

**SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR JANUARY 2023**

1. In terms of Chapter 1 – paragraph 6(4) of the Councils Supply Chain Management Policy: “The Accounting Officer must within 10 days of the end of each quarter, submit a report on the implementation of this policy to the Executive Mayor.” Paragraph 6(5) further states that: “The aforesaid reports must be made public in accordance with section 21A of the Municipal Systems Act.”

**2. STATISTICAL INFORMATION:**

- 2.1 DEMAND MANAGEMENT** – The SCM Unit, with the support of the Chief Financial Officer has submitted a list to all Directorates that requires timely planning and management processes to ensure that all goods and services which are required are quantified, budgeted, and delivered in a timely manner at critical delivery dates, so that the budget can be dealt with as per the cash flow statements.

This Demand Management Plan will be used as a strategic tool to implement the budget. The Demand Management Plan will assist the SCM Unit and user departments with the planning of the execution and timely completion of projects in alignment with the performance targets in the Service Delivery and Budget Implementation Plan.

The new Procurement new plan was distributed to all departments, and they needed to submit their specifications, evaluation, and adjudications dates by the 31<sup>st</sup> of May 2022. Only the Community Services Department has submitted the plan back to the finance department.

Herewith is the new Procurement Plan for the 2022-2023 financial year with projects that still needs to be done and projects marked in red that still needs attention.

Corporate Services with comments from the department

mSCOAConfigDescription	TotalAvailable	COMMENTS FROM DEPT
Disaster Recovery Site	200000	The evaluation was on 13 Feb and will the tender serve at the adjudication meeting on 22 Feb.
WI-FI Installation at Offices of BRM	300000	The evaluation was on 13 Feb and will the tender serve at the adjudication meeting on 22 Feb.
IT System Upgrade (Enhancement of IT system : Business Continue	189765	This will be adjusted with the Feb adjustment budget
Furniture & Equipment - Corporate Services	16917,66	Cabinets for Administration and Legal Services will be purchased the end of March 2023.
FURNITURE AND EQUIPMENT - DIRECTOR CORPORATE SERVICES	29026,09	Furniture for Velddrif Front Office will be purchased the end of March 2022.

Community Services with comments from the department

CostCentre	CostCentreDescription	mSCOAConfig	mSCOAConfigDescription	TotalBudget	TotalAvailable	COMMENTS FROM DEPT
5201	Libraries and Archives	75201160801	Air conditioners	48000	48000	Advertising will be done before end of Feb 2023
5371	Traffic Control	75371350102	Air conditioners	58000	58000	Readvertising, will be done before end of Feb 2023
5431	Community Parks	75431500102	Brush Cutter	49500	15395,58	item delivered

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5431	Community Parks	75431510104	4 Ton Tipper (VD & PB)	162059	162059	readvertised
5431	Community Parks	75431510202	Truck 1.5 Ton	459000	459000	Order out
5432	Sports Grounds and Stadiums	74432290101	Upgrading Sportsgrounds	200000	200000	money will be reallocated to PB cemetery fencing
5432	Sports Grounds and Stadiums	75432290109	Mobile Pavilions	200000	200000	Tender awarded and procurement will commence after adjustment budget was approved
5432	Sports Grounds and Stadiums	75432290118	Irrigation Equipment	25000	18347,5	Saving
5432	Sports Grounds and Stadiums	75432290119	Replace lights at sport fields	500000	500000	The Manager: Electrical Services is dealing with this project and we will get additional feedback as soon as he is back from leave

## Technical Services

Report attached as Annexure Ä”

### 2.2 BIDS / FORMAL WRITTEN QUOTATIONS AWARDED

2.2.1 All Bids and formal **written quotations awarded** are published on the Bergrivier website.

No formal quotations are reported for January 2023.

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## 2.3 ACQUISITION MANAGEMENT

The system of acquisition management must ensure the following:-

- That goods and services are procured in accordance with authorized processes only.
- That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Municipal Finance Management Act (Act 56 of 2003)
- That the threshold values for different procurement processes are complied with.
- That any Treasury guidelines on acquisition management are properly taken into account.
- There are no matters to report on for January 2023.

### STATISTICS FOR EXPENDITURE IN BERGRIVIER MUNICIPALITY FOR JULY to December 2022.

	BULK	LOCAL	NOT LOCAL	SALARIES	13TH PERIOD	TOTAL
01 July 2022	918,263.95	995,251.38	5,098,143.39	12,692,690.76	16,987,360.86	36,691,710.34
01 August 2022	15,567,257.72	2,754,727.20	11,647,790.97	12,629,182.51	189,753.63	42,788,712.03
01 September 2022	17,312,289.70	1,470,916.22	14,427,209.74	12,892,420.48	64,304.80	46,167,140.94
01 October 2022	12,804,149.65	2,469,796.03	13,543,806.18	12,463,054.53	-	41,280,806.39

01 November 2022	9,559,078.50	1,419,003.89	11,915,996.22	19,763,023.77	5,621.75	42,662,724.13
01 December 2022	9,853,531.70	1,317,358.93	13,826,893.03	12,691,610.20	-	37,689,393.86

The statistics exclude the use of SMME's to build the Youth Centre, but they are being paid by the Consultant, after the Municipality pays the Consultant. Then most local businesses with addresses in Gauteng etc where the head office will be under not local – for example, the Agri Kaap has a Gauteng Province bank account. It is exceedingly difficult to analyse data if the data is registered on the CSD, and we can only get the information after month end is done.

## 2.4 SECTION 32 APPOINTMENTS

There were no section 32 appointments.

## **2.5 SECTION 33 CONTRACTS**

The bid documentation, evaluation and adjudication criteria and general conditions of a contract must be in accordance with applicable legislation. There were no section 33 applications for the month of January 2023.

## **2.6 AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE**

In terms of the Municipal Supply Chain Regulation, Paragraph 45, awards given to close family members of persons in the service of the state, above R2 000.00 should be disclosed in the notes to Annual Financial Statements.

**No awards were made thus far for the financial year.**

All SCM Staff were required to disclose their relationships or interest of close family members in service of the State/ or if family members have entered a contract for services with Bergrivier Municipality and signed the declarations.

## **3. MONTHLY REPORT ON DEVIATIONS AND MINOR BREACHES**

The Municipal Supply Chain Management Regulations – Gazette 27636 Of 30 May 2005, states in Section 36 “

(1) A supply chain management policy may allow the accounting officer-

- a) To dispense with the official procurement process established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only-
  - i. In an emergency
  - ii. If such goods or services are produced or available from a single provider only.
  - iii. For acquisition of special works of art or historical objects where specifications are difficult to compile.
  - iv. acquisition of animals for zoos ; or
  - v. in any other exceptional case where it is impractical or impossible to follow the official procurement process; and

- (b) To ratify minor breaches of the procurement process by an official or committee acting in terms of delegated powers or duties which are purely of technical nature.
- (2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity and include as a note to the annual financial statements.

