

Section 2: Finance

ITEM C/2/155/10/23

REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE 4th QUARTER 01 APRIL TO 30 JUNE 2024

Portfolio Comm: Finance & Engineering **Demarcation:** All Wards
File Ref: 8/1/5/5/2 **Delegation:** Council

Attachments: Annexure A: Comparative Tender Schedule
Annexure B: Tenders Procurement Timeline
Annexure C: Comparative Formal Written Price Quotations Schedule
Annexure D: Formal Written Price Quotations Procurement Timeline

Report from: Acting Director: Financial Services

Author: Manager: Supply Chain Management

Date: 08 July 2024

1. **PURPOSE OF THE REPORT**

- 1.1. To report on the Implementation of the Supply Chain Management Policy, for the 4th Quarter, i.e., 01 April - 30 June 2024 of the 2023/24 procurement year.

2. **BACKGROUND**

- 2.1. The Local Government: Municipal Finance Management Act, No. 56 of 2003, requires the Municipality to have and implement a Supply Chain Management Policy, which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.
- 2.2. On May 30, 2005, the Municipal Supply Chain Management Regulations were promulgated. Council, on December 14, 2005, at a legally constituted Council meeting approved the Bitou Municipality Supply Chain Management Policy in terms of these Regulations. The SCM Policy have been reviewed regularly with the last review approved on 31 May 2021.
- 2.3. Section 117 of the MFMA prohibits a Councillor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders. The SCM Policy requires per Section 6 that Council have an oversight role to ensure that the Accounting Officer implements all supply chain management activities in accordance with the SCM Regulations and the Bitou Local Municipality Supply Chain Management Policy (SCM Policy).
- 2.4. Section 6(3) of the SCM Policy requires that the Accounting Officer submit a quarterly report on the implementation of the Supply Chain Management Policy to the Executive Mayor.
- 2.5. The report contains information about operational activities within the Supply Chain Management Division and includes references of Tenders and Formal Written Price Quotations Awarded, as well as Deviations from the SCM Policy, considered and approved by the delegated officials for the 4th Quarter of the 2023/24 procurement year.

Section 2: Finance

3. Supply Chain Management Unit

In line with Section 7 of the Council's Approved Supply Chain Management Policy, the Accounting Officer must establish a Supply Chain Management Unit to implement the referred Policy. The Supply Chain Management Unit operates under the direct administrative charge of the Chief Financial Officer, supervised by the Manager: Supply Chain Management, and the Unit's operations led by both the Head: Acquisition, Contract and Compliance, and the Head: Demand, Logistics and Disposal Management, to whom this duty has been sub-delegated in terms of Section 82 of the Act. However, both the posts of the Head: Acquisition, Contract and Compliance, and the Head: Demand, Logistics and Disposal Management are vacant. The SCM Unit has approached the Human Resource Management Division to advertise the posts externally, seeing that they are both T13 positions. We are anticipating for the posts to be permanently filled by the 01st of September 2024.

4. Tenders Awarded: Competitive Bidding for all Contracts valued more than R 300 000

The competitive bidding process and bid committee structures are functioning effectively. The Bid Committees are composed of the following members:

#	Committee	Composition & Functions
1.	Bid Specification Committee - BSC	The appointments of Chairpersons and Committee Members, the Project Managers and a Senior SCM Practitioner, are in line with Sec 27 of the Bitou Supply Chain Management Policy, consider tender specifications, and recommend to the Accounting Officer for approval.
2.	Bid Evaluation Committee - BEC	The appointment of Chairpersons and Committee Members, the Project Managers and a Senior SCM Practitioner, was in line with Sec 28 of the Bitou Supply Chain Management Policy, considers tender evaluation reports and make recommendations to the BAC.
3.	Bid Adjudication Committee - BAC	In line with Sec 29 of the Bitou Supply Chain Management Policy, at least four (04) Senior Managers (with the CFO being the Chairperson), and Senior SCM Practitioner (not the same BEC SCM Practitioner) consider recommendations from the BEC and make awards below R10m. However, if an award is above R10m, the BEC recommends such an award to the Accounting Officer to award.

4.1. Members of the bid committees are required to declare to undertake the following:

- 4.1.1. That all information, documentation, and decisions regarding any matter before the committee is confidential and undertakes not to make known anything in this regard.
- 4.1.2. To treat all service providers and potential service providers equitably and will not purposefully favour or prejudice anybody; and
- 4.1.3. To make known details of any private or business interest he or she or any close family member, partner or associate may have in any proposed procurement or disposal of, or in any award or contract that they will immediately withdraw from participating in any matter whatsoever.

Section 2: Finance

- 4.2. The members of the bid committees have duly undertaken to uphold the confidentiality, to be fair in all dealings and to declare their personal interests, if any. None of the members had conflicts of interest to declare.

