00
<b>Balance Available</b>	R 188 289.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13330203270000
<b>SCOA Unique Key</b>	20150212026040
<b>Budget Provision</b>	R 213 831.00
<b>Balance Available</b>	R 213 831.00
<b>SCOA Description</b>	Inventory: Consumables Fuel

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<b>SCOA Cost Account</b>	13620203270000
<b>SCOA Unique Key</b>	20150212026585
<b>Budget Provision</b>	R 249 209.00
<b>Balance Available</b>	R 249 209.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13750203270000
<b>SCOA Unique Key</b>	20150212026759
<b>Budget Provision</b>	R 59 979.00
<b>Balance Available</b>	R 59 979.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13760203270000
<b>SCOA Unique Key</b>	20150212026904
<b>Budget Provision</b>	R 7 249.00
<b>Balance Available</b>	R 7 249.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13780203270000
<b>SCOA Unique Key</b>	20150212027100
<b>Budget Provision</b>	R 288 671.00
<b>Balance Available</b>	R 288 671.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13950203270000
<b>SCOA Unique Key</b>	20150212027319
<b>Budget Provision</b>	R 1 428 102.00

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<b>Balance Available</b>	R 1 428 102.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13960203270000
<b>SCOA Unique Key</b>	20150212027432
<b>Budget Provision</b>	R 460 549.00
<b>Balance Available</b>	R 460 549.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	13980203270000
<b>SCOA Unique Key</b>	20150212027580
<b>Budget Provision</b>	R 566 395.00
<b>Balance Available</b>	R 566 395.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14070203270000
<b>SCOA Unique Key</b>	20150212027910
<b>Budget Provision</b>	R 16 037.00
<b>Balance Available</b>	R 16 037.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14080203270000
<b>SCOA Unique Key</b>	20150212028024
<b>Budget Provision</b>	R 137 482.00
<b>Balance Available</b>	R 137 482.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14250203270000

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<b>SCOA Unique Key</b>	20150212028579
<b>Budget Provision</b>	R 77 715.00
<b>Balance Available</b>	R 77 715.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14260203270000
<b>SCOA Unique Key</b>	20150212028696
<b>Budget Provision</b>	R 421 268.00
<b>Balance Available</b>	R 421 268.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14280203270000
<b>SCOA Unique Key</b>	20150212028934
<b>Budget Provision</b>	R 197 815.00
<b>Balance Available</b>	R 197 815.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14460203270000
<b>SCOA Unique Key</b>	20150212029296
<b>Budget Provision</b>	R 42 808.00
<b>Balance Available</b>	R 42 808.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14560203270000
<b>SCOA Unique Key</b>	20150212029388
<b>Budget Provision</b>	R 60 450.00
<b>Balance Available</b>	R 60 450.00



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<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14590203270000
<b>SCOA Unique Key</b>	20150212029505
<b>Budget Provision</b>	R 101 965.00
<b>Balance Available</b>	R 101 965.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14620203270000
<b>SCOA Unique Key</b>	20150212029680
<b>Budget Provision</b>	R 170 765.00
<b>Balance Available</b>	R 170 765.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14800203270000
<b>SCOA Unique Key</b>	20150212029794
<b>Budget Provision</b>	R 181 820.00
<b>Balance Available</b>	R 181 820.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14810203270000
<b>SCOA Unique Key</b>	20150212029911
<b>Budget Provision</b>	R 221 571.00
<b>Balance Available</b>	R 221 571.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14820203270000
<b>SCOA Unique Key</b>	20150212030026