For the month of January 2023 there was one deviation for an emergency **acquisition** of generators.

Deviations 2022-2023					
Number	Name of Service Provider	Amount	Month	Emergency	Short description
2	FGW Generators	R 2 267 807,94	18 January 2023	√	Due to the load shedding being increased not sufficient water could be pumped to the reservoir and therefore the purchase of emergency generators. Water restrictions were implemented.
	Power Transformers	R 230 000,00			
		<b>R 2 497 807,94</b>			

(3) The report on the purchases above R100 000 for the month of January 2023 is presented in the table below.

R100 000.00 Awards 2022 - 2023 Bergrivier Municipality					
Contract details				BBBEE	Method of procurement
Contract reference	Service provider/ Supplier	Contract Description	Lowest Acceptable Bid Value	Level	Quotation/ Competitive Bidding/ Deviation
T 8/3/16-2022	At Work Health and Safety CC	Supply and Delivery of Human Protective Clothing	Rates	1	Competitive Bidding
T 8/3/16-2022	Invuyani Safety	Supply and Delivery of Human Protective Clothing	Rates	1	Competitive Bidding
T 8/3/16-2022	Vanguard Fire and Safety Inland	Supply and Delivery of Human Protective Clothing	Rates	1	Competitive Bidding
T 8/3/27-2022	FACHS Business Consulting	Appointment of Training Service Provider for Municipal Finance Management Competency Regulations unit standards	Rates	1	Competitive Bidding
T 8/3/23-2022	Lindela CC	Supply and delivery of seating benches for Bergrivier Municipality for a period of 3 years	Rates	4	Competitive Bidding
T 8/3/20-2022	Gondwana Environmental Solutions	Review of Bergrivier Municipal Climate Change Adaptation Plan	R476 123,00	2	Competitive Bidding
T 8/3/29-2022	Viking Pony T/A Tricom Africa	Supply and delivery of sewerage submersible pumps for Velddrif	R271 599,31	1	Competitive Bidding
T 8/3/26-2022	Stephen du Plessis Grondverskuiwing	Hiring of a Bulldozer for a period ending 30 June 2023	Rates	2	Competitive Bidding
T 8/3/32-2022	Ithuba Industries	Supply and delivery of electrical components till 30 September 2023	Rates	1	Competitive Bidding
T 8/3/11-2022	Sage Wise Audio Visual Solutions	Design, manufacture, supply, and installation of Digital LED Outdoor Screens for Bergrivier Municipality	R378 565,63	1	Competitive Bidding
FQ 8/2/81-2022	Mubesko Africa	Appointment of a Professional registered Service Provider to conduct investigations for various cases in Bergrivier Municipality	Rates	2	Quotation

SCM report for the month of January 2023



(4) The following virements were recorded for January 2023

VIREMENTS FOR THE MONTH OF JANUARY 2023						
VANAF			NA			REDE / REASON FOR VIREMENT REQUEST
POS VANAF		AMOUNT TRANSFERRED	POS NA	BESKRYWING	AMOUNT	
<b>MUNICIPAL MANAGER</b>						
011010243505	Community Upliftment	R2 000,00				
011010240002	Accommodation	R10 000,00	011010257000	Verversings	R12 000,00	Insufficient funds in vote 011010257000(Coffee, Tea, Sugar, Milk and Strategic session of Mayco, Directors and MM-19-20 JAN 2023).
011011217019	Hulptoekenning	R50 000,00	011010243505	Sosiale Projekte	R50 000,00	
011011217017	Hulptoekenning	R20 000,00				Insufficient funds in vote for Light festival and New Year's Bash.
011010243511	Sosiale Projekte( Covid 19 Feeding of Homeless)	R35 000,00	011010243505	Sosiale Projekte(Community Upliftment)	R55 000,00	
		R117 000,00			R117 000,00	
<b>FINANCE SERVICES</b>						
012061259000	Waardasiekoste	R83 040,00	012061234000	Ouditgelde	R83 040,00	Onvoldoende fondse beskikbaar. Werklike koste is meer as wat begroot is.
		R83 040,00			R83 040,00	
<b>CORPORATE SERVICES</b>						
013081227000	Materiaal en onderdele	R200,00	013101214000	Gereedskap en toerusting	R200,00	Besparing op IT-materiaal en onderdele. Tekort op gereedskap en toerusting vir vervanging "headphones."
013071237001	Prof. Dienste : HR	R60 000,00	013071211001	Resettlement Costs	R60 000,00	Fondse word benodig vir die verhuisingkoste van die Direkteur Tegnieese Dienste.
		R60 200,00			R60 200,00	
<b>TECHNICAL SERVICES</b>						
014551240006	Reis en Verblyf: Car Rental	R2 500,00	014551240002	Reis en Verblyf: Accomodation	R4 500,00	Due to an increase in the allowable rates for Accomodation(see attached documentation), additional funding is required for payment of order F0000688.

SCM report for the month of January 2023

014551224000	Ledegeld	R2 000,00				
		R4 500,00			R4 500,00	
<b>COMMUNITY SERVICES</b>						
015381237000	Prof Dienste	R5 000,00	015381306000	Radio's	R5 000,00	The radio repeater broke, but we do not have sufficient funding for the shutter roller doors at the Traffic office.
015371237001	Prof Dienste(Fines Management)	R7 000,00	015371301000	Geboue & Gronde	R7 000,00	
		R12 000,00			R12 000,00	

TOTAL

<b>MUNICIPAL MANAGER</b>	R117 000,00
<b>FINANCE SERVICES</b>	R83 040,00
<b>CORPORATE SERVICES</b>	R60 200,00
<b>TECHNICAL SERVICES</b>	R4 500,00
<b>COMMUNITY SERVICES</b>	R12 000,00
	R276 740,00

#### 4. DISPOSAL

The system of disposal management must ensure the following:-

- Immovable property is sold only at market related prices except when the public interest or the plight of a poor demand otherwise,
- Movable assets are sold either by way of written quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous,
- Immovable property is let at a market related rate except when the public interest or the plight of the poor demand otherwise,
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed,
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated.

SCM report for the month of January 2023

- Currently the annual loose assets are being verified for the current financial year.
- All the lists for disposal were submitted by the 18<sup>th</sup> of November 2022. It is recommended that a committee be established to verify the assets before they are disposed by March/April 2023.
- The asset verification committee was established and part of the Committee are the following members, Hendri van Niekerk, Urlston van Wyk, Terry-Anne Wessels and Cavin Cornelissen.