5. Tender Awards

- 5.1. Awards below R10m: The tender awards made for the Q4 period are valued at approximately **R37 683 891,99** (VAT Incl.). There were ten (**10**) Tenders awarded by duly delegated Bid Adjudication Committees. The referred awards were valued for more than R300 000 but less than R10 million.
- 5.2. Awards above R10m: The tender awards made for the Q4 period are valued at **R270 493 794,75** (VAT Incl.). There were **two (2)** Tenders awarded by duly delegated Accounting Officer. The referred awards are quantified as follows: -

5.2.1. SCM/2024/11/EDP: Call for development proposals, Erf 4367 Plettenberg Bay

5.2.2. SCM/2024/60/FIN: Provision of an External Loan to the amount of R45 150 000,00

Section 2: Finance

BITOU MUNICIPALITY								
TENDERS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	TENDER NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
1	SCM/2024/11/EDP	Call for development proposals, Erf 4367 Plettenberg Bay	Mgoqi A	2024/04/02	Carnivore Capital (Pty) Ltd	2	Bitou	R 193 917 000,36
2	SCM/2024/27/FIN	Panel of Consultants for Financial Services for a Period Ending 30 June 2027	Pretorius I	2024/04/05	Maximum Profit Recovery (Pty) Ltd	1	Paarl	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
2	SCM/2024/27/FIN	Panel of Consultants for Financial Services for a Period Ending 30 June 2027	Pretorius I	2024/04/05	Akhile Management and Consulting (Pty) Ltd	1	Cape Town	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
2	SCM/2024/27/FIN	Panel of Consultants for Financial Services for a Period Ending 30 June 2027	Pretorius I	2024/04/05	Bonakude Consulting (Pty) Ltd	1	East London	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
2	SCM/2024/27/FIN	Panel of Consultants for Financial Services for a Period Ending 30 June 2027	Pretorius I	2024/04/05	Imani Business Advisory Services (Pty) Ltd	1	Johannesburg	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
2	SCM/2024/27/FIN	Panel of Consultants for Financial Services for a Period Ending 30 June 2027	Pretorius I	2024/04/05	Ducharme Asset Management (Pty) Ltd	2	Stellenbosch	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
2	SCM/2024/27/FIN	Panel of Consultants for Financial Services for a Period Ending 30 June 2027	Pretorius I	2024/04/05	Mubesko Africa (Pty) Ltd JV Tsholo Consulting Solutions (Pty) Ltd	2	Oudtshoorn	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)

Section 2: Finance

BITOU MUNICIPALITY								
TENDERS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	TENDER NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
3	SCM/2024/29/FIN	The Compilation of the General Valuation Roll and Supplementary Valuation Rolls and Maintenance thereof for the financial years 1 July 2025 to 30 June 2029	Zindlu A	2024/04/05	Qhawekazi Global (Pty) Ltd t/a Suid Kaap Waardeerders	0	George	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
4	SCM/2024/41/FIN	Management of the Short-term Insurance Portfolio for a Period Ending 30 June 2027	Beauzick W	2024/04/05	Silver Lake Trading 305 (Pty) Ltd t/a Opulentia Financial Services	1	Somerset West	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024	Payle C	2024/04/05	Furicom (Pty) Ltd	0	Bitou	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024	Payle C	2024/04/05	Chairleader (Pty) Ltd t/a Reliance Furniture Contracts	0	Knysna	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024	Payle C	2024/04/05	MZO Industries (Pty) Ltd	0	Gqeberha	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024	Payle C	2024/04/05	GR Cabinets and Fittings CC t/a Garden Route Cabinets & Fittings	0	George	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024	Payle C	2024/04/05	Parkerson Thomas Technologies CC t/a Officetech	1	Cape Town	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)

Section 2: Finance

BITOU MUNICIPALITY								
TENDERS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	TENDER NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024 (Items 2.1 & 4.3)	Payle C	2024/04/15	GR Cabinets and Fittings CC t/a Garden Route Cabinets & Fittings	0	George	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
5	SCM/2024/53/FIN	Supply & Delivery of Office Furniture and Equipment for Various Directorates for a Period Ending 30 June 2024 (Item 4.4)	Payle C	2024/04/15	Parkerson Thomas Technologies CC t/a Officetech	1	Cape Town	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
6	SCM/2024/47/ENG	Supply & Delivery of Spare Parts for Various Vehicle as and when required for a Period Ending 30 June 2026	Sunkar S	2024/04/15	Kulungwane Distribution (Pty) Ltd	1	Paarl	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
6	SCM/2024/47/ENG	Supply & Delivery of Spare Parts for Various Vehicle as and when required for a Period Ending 30 June 2026	Sunkar S	2024/04/15	Optimum Consultancy and Advisory (Pty) Ltd	0	Bitou	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
6	SCM/2024/47/ENG	Supply & Delivery of Spare Parts for Various Vehicle as and when required for a Period Ending 30 June 2026	Sunkar S	2024/04/15	Garys Motor Spares (Pty) Ltd	2	Bitou	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
7	SCM/2024/44/COMM	Qolweni Phase 4B: Construction of Civil Engineering Services (Payle's Land Infill Site)	Maki F	2024/04/16	Amlro Trading (Pty) Ltd	1	Bitou	R 9 785 093,25
8	SCM/2024/60/FIN	Provision of an External Loan to the amount of R45 150 000,00	Korff E	2024/05/10	The Standard Bank of South Africa Limited	1	Bitou	R 76 576 794,39

