



JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

REPORT TO THE EXECUTIVE MAYOR

1. **SUBJECT:** SCM Annual & 4th Quarter Report for 2015/16.

2. **PURPOSE**

This report briefly analyses the ongoing implementation of the municipality's Supply Chain Management Policy for oversight purposes.

3. **STRATEGIC INTENT**

This report is intended to highlight critical areas within the Supply Chain Management Unit which are aligned to service delivery aspects.

Furthermore, the report gives the political office bearers an opportunity to grasp issues pertinent to the implementation of the Supply Chain Management Policy.

4. **CONTENTS**

4.1 **Legal and Policy Implications**

In accordance with Section 6(3) of the Council's Supply Chain Management Policy, the Municipal Manager must submit a Quarterly Report on the implementation of its Supply Chain Management Policy.

Furthermore, the Supply Chain Management activities are governed by various legislation which *inter alia* included PPPFA, MFMA, BBBEE and CIDB Act. Compliance to the Acts is paramount in order to ensure that the municipality has a procurement system that is fair, transparent, effective and economical.

4.2 **Salient Details of Supply Chain Management Activities**

The municipality remains on course with the implementation of its SCM Policy, and has steadily improved overall service delivery.

A summary of SCM Activities is given below:

a) Vendor Database of Accredited Suppliers

The National Treasury together with the Provincial Treasury are embarking on the registration of the service providers on the National Supplier Database. This National Supplier Database will address the most common issues normally raised by the AG, for an Example: Validation of Tax Clearance Certificate, and If the Service provider is employed by the state (MBD4).

The Implementation of the National Supplier Database are as follows:

- All the provincial departments - effective from the 1st of April 2016
- All the municipalities – effective from the 1st of July 2016

b) Provincial Treasury Roadshow

The invitation for the registration of the service providers in the National Supplier Database was sent to the Local Newspaper and our local radio station on the 16th June 2016.

The Provincial Treasury in consultation with the John Taolo Gaetsewe District Municipality has embarked on the NCSD road show on the 22nd and 24th June 2016.

The purpose of this provincial roadshow was to register suppliers on the National Central Suppliers Database (NCSD) of National Treasury to ensure they can do business with government after 1 July 2016.

From 1 July 2016 we will only request quotations from businesses registered on the NCSD.

Therefore, the service providers are encouraged to register in the National Supplier Database by themselves or at the nearest municipalities. The Provincial Treasury made it clear that only registered service providers in the National Supplier Database will be considered for the further business opportunities.

c) SCM Support

The SCM Unit maintained its extensive administrative and committee secretariat to the Bid Adjudication Committee. This function ensures compliance in respect of formal committee practice and record.

We furthermore acknowledge with thanks the important inputs made by the provincial treasury and JTGDM management in all SCM activities, all enabling us to strive more resolutely towards excellent corporate governance.

The National Treasury has also encouraged that some of the contract services will be procured from Contracted Service Providers by the National Treasury, for an example: Cell phone Contracts, Photocopying machines, Accommodations, etc.

d) Tenders and Contracts Administration

The information provided below are for all the bids advertised and awarded during the financial year 2015/16.

There report will highlight more clarity on the bids awarded for the 4th Quarter because the bids awarded during the Quarter 1 until Quarter 3 has already been reported to the Council.

During the 4th Quarter of the financial year 2015/16 the eight bids were advertised and only five bids were awarded.