## **5. BID COMMITTEE SYSTEM**

A Bid Committee system for competitive bids is fully operational. It comprises of the Bid Specifications, Bid Evaluation and Bid Adjudication Committees. The Committees meet regularly. The Accounting Officer appoints members of each committee taking into account Section 117 of the MFMA.

The following tenders were approved during January 2023: - Attached find Minutes as Annexure B.

### **SUPPLY AND DELIVERY OF MOVEABLE GRANDSTANDS FOR BERGRIVIER MUNICIPALITY FOR A PERIOD ENDING 30 JUNE 2025.**

#### **BID NO: 8/3/31-2022 MN221-2022**

#### **1. PURPOSE**

To obtain approval in terms of Regulations 29 (1) (a) and (b) (l) of the Municipal Supply Chain Management Regulations and paragraph 29 of the Bergrivier Municipal Supply Chain Management Policy for the Supply and Delivery of movable grandstands for Bergrivier Municipality for a period ending 30 June 2025

#### **2. DISCUSSION**

The tender was advertised in The Cape Times, “**Die Burger**” (14<sup>th</sup> October 2022) and **Municipal website** based on **80/20** Preference Point System. A **compulsory site** clarification meeting was held on Thursday **27<sup>th</sup> October 2022** to give potential bidders the opportunity to acquaint themselves with the particulars of the bid. Prospective tenderers met at 11:00 at the Piketberg Library of Bergrivier Municipality in Piketberg. The tender closed on **Friday, 18<sup>th</sup> November 2022 at 12:00**. The tenders received were opened by representatives of Bergrivier Municipality and is valid for **120 days after the closing date**. Details are as follows:

**TABLE 1**

<b>TENDERER</b>	<b>B BBEE</b>	<b>AMOUNT</b>	<b>COMPULSORY SITE MEETING</b>
1) UNIVERSAL TRADING	LEVEL 1	R 949 555.37	YES
2) AR JONES ENGINEERING	LEVEL 1	R 1 736 738.03	YES
3) ZEEDERBERG PROJECTS	LEVEL 1	R 2 490 859.29	YES

### **3.2 EVALUATION BID SPECIFICATION COMMITTEE**

The specifications committee, as appointed by the Municipal Manager on 27<sup>TH</sup> of **September 2022**, consisted of **Chairperson: Mr. I Saunders (Head SCM), Ms. R Hendricks (Administrator SCM), Mrs. ER Scholtz (Accountant SCM) and Mr. D Carolissen (Manager Community Facilities)**. The Bid specification meeting was held on **03<sup>rd</sup> October 2022 in the Shark Cage at 9h00**.

SCM Regulation 27 (1): “A bid specification committee must compile the specifications for the procurement of goods or services by the municipality.”

SCM Regulation 27 (2) (g): “Specifications must be approved by the accounting officer prior to the publication of the invitation for bids. The Bid Specifications was approved by the Municipal Manager on **04<sup>th</sup> October 2022**.”

### 3.3 OVERVIEW OF EVALUATION PROCESS

The tenders were evaluated by the end user department (Mr. W Burger) in accordance with the latest supply chain management policy of Bergrivier Municipality and a report was submitted to the BEC. The BEC committee, appointed by the Municipal Manager on the 25<sup>th</sup> of November 2022 consisted of the following officials: Mr. Israel Saunders (Head of SCM & Assets), Mrs. ER Scholtz (Accountant SCM), Mr. D Carolissen (Manager Community Facility), Mrs. R Hendricks (Administrator SCM) and Mrs. A Jooste (Financial Intern) as an observer attended the BEC. Tenders were checked for both completeness and responsiveness. The bid evaluation committee was held on **29<sup>th</sup> November 2022 in the Shark Cage at 12h00.**

**The evaluation committee met again for the second time on Friday 20<sup>th</sup> January 2023.** The BEC committee was appointed by the Municipal Manager on the 16<sup>th</sup> of January 2023. They consisted of the following officials: Mrs. ER Scholtz (Accountant SCM), Mrs. R Sewe (Sports Development Officer), Mrs. C Smit (Clerk SCM) and Mr. D Carolissen (Manager Community Facility). Mr. I Saunders is on sick leave since 1<sup>st</sup> of December 2022.

### 3.4 CALCULATION OF TENDER PREFERENCE POINTS

The Bergrivier Municipality's Preference Points Claim Form was included in the tender document and is applicable to the evaluation of tenders. The evaluation of tenders was undertaken according to the 80/20 system set out below:

TABLE 2

CRITERIA	POINTS
Tender price	80
B-BBEE Status level of contribution	20

TOTAL	100
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## TENDER DISCUSSION

Even though the bid from **Universal Trading** appears to be the lowest, their pricing only includes the material for the construction (cut to size) of the mobile stands, and it excludes assembly of the units. It was a requirement that the bid price must include the supply and delivery of a full grandstand, **and the bid from Universal Trading therefore does not comply with the specifications. Universal Trading will therefore be excluding for further evaluation.**

AR Jones Engineering has made a calculation error when adding up the pricing for the different financial years. Therefore, their final bid price had to be revised as well, as shown in the column below:

**TABLE 3**

NR	FINANCIAL YEAR	PRICING SUBMITTED	DEPARTMENTAL CALCULATION
1	<b>2022-23</b> (THE SUM OF ALL THE SUBTOTALS UNDER YEAR 1)	R454 108,92	R397 982,40
2	<b>2023-24</b> (THE SUM OF ALL THE SUBTOTALS UNDER YEAR 2)	R560 589,02	R490 638,53
3	<b>2024-25</b> (THE SUM OF ALL THE SUBTOTALS UNDER YEAR 3)	R722 040,06	R613 298,17
	<b>GRAND TOTAL</b>	<b>R1 736 738,03</b>	<b>R1 501 919,10</b>

This recalculation did not influence the outcome, and AR Jones Engineering would still score the highest POINTS. The remaining bids were evaluated according to the 80/20 system as provided for in the Supply Chain Management policy of the municipality, and the results are as follow: (Annexure A and B)

## RATES RECEIVED

The unit pricing provided by AR Jones Engineering are as follow:

TABLE 5

<b>A. THREE-TIER MOVABLE GRANDSTAND APPROXIMATELY 21 ADULT SEATS</b>		<b>APPROXIMATE DIMENSIONS 3M X 1,5M X 1,5M</b>		
<b>NR</b>	<b>ITEM</b>	<b>PRICE</b>		
-	-	<b>YEAR 1 (22-23)</b>	<b>YEAR 2 (23-24)</b>	<b>YEAR 3 (24/25)</b>
1	Grandstand	R55 418,77	R67 610,90	R84 513,63
2	Flat shade cloth	R2 177,64	R2 656,72	R3 320,90
3	Hourly Rate for Maintenance	R600,00	R732,00	R915,00
4	Supply of a Trolley	R39 807,55	R48 565,21	R60706,51
5	Provisional Sum	R15 000,00	R20 000,00	R25 000,00
	<b>SUBTOTAL 1</b>	<b>R113 003,96</b>	<b>R139 564,83</b>	<b>R174 456,04</b>

TABLE 6

<b>B. FIVE-TIER MOVABLE GRANDSTAND APPROXIMATELY 35 ADULT SEATS</b>		<b>APPROXIMATE DIMENSIONS 3M X 2,5M X 2,5M</b>		
<b>NR</b>	<b>ITEM</b>	<b>PRICE</b>		
-	-	<b>YEAR 1 (22-23)</b>	<b>YEAR 2 (23-24)</b>	<b>YEAR 3 (24/25)</b>
1	Grandstand	R63 322,72	R77 253,72	R96 567,15
2	Flat shade cloth	R2 199,72	R2 683,66	R3 354,58
3	Hourly Rate for Maintenance	R600,00	R732,00	R915,00
4	Supply of a Trolley	R39 807,55	R48 565,21	R60 706,51
5	Provisional Sum	R15 000,00	R20 000,00	R25 000,00
	<b>SUBTOTAL 2</b>	<b>R120 929,99</b>	<b>R149 234,59</b>	<b>R186 543,24</b>

TABLE 7

C. FIVE-TIER GRANDSTAND APPROXIMATELY 75 ADULT SEATS		APPROXIMATE DIMENSIONS 6M X 2,5M X 2,5M		
NR	ITEM	PRICE		
-	-	YEAR 1 (22-23)	YEAR 2 (23-24)	YEAR 3 (24/25)
1	Grandstand	R105 483,46	R128 689,82	R160 862,28
2	Flat shade cloth	R3 157,44	R3 852,08	R4 815,10
3	Hourly Rate for Maintenance	R600,00	R732,00	R915,00
4	Supply of a Trolley	R39 807,55	R48 565,21	R60 706,51
5	Provisional Sum	R15 000,00	R20 000,00	R25 000,00
	<b>SUBTOTAL 3</b>	<b>R164 048,45</b>	<b>R201 839,11</b>	<b>R252 298,89</b>

TABLE 4: EVALUATION OF TENDERS (PREFERENCE POINTS)

TENDERER	TENDER AMOUNT VAT INCL.	POINTS FOR PRICE (80)	POINTS FOR B-BBEE STATUS LEVEL OF CONTRIBUTION (20)	B-BBEE STATUS LEVEL OF CONTRIBUTION	TOTAL POINTS (100)
AR JONES ENGINEERING	R 1,501,919.09	80	20	Level 1	100
ZEEDERBERG PROJECTS	R 2 490 859.29	27.32	20	Level 1	47.32

- **AR Jones Engineering MAAA0096667** scored the highest points according the 80/20 Preference points system.
- **AR Jones Engineering** completed their **MBD4, MBD8** and **MBD9** documents and is registered on the **CSD with a compliant TCC on SARS website.**
- The Director was not found on the **restrictions list, the tender defaulters list** of National Treasury and as a **public servant - in service of the state** on the **DPSA Website.**



- Their company and Director's Municipal account is not in arrears for more than 90 days.
- Their offer did not indicate that any portion of their offer will be **sub-contracted**.

### 3. FINANCIAL IMPLICATIONS

TABLE 5

Vote number	Vote Description	VAT Excl. 2022/2023	VAT Excl. 2023/2024	2024/2025
075 432 290109	Mobile Pavilions	R 200 000.00	R150 000.00	Not yet approved

- That the Maintenance for the grandstands be funded out of the operational budget

### 5. RECOMMENDATION:

The following recommendations applicable to this tender are made: That the Tender 8/3/31-2022 (MN221/2022) Supply and Delivery of movable grandstands for Bergrivier Municipality for a period ending 30 June 2025 be awarded to **AR Jones Engineering**.

1. That the tender will be based on rates and will be paid according to the available budget.
2. That the maintenance for the grandstands be funded out of the operation budget and be approved as per rates tendered.

A. THREE-TIER MOVABLE GRANDSTAND APPROXIMATELY 21 ADULT SEATS		APPROXIMATE DIMENSIONS 3M X 1,5M X 1,5M		
NR	ITEM	PRICE		
-	-	YEAR 1 (22-23)	YEAR 2 (23-24)	YEAR 3 (24/25)
1	Grandstand	R55 418,77	R67 610,90	R84 513,63
2	Flat shade cloth	R2 177,64	R2 656,72	R3 320,90
3	Hourly Rate for Maintenance	R600,00	R732,00	R915,00
4	Supply of a Trolley	R39 807,55	R48 565,21	R60706,51
5	Provisional Sum	R15 000,00	R20 000,00	R25 000,00
	<b>SUBTOTAL 1</b>	<b>R113 003,96</b>	<b>R139 564,83</b>	<b>R174 456,04</b>

<b>B. FIVE-TIER MOVABLE GRANDSTAND APPROXIMATELY 35 ADULT SEATS</b>		<b>APPROXIMATE DIMENSIONS 3M X 2,5M X 2,5M</b>		
<b>NR</b>	<b>ITEM</b>	<b>PRICE</b>		
-	-	<b>YEAR 1 (22-23)</b>	<b>YEAR 2 (23-24)</b>	<b>YEAR 3 (24/25)</b>
1	Grandstand	R63 322,72	R77 253,72	R96 567,15
2	Flat shade cloth	R2 199,72	R2 683,66	R3 354,58
3	Hourly Rate for Maintenance	R600,00	R732,00	R915,00
4	Supply of a Trolley	R39 807,55	R48 565,21	R60 706,51
5	Provisional Sum	R15 000,00	R20 000,00	R25 000,00
	<b>SUBTOTAL 2</b>	<b>R120 929,99</b>	<b>R149 234,59</b>	<b>R186 543,24</b>