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<b>Budget Provision</b>	R 73 739.00
<b>Balance Available</b>	R 73 739.00
<b>SCOA Description</b>	Inventory: Consumables Fuel
<b>SCOA Cost Account</b>	14830203270000
<b>SCOA Unique Key</b>	20150212030145
<b>Budget Provision</b>	R 106 434.00
<b>Balance Available</b>	R 106 434.00
<b>Sub Total Fuel fees (excl VAT)<sup>(1)</sup></b>	R 11 070 315.52
<b>MAINTENANCE AND MANAGEMENT FEES</b>	
<b>YEAR</b>	<b>Draft Budget 2016/2017</b>
<b>SOURCE OF FUNDING</b>	<b>Operational Budget</b>
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	10200201450000
<b>SCOA Unique Key</b>	20150626154303
<b>Budget Provision</b>	R 42 770.00
<b>Balance Available</b>	R 42 770.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	10210201450000
<b>SCOA Unique Key</b>	20150626171808
<b>Budget Provision</b>	R 16 037.00
<b>Balance Available</b>	R 16 037.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0530 2 014500 00

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<b>SCOA Unique Key</b>	20150629084735
<b>Budget Provision</b>	R 34 694.00
<b>Balance Available</b>	R 34 694.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0540 2 014500 00
<b>SCOA Unique Key</b>	20150629085157
<b>Budget Provision</b>	R 23 286.00
<b>Balance Available</b>	R 23 286.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0620 2 014500 00
<b>SCOA Unique Key</b>	20150629085440
<b>Budget Provision</b>	R 84 677.00
<b>Balance Available</b>	R 84 677.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0650 2 014500 00
<b>SCOA Unique Key</b>	20150629085737
<b>Budget Provision</b>	R 6 350.00
<b>Balance Available</b>	R 6 350.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0700 2 014500 00
<b>SCOA Unique Key</b>	20150626165630
<b>Budget Provision</b>	R 319 711.00
<b>Balance Available</b>	R 319 711.00

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<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0710 2 014500 00
<b>SCOA Unique Key</b>	20150629091108
<b>Budget Provision</b>	R 213 831.00
<b>Balance Available</b>	R 213 831.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 0740 2 014500 00
<b>SCOA Unique Key</b>	20150629091345
<b>Budget Provision</b>	R 641 493.00
<b>Balance Available</b>	R 641 493.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1110 2 014500 00
<b>SCOA Unique Key</b>	20150629091601
<b>Budget Provision</b>	R 12 829.00
<b>Balance Available</b>	R 12 829.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1400 2 014500 00
<b>SCOA Unique Key</b>	20150629091928
<b>Budget Provision</b>	R 469 369.00
<b>Balance Available</b>	R 469 369.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1410 2 014500 00
<b>SCOA Unique Key</b>	20150629092203

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<b>Budget Provision</b>	R	352 821.00
<b>Balance Available</b>	R	352 821.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 1440 2 014500 00	
<b>SCOA Unique Key</b>	20150629092415	
<b>Budget Provision</b>	R	237 779.00
<b>Balance Available</b>	R	237 779.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 1610 2 014500 00	
<b>SCOA Unique Key</b>	20150629092617	
<b>Budget Provision</b>	R	21 650.00
<b>Balance Available</b>	R	21 650.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 1640 2 014500 00	
<b>SCOA Unique Key</b>	20150629093524	
<b>Budget Provision</b>	R	137 600.00
<b>Balance Available</b>	R	137 600.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 1650 2 014500 00	
<b>SCOA Unique Key</b>	20150629093702	
<b>Budget Provision</b>	R	191 111.00
<b>Balance Available</b>	R	191 111.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	

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<b>SCOA Cost Account</b>	1 1660 2 014500 00
<b>SCOA Unique Key</b>	20150629093924
<b>Budget Provision</b>	R 30 578.00
<b>Balance Available</b>	R 30 578.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1670 2 014500 00
<b>SCOA Unique Key</b>	20150629094101
<b>Budget Provision</b>	R 352 821.00
<b>Balance Available</b>	R 352 821.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1820 2 014500 00
<b>SCOA Unique Key</b>	20150629094242
<b>Budget Provision</b>	R 23 521.00
<b>Balance Available</b>	R 23 521.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1830 2 014500 00
<b>SCOA Unique Key</b>	20150629094409
<b>Budget Provision</b>	R 19 405.00
<b>Balance Available</b>	R 19 405.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1900 2 014500 00
<b>SCOA Unique Key</b>	20150629094542
<b>Budget Provision</b>	R 23 286.00