Bid Number	Bid Description	Date advertised	Closing Date	Date awarded	Awarded to	Bid Price Awarded (R)	Responsible Dept
BID NO: 01/2015/16 Re- Advertiseme nt	Request for submission of Proposals to Fix, Maintain and Manage the Infrastructure on the Farm Thwane for a period of 36 months	28/08/2015 DFA	18th Sept 2015 at 12h00	Not awarded	N/A	N/A	LED
No bids received during the closing date							
BID NO: 02/2015/16 Re- Advertiseme nt	Request for Proposal: Appointment of a service provider for printing of municipal documents, for a period of 12 months	28/08/2015 DFA	18 th Sept 2015 at 12h00	Not awarded	N/A	N/A	Municipal Manager
5 bids were received and opened in public							
BID NO: 03/2015/16	Request for Provision of Cleaning Services for John Taolo Gaetsewe district municipality facilities for a period of 12 months	28/08/2015 DFA	18 th Sept 2015 at 12h00	14 th Oct 2015	Namekhot ha Trading Cc	R 82 363.82	Corporate Services
6 bids were received and opened in public							
BID NO: 04/2015/16	Request for submission of Proposals to Review the District Spatial Development Framework together with a Comprehensive Land Use Audit and Soil Capability Study for the John Taolo Gaetsewe District municipality	28/08/2015 DFA	18 th Sept 2015 at 12h00	07th Dec 2015	SWM Holdings	R 1 000 000.10	Municipal Manager
6 bids were received and opened in public							
BID NO: 05/2015/16	Proposal to develop Tourism Marketing Strategy	28/08/2015 DFA	18 th Sept 2015 at 12h00	24th Feb 2016	Grant Thornton PS	R 227 725.00	LED
5 bids were received and opened in public							
BID NO: 06/2015/16	Section 78 Air Quality Management	28/08/2015 DFA	18 th Sept 2015 at 12h00	14th Oct 2015	Mokhetle Attorneys	R 221 616.00	Community Services
4 bids were received and opened in public							
BID NO: 07/2015/16	Invitation of Proposal for Provision of Professional Engineering Services for the Planning , Design, Bid Documentation and Construction Supervision of Civil Engineers Services	04th Dec 2015 at 12h00	09th Feb 2016	11 th Feb 2016	Moedi Consulting Engineers	R 1 321 708.00	BSI

	for 222 Ervens in Kuruman Town						
29 bids were received and opened in public							
BID NO: 08/2015/16 Re-advertisement	Invitation for Proposal to fix, maintain and manage the infrastructure on the farm Thwane	04th Dec 2015 at 12h00	22nd Jan 2016	No award made	N/A	N/A	LED
Only 1 bid was received and opened in public							
BID NO: 09/2015/16	Supply, delivery and Installation of 2 Blade Server Hardware and Operating system	08th April 2016 at 12h00	05th May 2016	07th June 2016	Sebata Municipal Solutions	R 337 350.40	Corporate Services
6 bids were received and opened in public							
BID NO: 10/2015/16 Re-Advertisement	Request for Proposal: Appointment of a service provider for printing of municipal documents, for a period of 12 months	08th April 2016 at 12h00	05th May 2016	07th June 2016	Green House Communication	Rate based Contract	Municipal Manager
7 bids were received and opened in public							
BID NO: 11/2015/16	Provision of Security Services at John Taolo Gaetsewe district municipality for a period of 24 months	08th April 2016 at 12h00	05th May 2016	07th June 2016	Molaodi Security Services	R109394.40 per month	Corporate Services
4 bids were received and opened in public							
BID NO: 12/2015/16 Re-advertisement	Invitation for Proposal to fix, maintain and manage the infrastructure on the farm Thwane for a period of 36 months	08th April 2016 at 12h00	05th May 2016	13th June 2016	Zitshunele Trading	Own funding	LED
5 bids were received and opened in public							
BID NO: 13/2015/16	Request for submission of Proposals to Develop Climate Change response strategy for the John Taolo District Municipality	08th April 2016 at 12h00	06th May 2016	Cancelled - Budget, Re-advertised on 7 days' notice	N/A	N/A	Community Services
7 bids were received and opened in public							
BID NO: 14/2015/16	Maintenance of Van Zyl's rus Sportsfields (Requirements: 2 GBPE & NHBC Certificate with a similar experience)	04th Dec 2015 at 12h00	06th May 2016	07th June 2016	Modiles Logistics	R 394 700.00	BSI
3 bids were received and opened in public							
BID NO: 15/2015/16	Request for Submission of Proposal on the preparation of integrated infrastructure plan for the John Taolo	08th April 2016 at 12h00	06th May 2016	Cancelled - Budget, Re-advertised in the new financial year	N/A	N/A	BSI