<b>C. FIVE-TIER GRANDSTAND APPROXIMATELY 75 ADULT SEATS</b>		<b>APPROXIMATE DIMENSIONS 6M X 2,5M X 2,5M</b>		
<b>NR</b>	<b>ITEM</b>	<b>PRICE</b>		
-	-	<b>YEAR 1 (22-23)</b>	<b>YEAR 2 (23-24)</b>	<b>YEAR 3 (24/25)</b>
1	Grandstand	R105 483,46	R128 689,82	R160 862,28
2	Flat shade cloth	R3 157,44	R3 852,08	R4 815,10
3	Hourly Rate for Maintenance	R600,00	R732,00	R915,00
4	Supply of a Trolley	R39 807,55	R48 565,21	R60 706,51
5	Provisional Sum	R15 000,00	R20 000,00	R25 000,00
	<b>SUBTOTAL 3</b>	<b>R164 048,45</b>	<b>R201 839,11</b>	<b>R252 298,89</b>

**TENDER - BERGRIVIER HOUSING: UPGRADING OF WATER AND SEWER NETWORKS IN PIKETBERG AND PORTERVILLE**

**BID NO: 8/3/33-2022 MN231-2022**

**1. PURPOSE**

To obtain approval in terms of Regulations 29 (1) (a) and (b) (l) of the Municipal Supply Chain Management Regulations and paragraph 29 of the Bergrivier Municipal Supply Chain Management Policy for the appointment of a service provider for the upgrading of water and sewer networks in Piketberg and Porterville, as set out in the specifications.

## 2. BACKGROUND

It is the objective of Bergrivier Municipality to procure the services of an experienced service provider for the Upgrading of water and sewer networks in Piketberg and Porterville, as set out in the specifications.

The general intent of this contract is that the Contractor shall provide all resources necessary for the rendering of the service in accordance with the terms of the Contract, in a workman-like and expeditious manner.

## 3. DISCUSSION

The tender was advertised in “**Die Burger, The Cape Times (21 October 2022)**”, **CIDB website**, and **Municipal website** based on **80/20** Preference Point System. A **compulsory site** clarification meeting was held on Tuesday 1 November 2022 to give potential bidders the opportunity to acquaint themselves with the particulars of the bid. Prospective tenderers met at 11:00 in the Councils Chambers of Bergrivier Municipality in Piketberg. The tender closed on **Friday, 11 November 2022 at 12:00**. The tenders received were opened by representatives of Bergrivier Municipality and is valid for **120 days**. The details of the tender offers received are as follows:

**TABLE 1**

NR	TENDERER	CIDB GRADING	TENDER PRICE	CONTRACT PERIOD IN WEEKS	BBB-EE LEVEL	BANK CODE
1	WESTLAND CONSTRUCTION (PTY)	6CEPE	R 3 703 780.85	14	Level 2	C
2	ALERT DEVELOPMENT (PTY) LTD	6CE	R 3 885 902.90	19	Level 1	D
3	SR CIVIL CONSTRUCTION (PTY) LTD	5CEPE	R 3 994 486.71	16	Level 1	C
4	FUTI CONSTRUCTION (PTY) LTD	4CE	R 3 999 970.48	16	Level 2	C
5	AMANDLA GFC CONSTRUCTION CC	8CE	R 4 071 870.55	16	Level 1	C

6	SHAR CIVILS CC	8CEPE	R 4 457 542.89	20	Level 1	C
7	PR CIVILS CC	6CEPE	R 4 810 252.32	13	Level 1	C
8	SERIGYN 48 (PTY) LTD	4CEPE	R 6 507 463.60	48	Level 1	OUTSTANDING
9	BATSINI (PTY) LTD	6CE	R 7 135 928.25	29	Level 1	C
10	AFRILINE CIVILS (PTY) LTD	8CE	R 8 151 633.55	21	Level 1	C

In accordance with the tender advertisement, an estimated minimum construction grading designation of class equal or higher than **4CE OR higher** is required or in accordance with the sum tendered for the proposed construction work.

### 3. EVALUATION

#### 3.1 BID SPECIFICATION COMMITTEE

The specifications committee, as appointed by the Municipal Manager on the **5<sup>th</sup> of October 2022**, consisted of **Chairperson: Mr. I Saunders (Head SCM and Assets), Ms. ER Scholtz (Accountant SCM), Ms. R Hendricks (Administrator SCM), Mr. R Stander (Manager Project management and Building control), Mr. A Willemse (Assistant Project Manager), Mr. N Rossouw (Manager Electrical Services). Mr. Fritz Van Loggerenberg (Consultants: IX Engineers (PTY) Ltd)** attended the BSC as a consultant on the project. The Bid specification meeting were held on **10 October 2022**.

**The evaluation committee met again for the second time on Monday 06<sup>th</sup> February 2023. The BEC committee was appointed by the Municipal Manager on the 6<sup>th</sup> of February 2023. They consisted of the following officials: Mrs. ER Scholtz (Accountant SCM), Mr. R Stander (Project Manager), Mrs. R Hendricks (Administrator SCM) and Mr. A Willemse (Assistant Project Manager). The evaluation committee was reversed back by the BAC to get an approved appointment letter from the consultant engineers of the project appointing IX Engineers on this project.** (Attached Annexure)

SCM Regulation 27 (1): “A bid specification committee must compile the specifications for the procurement of goods or services by the municipality.”

SCM Regulation 27 (2) (g): “Specifications must be approved by the accounting officer prior to the publication of the invitation for bids. The Bid Specifications was approved by the Municipal Manager on **11 October 2022**.”

### **3.2 OVERVIEW OF EVALUATION PROCESS**

The tenders were evaluated by Bid Evaluation Committee in accordance with the procedures established in the CIDB Best Practise Guidelines and latest supply chain management policy of Bergrivier Municipality and a report was submitted to the BEC. The BEC committee, appointed by the Municipal Manager on the 13<sup>th</sup> of January 2023 consisted of the following officials: Mr. R Stander (Project Manager), Ms. ER Scholtz (Accountant SCM), Mr. A Willemse (Ass. Project Manager), Mr. N Rossouw (Manager Electrical Services), Ms. P Benayo (Technician PMU). Mr. Fritz Van Loggerenberg (**Consultant: IX Engineers**) attended the BEC to respond to enquiries if there were any. Tenders were checked for both completeness and responsiveness. The bid evaluation committee was held on Monday 16 January 2023.

### **3.3 FUNCTIONALITY EVALUATION**

Functionality evaluation for each tenderer was completed by three (3) evaluators. The scores for each item were averaged from the individual scores from each evaluator to derive a total score for functionality for each tender. The results of the functionality evaluation are summarized in Table 2 below. The tenderer must score a minimum of 70 / 100 and must also achieve a minimum score per subsection to be eligible to tender.