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<b>Balance Available</b>	R 23 286.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 1910 2 014500 00
<b>SCOA Unique Key</b>	20150629094806
<b>Budget Provision</b>	R 14 059.00
<b>Balance Available</b>	R 14 059.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 2300 2 014500 00
<b>SCOA Unique Key</b>	20150629095013
<b>Budget Provision</b>	R 194 287.00
<b>Balance Available</b>	R 194 287.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 2600 2 014500 00
<b>SCOA Unique Key</b>	20150629095219
<b>Budget Provision</b>	R 6 468.00
<b>Balance Available</b>	R 6 468.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 2620 2 014500 00
<b>SCOA Unique Key</b>	20150629095355
<b>Budget Provision</b>	R 4 490.00
<b>Balance Available</b>	R 4 490.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 2630 2 014500 00

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<b>SCOA Unique Key</b>	20150629095540
<b>Budget Provision</b>	R 27 167.00
<b>Balance Available</b>	R 27 167.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 2900 2 014500 00
<b>SCOA Unique Key</b>	20150629095719
<b>Budget Provision</b>	R 32 341.00
<b>Balance Available</b>	R 32 341.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3300 2 014500 00
<b>SCOA Unique Key</b>	20150629095931
<b>Budget Provision</b>	R 291 674.00
<b>Balance Available</b>	R 291 674.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3310 2 014500 00
<b>SCOA Unique Key</b>	20150629100152
<b>Budget Provision</b>	R 533 582.00
<b>Balance Available</b>	R 533 582.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3320 2 014500 00
<b>SCOA Unique Key</b>	20150629100344
<b>Budget Provision</b>	R 67 623.00
<b>Balance Available</b>	R 67 623.00



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<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3330 2 014500 00
<b>SCOA Unique Key</b>	20150629100511
<b>Budget Provision</b>	R 283 059.00
<b>Balance Available</b>	R 283 059.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3620 2 014500 00
<b>SCOA Unique Key</b>	20150629100657
<b>Budget Provision</b>	R 18 817.00
<b>Balance Available</b>	R 18 817.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3750 2 014500 00
<b>SCOA Unique Key</b>	20150629100840
<b>Budget Provision</b>	R 38 810.00
<b>Balance Available</b>	R 38 810.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3760 2 014500 00
<b>SCOA Unique Key</b>	20150629101026
<b>Budget Provision</b>	R 4 490.00
<b>Balance Available</b>	R 4 490.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 3780 2 014500 00
<b>SCOA Unique Key</b>	20150629101256

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<b>Budget Provision</b>	R	328 623.00
<b>Balance Available</b>	R	328 623.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 3950 2 014500 00	
<b>SCOA Unique Key</b>	20150629101448	
<b>Budget Provision</b>	R	511 759.00
<b>Balance Available</b>	R	511 759.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 3960 2 014500 00	
<b>SCOA Unique Key</b>	20150629103416	
<b>Budget Provision</b>	R	181 114.00
<b>Balance Available</b>	R	181 114.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 3980 2 014500 00	
<b>SCOA Unique Key</b>	20150629103856	
<b>Budget Provision</b>	R	311 659.00
<b>Balance Available</b>	R	311 659.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	
<b>SCOA Cost Account</b>	1 4070 2 014500 00	
<b>SCOA Unique Key</b>	20150629110102	
<b>Budget Provision</b>	R	16 464.00
<b>Balance Available</b>	R	16 464.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets	