	Gaetsewe District with particulars focus on the on road, water services, energy and human settlements						
2 bids were received and opened in public							
BID NO: 16/2015/16	Provision of Debt Collections for John Taolo Gaetsewe district municipality for a period of 24 months	08th April 2016 at 12h00	06th May 2016	Evaluation Stage	N/A	N/A	BTO
6 bids were received and opened in public							

Statistics from 1 April 2016 to 30 June 2016

Tenders advertised	8
Contracts awarded	5
Tenders cancelled	2
Appeals received	Nil

The statistics still tend to indicate once more that there remains a high degree of accuracy in the general output and a reasonable level of public satisfaction with the municipality's tender processes.

During the 4th Quarter, the following bids were not awarded based on the reasons mentioned hereunder:

Bid Number	Bid Description	Date advertised	Closing Date	Reasons / Progress
BID NO: 13/2015/16	Request for submission of Proposals to Develop Climate Change response strategy for the John Taolo District Municipality	08th April 2016 at 12h00	05th May 2016	The bid was cancelled as a bid because of the budget vs Bid offers received, and was advertised in the website and notice board for 7 days.
7 bids were received and opened in public				
BID NO: 15/2015/16	Request for Submission of Proposal on the preparation of integrated infrastructure plan for the John Taolo Gaetsewe District with particulars focus on the on road, water services, energy and human settlements	08th April 2016 at 12h00	06th May 2016	The bid was cancelled because of the budget vs Bid offers received, and will be advertised in the new financial year.
2 bids were received and opened in public				
BID NO: 16/2015/16	Provision of Debt Collections for John Taolo Gaetsewe District municipality for a period of 24 months	08th April 2016 at 12h00	06th May 2016	The bid is still at the Evaluation Stage, and await for the response / confirmation of cancellation from the previous service provider.
6 bids were received and opened in public				

QUOTATIONS AWARDED DURING THE FINANCIAL YEAR 2015/16

The information provided below are for all the awarded quotations advertised for 7 days in the notice board and the municipal website during the financial year 2015/16.

This report will highlight more clarity on the quotations awarded during the 4th Quarter because the quotations awarded during the Quarter 1 until Quarter 3 has already been reported to the Council.

Quote Number	Bid Description	Advert Date	Closing Date	Awarded to	Bid Price Awarded (R)	Date awarded	Responsible Dept
01/2015/16	Supply and Delivery of Fencing Material	06/08/2015	14/08/2015	Mutambashora Trading Enterprise (Pty) Ltd	118 544.00	11/09/2015	BS&I
02/2015/16	Supply and Delivery of Palisades	06/08/2015	14/08/2015	Obontse Trading and Projects	115 400.00	30/10/2015	BS&I
03/2015/16	Supply and Delivery of Computers	20/08/2015	28/08/2015	Cancelled			Corporate Services
04/2015/16	Supply and Delivery of Tents	26/08/2015	03/09/2015	Lefa Lame Trading	75 000.00	02/10/2015	Disaster Management Unit
05/2015/16	Supply and Delivery of Blankets	26/08/2015	03/09/2015	Thebeyatau Trading Enterprise	30 500.00	02/10/2015	Disaster Management Unit
06/2015/16	Supply and Delivery of Food Parcel	26/08/2015	03/09/2015	Delemo Trading Enterprise(Pty) Ltd	15 540.00	02/10/2015	Disaster Management Unit
07/2015/16	Supply, Installation and Delivery of Wireless Radio Links	27/08/2015	04/09/2015	URB ICT(Pty)Ltd	127 038.75	22/10/2015	Corporate Services
08/2015/16	Supply, Delivery and Installation of Street Lights	28/10/2015	05/11/2015	Positive Mind Developers(Pty)Ltd	115 000.00	23/11/2015	BS&I
09/2015/16	Supply and Delivery of Building Material	30/10/2015	09/11/2015	Awaiting for MM's approval			
09a/2015/16	Quotation for removing wild animals at Twane Private Game Reserve Vanzylsrus	24/11/2015	30/11/2015	MK Investments and Sugarberry 65 Trading Cc	914 700.00 and 235 600.00	07/12/2015	EDD
11/2015/16	Supply, Development and Installation of Intranet and Collaboration Solution	18/11/2015	26/11/2015	KSO Creations	194 700.00	02/02/2016	Corporate Services
12/2015/16	Supply, Delivery and Installation of Network Cabinets	26/11/2015	04/12/2015	Re-advertisement as there was no competition on the RFQ	-	-	Corporate Services
13/2015/16	Supply and Delivery of Diaries and Calendars	08/12/2015	17/12/2015	Green House Communication	113 389.00	11/01/2016	MM's Office
10/2015/16	Supply and Delivery of Cements	15/01/2016	25/01/2016	Siya Q Investments	198 750.00	28/01/2016	BS&I
14/2015/16	Supply and Delivery of Crusher Dust	18/01/2016	25/01/2016	Molgadi Business Enterprise	140 000.00	28/01/2015	BS&I
15/2015/16	Supply and Delivery of 10(ten) High Pressure Fire Fighting Skid Units	02/02/2016	10/02/2016	Itusyba Trading and Projects	161 500.00	23/02/2016	Disaster Management Unit