**TABLE 2: RESULTS OF FUNCTIONALITY EVALUATION**

<b>Tenderer</b>	<b>Total points scored for functionality</b>	<b>Minimum score for functionality achieved?</b>
Westland Construction (Pty) Ltd	100	Yes
Alert Developments (Pty) Ltd	95	Yes
SR Civil Constructions (Pty) Ltd	100	Yes
Futi Construction (Pty) Ltd	90	<b>No - (Minimum score (s) for subsection (s) not achieved)</b>
Amandla GCF Construction CC	100	Yes
Shar Civils CC	100	Yes
PR Civils CC	100	Yes
Servigyn 48 (Pty) Ltd	10	<b>No</b>
Batsini (Pty) Ltd	40	<b>No</b>
Afriline Civils (Pty) Ltd	100	Yes

### 3.4 Responsiveness

According to the Tender Data, the tenderers had to meet certain eligibility criteria to be responsive and eligible to tender. These criteria were critically evaluated for each tender received and the results are summarized in Table below:

**TABLE 3: TEST FOR RESPONSIVENESS**

Tenderer	Form of Tender – Completed and signed	CIDB Grading	Compliance with tax obligations	Completion of Returnable Schedules	Functionality	Local Content	Attendance at compulsory clarification meeting	Responsive
Westland Construction (Pty) Ltd	✓	✓	✓	✓	✓	✓	✓	Yes
Alert Developments (Pty) Ltd	✓	✓	✓	✓	✓	✓	✓	Yes
SR Civil Constructions (Pty) Ltd	✓	✓	✓	✓	✓	✓	✓	Yes
Futi Construction (Pty) Ltd	✓	✓	✓	✓	<b>X</b>	✓	✓	<b>No</b>
Amandla GCF Construction CC	✓	✓	✓	✓	✓	✓	✓	Yes
Shar Civils CC	✓	✓	✓	✓	✓	✓	✓	Yes
PR Civils CC	✓	✓	✓	✓	✓	✓	✓	Yes
Servigyn 48 (Pty) Ltd	✓	✓	✓	✓	<b>X</b>	✓	✓	<b>No</b>
Batsini (Pty) Ltd	✓	✓	✓	✓	<b>X</b>	✓	✓	<b>No</b>
Afriline Civils (Pty) Ltd	✓	✓	✓	✓	✓	✓	✓	Yes

From the above table it is evident that the tenders of Futi Construction (Pty) Ltd, Servigyn 48 (Pty) Ltd and Batsini (Pty) Ltd are not responsive. These tenderers will therefore be excluded for further evaluation.

### 3.5. CALCULATION OF TENDER PREFERENCE POINTS

The Bergrivier Municipality's Preference Points Claim Form was included in the tender document and is applicable to the evaluation of tenders. The evaluation of tenders was undertaken according to the 80/20 system set out below:

**TABLE 4**

CRITERIA	POINTS
Tender price	80
B-BBEE Status level of contribution	20
TOTAL	100

### 3.6 EVALUATION OF TENDERS (PREFERENCE POINTS)

**TABLE 5**

Ranking Order	Name of Tenderer	Tender amount (Incl. VAT)	Points		
			Price (80.0)	B-BBEE Status (20.0)	Total (100)
1.	<b>Westland Construction (Pty) Ltd</b>	<b>R 3,703,780.85</b>	<b>80.00</b>	<b>18.00</b>	<b>98.00</b>
2.	Alert Developments (Pty) Ltd	R 3,885,902.90	76.07	20.00	<b>96.07</b>



3.	SR Civil Constructions (Pty) Ltd	R 3,994,486.71	73.72	20.00	<b>93.72</b>
4.	Amandla GCF Construction CC	R 4,071,870.55	72.05	20.00	<b>92.05</b>
5.	Shar Civils CC	R 4,457,542.89	63.72	20.00	<b>83.72</b>
6.	PR Civils CC	R 4,810,252.32	56.10	20.00	<b>76.10</b>
7.	Afriline Civils (Pty) Ltd	R 8,151,633.55	-16.07	20.00	<b>3.93</b>

### **Westland Construction (Pty) Ltd**

- (a) **Westland Construction (Pty) Ltd** is registered with the CIDB and has a contractor grading of **6CE PE. (10197688)**
- (b) **Westland Construction (Pty) Ltd** has a Level 2 B-BBEE Status Level of Contribution and they therefore score a total of 18 points.
- (c) **Westland Construction (Pty) Ltd** with MAAA0604467 registered on CSD scored the highest points(98.00) according the 80/20 Preference system.
- (d) **Westland Construction (Pty) Ltd** completed their MBD4, MBD8 and MBD9 documents with a complaint TCC on SARS Website.
- (e) **The Directors** were also not found on the **restrictions list** and the **tender defaulters list** of National Treasury.
- (f) Their company and Director Municipal accounts are not in arrears for more than 90 days.
- (g) The tenderer satisfied all the eligibility criteria for the submission of tenders.
- (h) Bank classification C (“good for the amount, strictly in accordance with business”).
- (i) The proposed completion period is 14 weeks which slightly shorter than anticipated but still considered reasonable.
- (j) According to the previous work experience submitted Westland Construction (Pty) Ltd has adequate experience to successfully implement a project of this size and nature.
- (k) Their offer did not indicate that any portion of their offer will be **sub-contracted**.

## **4. TENDER /DISCUSSION**

### **4.1 Eligibility**

According to Clause C.2.1 of the Tender Data, prospective tenderers were requested to satisfy certain eligibility criteria to submit their tenders. Failing to do so will result in the tender not being evaluated. The eligibility criteria listed in the tender document are as follows:

Tender offers will only be accepted if:

- a) Availability of resources.
- b) Capacity to mobilize own and subcontracting resources.
- c) Availability of skills to manage and perform the contract (assigned personnel).
- d) Achieving the minimum score for Functionality as per C.2.1.1.1 below and Part C5: Functionality Evaluation Form.
- e) Satisfactory financial standing and capability.
- f) Completion of all returnable schedules.

## **5. ARITHMETICAL CORRECTNESS**

All tenders, irrespective of their responsiveness, were scrutinised for arithmetical correctness. Where required, corrections were made in accordance CIDB standard conditions of tender, in the following manner.

- (a) Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.
- (b) If the bills of quantities (or schedule of quantities or schedule of rates) apply and there is an error in the line-item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is

an obviously gross misplacement of the decimal point in the unit rate, the line-item total as quoted shall govern, and the unit rate shall be corrected.

Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

In accordance with the above conditions, the following adjustments were required:

**5.1.1 Westland Construction (Pty) Ltd**

No arithmetical errors were made by this tenderer.

The tender price i.e., offer is **R 3,703,780.85**.

**5.1.2 Alert Developments (Pty) Ltd**

No arithmetical errors were made by this tenderer.

The tender price i.e., offer is **R 3,885,902.90**.