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SCOA Cost Account	1 4080 2 014500 00
SCOA Unique Key	20150629110240
Budget Provision	R 90 557.00
Balance Available	R 90 557.00
SCOA Description	ContrServ:Maint. Of Unspecified Assets
SCOA Cost Account	1 4250 2 014500 00
SCOA Unique Key	20150629110411
Budget Provision	R 53 457.00
Balance Available	R 53 457.00
SCOA Description	ContrServ:Maint. Of Unspecified Assets
SCOA Cost Account	1 4260 2 014500 00
SCOA Unique Key	20150629110628
Budget Provision	R 176 410.00
Balance Available	R 176 410.00
SCOA Description	ContrServ:Maint. Of Unspecified Assets
SCOA Cost Account	1 4280 2 014500 00
SCOA Unique Key	20150629110750
Budget Provision	R 168 178.00
Balance Available	<b>R 168 178.00</b>
SCOA Description	ContrServ:Maint. Of Unspecified Assets
SCOA Cost Account	1 4460 2 014500 00
SCOA Unique Key	20150629111021
Budget Provision	R 6 468.00

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<b>Balance Available</b>	R 6 468.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4560 2 014500 00
<b>SCOA Unique Key</b>	20150629111226
<b>Budget Provision</b>	R 25 980.00
<b>Balance Available</b>	R 25 980.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4590 2 014500 00
<b>SCOA Unique Key</b>	20150629111348
<b>Budget Provision</b>	R 33 678.00
<b>Balance Available</b>	R 33 678.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4620 2 014500 00
<b>SCOA Unique Key</b>	20150629111519
<b>Budget Provision</b>	R 77 620.00
<b>Balance Available</b>	R 77 620.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4800 2 014500 00
<b>SCOA Unique Key</b>	20150629111654
<b>Budget Provision</b>	R 172 669.00
<b>Balance Available</b>	R 172 669.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4810 2 014500 00

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<b>SCOA Unique Key</b>	20150629111830
<b>Budget Provision</b>	R 49 501.00
<b>Balance Available</b>	R 49 501.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4820 2 014500 00
<b>SCOA Unique Key</b>	20150629111959
<b>Budget Provision</b>	R 33 870.00
<b>Balance Available</b>	R 33 870.00
<b>SCOA Description</b>	ContrServ:Maint. Of Unspecified Assets
<b>SCOA Cost Account</b>	1 4830 2 014500 00
<b>SCOA Unique Key</b>	20150629112121
<b>Budget Provision</b>	R 38 810.00
<b>Sub Total Maintenance and Management fees (excl VAT)<sup>(2)</sup></b>	R 4 929 684.48
<b>Total Estimated Expenditure<sup>(1) + (2)</sup> (excl VAT)</b>	R 16 000 000.00
<b>Total Estimated Expenditure Extension (excl VAT)</b>	R 16 000 000.00
<b>Escalation (if any)</b>	N/A
<b>Escalation date</b>	N/A

**8. Staff Implications**

A structured project management approach will be followed during the systems conversions. Line management must make staff available to participate in the conversion projects as may be applicable from time to time.

**9. Comments from other Departments, Divisions and Administrations****Expenditure & Asset Management: Mr H Vorster – (028) 313 8046**

No objection to the report as it is of an operational nature with no direct impact on the capital asset expenditure of Council.

**Legal Department: Mr L Wallace – (028) 313 5031**

The intent of the user department is duly noted, namely to amend the contract to remain in effect for a period of three years to ensure a once off provision for required funding for a three period, and to ensure that the Municipality fulfil its strategic objective to integrate similar functionalities into a core financial system which can be optimized to its full potential over the three year period.