16/2015/16	Supply and Delivery of HP Deskop or Equivalent	04/04/2016	14/04/2016	Madova Projects and Trading	166 965.49	25/04/2016	Corporate Services
17/2015/16	Supply and Delivery of (15) fifteen Kirisun PT 8100 Midband Radio's	15/03/2016	23/03/2016	Tshegohatso-Kaone Trading	62 000.00	11/04/2016	Disaster Management Unit
18/2015/16	Supply and Delivery of Marketing Material	29/03/2016	08/04/2016	Aried Trading	155 600.00	21/04/2016	EDD
19/2015/16	Supply and Delivery of Laptops	30/03/2016	08/04/2016	Bolelang Africa Trading	155 000.00	04/05/2016	Corporate Services
20/2015/16	Supply, Delivery and Installation of Biometric Finger Device	30/03/2016	08/04/2016	Green House Communication	51 880.00	04/05/2016	Corporate Services
21/2015/16	Supply and Delivery of 5 Port Wi-Fi Routers	30/03/2016	08/04/2016	Loano Industries(Pty) Ltd	6 875.00	04/05/2016	Corporate Services
22/2015/16	Supply and Delivery of Tents	07/04/2016	15/04/2016	Omogolo Consulting	85 000.00	06/05/2016	Disaster Management Unit
23/2015/16	Supply and Delivery of Protective Clothing	12/04/2016	20/04/2016	Omogolo Consulting	59 920.00	06/05/2016	Disaster Management Unit
24/2015/16	Supply and Delivery of Building Material	18/05/2016	25/05/2016	Refbee Consulting	161 132.64	30/05/2016	Basic Services and Infrastructure
25/2015/16	Request for submission of proposals to develop climate change response strategy for the John Taolo Gaetsewe District Municipality	24/05/2016	01/06/2016	Thekgano Trading 28 cc	187 530.00	06/06/2016	Community Services
TOTAL					2 497 264.88		

During the 4th Quarter of the financial year 2015/16 the two quotations request for 7 days were advertised and all the quotations were awarded.

Quote Number	Bid Description	Advert Date	Closing Date	Awarded to	Bid Price Awarded (R)	Date awarded	Responsible Dept
24/2015/16	Supply and Delivery of Building Material	18/05/2016	25/05/2016	Refbee Consulting	161 132.64	30/05/2016	Basic Services and Infrastructure
25/2015/16	Request for submission of proposals to develop climate change response strategy for the John Taolo Gaetsewe District Municipality	24/05/2016	01/06/2016	Thekgano Trading 28 cc	187 530.00	06/06/2016	Community Services

TOTAL

R348 662.64

4.3 Deviations below R200 000

The SCM unit is reporting the deviations on a monthly basis to the Municipal Manager and quarterly to the Council with a view to minimize the deviations. We anticipate to minimize the number of deviations in the new financial year.

5. RECOMMENDATION

- a) That the contents of the Report be NOTED.