**5.1.3 SR Civil Constructions (Pty) Ltd**

No arithmetical errors were made by this tenderer.

The tender price i.e., offer is **R 3,994,486.71**.

**5.1.4 Futi Construction (Pty) Ltd**

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 1.C i.e., item 1.C.4.4. The resulted in the “total brought forward” being wrong. The financial implication of this error is R 2000.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made a typing error in the summary of Schedule 3.C.

The price after arithmetical corrections is R **3,997,420.24**, whereas the tendered price is R **3,999,970.48**.

#### **5.1.5 Amandla GCF Construction CC**

No arithmetical errors were made by this tenderer.

The tender price i.e., offer is R **4,071,870.55**.

#### **5.1.6 Shar Civils CC**

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 1.C i.e., item 1.C.3.6. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 2625.50 (excluding 10% and 15% VAT) more than the tender amount.

The tender made a sum error on the Summary Page C.2.2-17. The financial implication of this error is R 10800.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 3.C i.e. item 3.C.3.6. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 2.00 (excluding 10% and 15% VAT) more than the tender amount.

The price after arithmetical corrections is R **4,447,204.68**, whereas the tendered price is R **4,457,542.89**.

#### **5.1.7 PR Civils CC**

The tender made a sum error on the Summary Page C.2.2-8. The financial implication of this error is R 7700.00 (excluding 10% and 15% VAT) more than the tender amount.

The price after arithmetical corrections is R **4,800,511.82**, whereas the tendered price is R **4,810,252.32**.

#### **5.1.8 Servigyn 48 (Pty) Ltd**

The tender made a sum error on the Summary Page C.2.2-3. The financial implication of this error is R 200000.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 1.B i.e., item 1.B.3.2. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 2160.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 1.C i.e. item 1.C.4.7. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 720.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 1.C i.e. item 1.C.7.8. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 1500.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 1.C i.e. item 1.C.12.6. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 3600.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 2.C i.e. item 2.C.3.3. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 9000.00 (excluding 10% and 15% VAT) more than the tender amount.

The tenderer made an error in the line-item total resulting from the product of the unit rate and quantity of Schedule 3.C i.e. item 3.C.4.7. The aforementioned resulted in the “total brought forward” being wrong. The financial implication of this error is R 720.00 (excluding 10% and 15% VAT) more than the tender amount.

The price after arithmetical corrections is **R 6,243,053.30**, whereas the tendered price is **R 6,507,463.60**.

#### **5.1.9 Batsini (Pty) Ltd**

No arithmetical errors were made by this tenderer.

The tender price i.e., offer is **R 7,135,928.25**.

#### **5.1.10 Afriline Civils (Pty) Ltd**

The tender made a sum error on the Summary Page C.2.2-4. The financial implication of this error is R 4750.00 (excluding 10% and 15% VAT) more than the tender amount.

The tender made a sum error on the Summary Page C.2.2-16. The financial implication of this error is R 9531.22 (excluding 10% and 15% VAT) more than the tender amount.

The tender made a sum error on the Summary Page C.2.2-18. The financial implication of this error is R 3500.00 (excluding 10% and 15% VAT) more than the tender amount.

The price after arithmetical corrections is **R 8,129,140.31**, whereas the tendered price is **R 8,151,633.55**.

6. COMPARISON OF TENDERS BEFORE AND AFTER ARITHMETICAL CORRECTIONS

TABLE 6

Ranking Order	Tenderer	Tender Amount Before Arithmetical Corrections	Tender Amount After Arithmetical Corrections
1.	Westland Construction (Pty) Ltd	R 3,703,780.85	R 3,703,780.85
2.	Alert Developments (Pty) Ltd	R 3,885,902.90	R 3,885,902.90
3.	SR Civil Constructions (Pty) Ltd	R 3,994,486.71	R 3,994,486.71
4.	Futi Construction (Pty) Ltd	R 3,999,970.48	R 3,997,420.24
5.	Amandla GCF Construction CC	R 4,071,870.55	R 4,071,870.55
6.	Shar Civils CC	R 4,457,542.89	R 4,447,204.68
7.	PR Civils CC	R 4,810,252.32	R 4,800,511.82
8.	Servigny 48 (Pty) Ltd	R 6,507,463.60	R 6,243,053.30
9.	Batsini (Pty) Ltd	R 7,135,928.25	R 7,135,928.25
10.	Afriline Civils (Pty) Ltd	R 8,151,633.55	R 8,129,140.31

## 7. ESTIMATED PROJECT COST

The financial implication of the proposed project based on **Westland Construction (Pty) Ltd**, the tenderer which scored the highest Preferential Procurement points are as follows:

**TABLE 7**

SCHEDULE	DESCRIPTION	TENDER AMOUNT
<b>PIKETBERG BULK WATER</b>		
1.A	Preliminary And General	R 258,000.00
1.B	Site Clearance	R 9,650.00
1.C	Water Reticulation	R 395,720.00
	<b>SUBTOTAL 1</b>	<b>R 663,370.00</b>
<b>PIKETBERG BULK SEWER</b>		
2.A	Preliminary And General	R 202,750.00
2.B	Site Clearance	R 11,950.00
2.C	Sewers	R 265,965.00
	<b>SUBTOTAL 2</b>	<b>R 480,665.00</b>
<b>PORTERVILLE BULK WATER</b>		
3.A	Preliminary And General	R 502,500.00
3.B	Site Clearance	R 18,260.00
3.C	Water Reticulation	R 1,263,095.00
	<b>SUBTOTAL 3</b>	<b>R 1,783,855.00</b>
	<b>SUBTOTAL (1, 2 &amp; 3)</b>	<b>R 2,927,890.00</b>



	Contingencies	R 292,789.00
	<b>SUBTOTAL</b>	<b>R 3,220,679.00</b>
	15% VAT	R 483,101.85
	<b>TOTAL CONSTRUCTION COST</b>	<b>R 3,703,780.85</b>

## 8. FINANCIAL IMPLICATIONS

8.1 The envisaged expenditure will be financed out of the 2022/2023 and 2023/2024 Capital Budget of Bergrivier Municipality as it is a multi-year project (**Annexure D**)

Vote number	Description	Amount Available excluding VAT
074511040208	"Munisipale Dienste Ontwikkeling (WYK4 PB)"	R 961 377.00
074511040207	"Munisipale Dienste Ontwikkeling (Wyk2 PV)"	R 1 780 800.00
074291050202	"Munisipale Dienste Ontwikkeling (Wyk4 Piketberg)"	R 757 823.00
	<b>TOTAL</b>	<b>R3 500 000.00</b>

- Amount including VAT is R 4 025 000.00 available.