The purpose and objective of section 116(3) of the Municipal Finance Management Act is to ensure that contracts that are fundamentally amended or changed must follow a prescribed process which sets out the reasons for such amendment being tabled before Council and the submission of written representations. It clear from the signed addendum's to the report that only the end date of the contracts change, with the terms and conditions of the contract remaining the same. It accordingly clear that the report reflects reasons for the extension of the contract term, and not a fundamental change to the nature of the respective contracts. It is noted that the actual reason for following a section 116(3) and not a Circular 62 process is on the basis of the fact that the contract values could not be determined from the start of the contract, due to the fact that respective contracts are tariff based. The objective of the report and section 116(3) of the Municipal Finance Management Act is to substantiate that the nature of the contract was indeed amended. From the supporting documents it is clear that only the end or expiry date of the contract is extended, without any change to the purpose and nature of the contract.

**Response from user department**

It must be noted that it is not only the end date of the contracts that change, the respective user departments have included tariffs for all possible additional services that may be required during the three year extension.

**Contract Management: Mr M Potgieter – (028) 313 8951**

It is verified that the content of this submission is in full compliance with the regulatory requirements of Section 116 (3) (MFMA, 2003) and the Overstrand Supply Chain- and Contract Management Policy Frameworks.

Since the contracts are of tariff nature, and the contract values could not be determined from the beginning of the contract, Circular 62 of National Treasury

recommends that a public participation process be followed to amend the contract (section 116(3) of the MFMA).

The period advertised for public comments and recommendations ends on 23 May 2016. Since the submission date to council (12 May 2016) is before the closing date for comments. Cognisance should be taken of possible comments (23 May 2016), which should be included in this report to council on 25 May 2016.

## 10. Annexures

- Annexure A: Public notice of intention to amend the Contracts for Business Systems
- Annexure B: Addendum to the Contracts (intent to amend)
- Annexure C: SCM compliance checklist
- Annexure D: Quotes
- Annexure E: ICT Steering Committee Minutes
- Annexure F: ICT Main Agreements and Service Level Agreements are available on request
- Annexure G: Comparative cost calculations
- Annexure H: Calculations Estimated Expenditure

## RECOMMENDATION TO THE COUNCIL:

1. that, subject to considering the reasons for the proposed amendment of the contracts or agreements, and any representation to be received from the public on or before 23 May 2016, regarding the proposed amendment of the contracts or agreements procured through the supply chain management policy of the Municipality, **consent be given to the amendment of the contracts or agreements for ICT related systems and services as listed in the schedule below, to give effect to the provisions of Section 116(3) of the Municipal Finance Management Act 2003 (Act 56 of 2003).**

Ref no	Service Provider Name
SC1327(v)/2013	Altech Netstar (Pty) Ltd
SC1327(vii)/2013	Business Engineering (Pty) Ltd
SC1327(ii)/2013	Bytes Systems Integration A Division Of Altron TMT (Pty) Ltd
SC1327(i)/2013	Bytes Universal Systems, A Division Of Altron TMT (Pty) Ltd
SC1327(viii)/2013 SC1327(x)/2013	Geodebt Solutions CC
SC1327(vi)/2013	Ignite Advisory Services
SC1418A/2013	Maxitec
SC1327(ix)/2013	Payday Software Systems (Pty) Ltd
SC1327(iv)/2013	Water Management Services CC
SC1335/2013	Wesbank First Auto

2. that the Municipal Manager be authorised to sign the necessary agreements and documents for the above contracts.

**RESPONSIBLE OFFICIALS:**

**DESIREÉ ARRISON  
RODERICK WILLIAMS  
SANTIE REYNEKE-NAUDE  
STEPHEN MULLER  
SOLOMZI MADIKANE  
MORNE POTGIETER  
ELMARIE HOONEBERG  
HANLIE VAN TONDER  
HANNES VORSTER  
JOHN SIMSON  
JOHNET VAN ASPEREN  
LUCINDA BUCCHIANERI  
MIKE BARTMAN  
NOLUTHANDO ZWENI  
RIAAN KUCHAR  
ROCHELLE LOUW  
THEO LOUBSER**

**TARGET DATE FOR IMPLEMENTATION :**

**1 JULY 2016**