## 9. RECOMMENDATION:

The following recommendation applicable to this tender is made:

That Tender 8/3/33-2022 (MN231/2022): Bergrivier Housing: Upgrading of Water and Sewer Networks in Piketberg and Porterville be awarded to **Westland Construction (Pty) Ltd** for the amount of **R 3 703 780.85 (Vat inclusive)**, (R 3 220 679.00 Excluded of VAT)

## 6. SERVICE LEVEL AGREEMENTS

According to Section 21A of the Municipal Systems Act the Accounting Officer of a Municipality must place all service level agreements on the Municipal website. Each department is responsible to ensure that all signed Service Level Agreements are on the Collaborator/Phoenix Vesta system. Each Department must also have a hard copy of each contract applicable to their department.

### BERGRIVIER MUNICIPALITY SERVICE LEVEL AGREEMENTS - FINANCE DEPARTMENT FOR 2022-2023

Name	Description	Effective Date	Termination Date	Status	Contract Type	Process
Cab Holdings	Service provider for the design, printing, email, and distribution of Bergrivier Municipality's monthly service accounts	2020-07-01	2023-06-30	Active	Maintenance Agreement/Onderhoudskontrak	M Crous to follow a process
Mubesko	Provision of technical support for asset management for a period of three (3) years	2020-07-01	2023-06-30	Active	Maintenance Agreement/Onderhoudskontrak	SCM process done – Tender closes 10 February 2023
Contour Technology	Supply, installation, and management of an STS compliant prepayment electricity vending system for the period of 01 July 2020 to 30 June 2023	2020-07-01	2023-06-30	Active	Maintenance Agreement/Onderhoudskontrak	M Crous to follow a process
NEDBANK	Banking Services	2019-03-01	2023-06-30	Active	Service Level Agreement/Dienskontrak	Process at evaluation stage
Siyanda Business Solutions	Accounting Services	2022-07-01	2025-06-30	Active	Service Level Agreement/Dienskontrak	n/a

Phoenix Vesta	Financial System	2022-07-01	2032-06-30	Active	Service Level Agreement/Dienskontrak	n/a
AON	Short term insurance tender for a period of 3 years	2022-07-01	2025-06-30	Active	Service Level Agreement/Dienskontrak	n/a
HCB Valuers and Services (Pty) Ltd	Property Valuations Services	2017-07-01	2023-06-30	Active	Service Level Agreement/Dienskontrak	M Crous to follow a process
Inca	Long term financial plan.	2022-01-27	2024-06-30	Active	Service Level Agreement/Dienskontrak	n/a
Ducharme	Revenue Enhancement	2021-10-01	2024-06-30	Active	Service Level Agreement/Dienskontrak	n/a

The table represent the service level agreements updated in respect of the finance department.

## 7. ASSET AND INSURANCE REPORTING

### INSURANCE MANAGEMENT

There were no claims reported for the month of January 2023.



BERGRIVIER MUNICIPALITY LOSS CONTROL REGISTER -2022

Nr.	Registration No	Location	Section	Time of Incident	Claim Details	Responsible Person	Incident Cause	Claim Status
17	CAS 44/1/2023	Piketberg	Theft	During the night 05/01/2023 & 06/01/2023	Electrical worker parked the standby vehicle 2 houses from his house behind locked gates. At the back of the vehicle was his toolbox. He locked the vehicle the night of 05/01/2023 and everything was in order. The next morning, 06/01/2023 at the electrical store he discover that the toolbox with various tools was missing and the canopy of the vehicle was broken.	V Ockhuis	Theft	Open

## **8. APPEALS / OBJECTIONS BY AGGRIEVED**

Paragraph 49 of the Municipal Supply Chain Management Regulations allows the aggrieved bidders the opportunity to lodge objections (with proper motivation) against the decision(s) taken by the Bid Adjudication Committee, within 14 days from the date of notification thereof.

Alternatively, should they wish to lodge an appeal in terms of Section 62 of the Local Government: Municipal Systems Act 2000 (Act 32 of 2000) against the award of the tender, such appeal is to be lodged within 21 days from date of this notification? For the month of January 2023 , no objection was lodged.

## **9. LEGISLATIVE COMPLIANCE**

Local government: Municipal Finance Management Act (Act 56 of 2003).

Supply Chain Management Regulations.

Supply Chain Management Policy: Bergrivier Municipality.

Preferential Procurement Regulation, 2022; and all other relevant legislation, National Treasury Guidelines and Circulars.

The Bergrivier Municipality has no Public Private Partners (PPP's).

## **10. SDBIP AND OTHER REPORTABLE MATTERS**

- Reports are submitted to the CFO monthly.
- The SCM unit is under strain due to other compliance matters implemented without additional resources for example, the monitoring and capturing of the performance of suppliers and the maintenance of the procurement plan.
- Specifications are not submitted on time – see procurement plan as reported above.
- The non-filling of vacant positions is putting a huge strain on the unit to function properly and to comply with legislation, the position of the Assistant Accountant Assets closed on 24 August 2022 and the shortlisting took place on 4 November 2022 and the persons who were shortlisted did not pitch for the interviews and this does not assist the Unit with the filling of vacant positions, and puts further exacerbating to the situation, and this will put more strain on the few staff members.

- Further our prayers are the full recovery of the Head of Supply Chain and Assets: Mr Israel Saunders who is currently medically unfit for duty for an unknown period.
- There was only one incident of irregular expenditure that was dealt with by the Section 32 committee of Council and it was recommended that the irregular expenditure be condoned, and that no person will be held responsible. The Community Services must compile a policy on cemeteries and the cemetery by-law must be updated.

Fruitless, Wasteful, Unauthorised and Irregular Expenditure for the month of January 2023					
Date Reported to Accounting Officer	Amount	Description of Incident	Person Liable (Official or Political Office Bearer)	Approved or recovered	General comments
Was reported by Director to MM	16 604,00	Invoice was signed off by User Dept and paid to Artistia 161CC	Director Community Services	- 16 604,00	Was paid by the Director
	819,17	Interest		- 819,17	Was paid by the Director
23/11/2022	40 522,00	Tenderer was appointed as a EPWP worker	Condoned	40 522,00	.All temporary staff must sign declarations of interest.
23/11/2022	8 222,50	Grave damaged by digger loader	Condoned	- 8 222,50	Policy and by-law of cemeteries to be put in place.
	66 167,67			- 66 167,67	

## **11. RECOMMENDATIONS**

1. That the Executive Mayor take note of the January 2023 Supply Chain Management Implementation report and that it be made public in accordance with Section 21A of the Municipal Systems Act.

ANNEXURE "A" – Minutes of Bid Adjudication Meeting

SCM report for the month of January 2023