Section 2: Finance

BITOU MUNICIPALITY								
TENDERS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	TENDER NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
9	SCM/2024/30/CORP	Supply and Support of CAD Software and Services for a Period Ending 30 June 2027	Lewis G	2024/05/24	Modena Design Centre Cape Town (Pty) Ltd	0	Cape Town	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
10	SCM/2024/67/CORP	Provision of Support, Maintenance & Supply Digital Radio Infrastructure for a period ending 30 June 2027	Tarentaal E	2024/06/07	J and E Communications CC	4	Oudtshoorn	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
11	SCM/2024/70/CORP	Provisioning and Maintenance of services for Air-conditioning for a period ending 30 June 2027	Tarentaal E	2024/06/07	Patsago Project Management Services CC t/a Blue Aqua Projects	1	Gqeberha	Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT)
12	SCM/2024/79/COMM	Supply & Delivery of Heavy-Duty Compaction Containers	Windvogel J	2024/06/07	Akura Manufacturing Engineering Company (Pty) Ltd	0	Paarl	R 828 000,00

Section 2: Finance

5.3. We also report in terms of all contracts awarded as follows:

5.3.1. B-BBEE compliant enterprises,

5.3.2. B-BBEE Enterprises within the Bitou Municipality Area,

5.3.3. Enterprises within the Bitou Municipality Area.

5.4. The schedule compares the results with that of the previous procurement year as well as the year-to-date, as follows:

#	Description	1 st Quarter 2023/24	2 nd Quarter 2023/24	3 rd Quarter 2023/24	4 th Quarter 2023/24
1.	Tenders Awarded	13	13	6	12
2.	Contracts concluded resulting from the tenders. (Individual suppliers or service providers appointed because of the tenders awarded)	32	23	10	25
3.	Estimated Value of Tenders Awarded	R26,971,627.91	R61,350,024.47	R145,166,274.00	R308 177 686,74
4.	Number of Appeals Received	0	1	1	1
5.	Number of Appeals in Progress	0	0	1	1
6.	Number of successful appeals	0	0	0	0
7.	Number of Contracts Awarded to B-BBEE Enterprises	23	16	8	16
8.	Value of Contracts Awarded to B-BBEE Enterprises	R 26,971,627.91	R50,585,024.47	R28,713,008.00	R228 023 367,35
9.	% of Contracts Awarded to B-BBEE Enterprises	98.89%	69.57%	80.00%	64.00%
10.	Number of Contracts Awarded to Enterprises based in the Bitou Municipality Area	4	5	2	6
11.	Value of Contracts Awarded to Enterprises based in the Bitou Municipality Area	Various Rates	Various Rates	Various Rates	Various Rates

Section 2: Finance

#	Description	1 st Quarter 2023/24	2 nd Quarter 2023/24	3 rd Quarter 2023/24	4 th Quarter 2023/24
12.	% of Contracts Awarded to Enterprises based in the Bitou Municipality Area vs All Contracts	0	21.74%	20.00%	24.00%
13.	Sub-Contracts to Local SMME's	0	0	0	0
14.	% of Contracts & Sub-Contracts Awarded to Local SMME's vs All Contracts	0	0	0	0

5.5. All tenders were opened in public, and the results of the opening were recorded in a Bid Opening Register and placed on the Municipal Website as per Section 21A of the Municipal Systems Act. A schedule attached as (**Annexure A: Comparative Tender Schedule**), details the tenders opened and awarded versus the unsuccessful competitive bids as per additional Council oversight request.

6. **Tenders - Procurement Process Timeline**

The performance of the SCM Unit is measured by the turn-around time on its procurement processes. This can either be on a target of 30 days for a regular tender process, with a 14-day advertisement period or 45 days for a tender advertised for a period of 30 days. A schedule is attached as (**Annexure B**) indicating the timelines for a full procurement cycle underlying each tender award, in terms of the following criteria:

#	Description of Measurement Criteria per Tender	Average Calendar Days Q1	Average Calendar Days Q2	Average Calendar Days Q3	Average Calendar Days Q4
1.	Average Calendar Days from Bid Specification Committee (BSC) to Bid Adjudication Committee (BAC) - Full Procurement Cycle	92	100	140	116
2.	Average Calendar Days from Tender Advertisement Date to BAC	73	85	129	105
3.	Average Calendar Days from Tender Closing Date to BAC	55	61	92	59
4.	Average Calendar Days from Tender Closing Date to BEC - Tender Evaluation	47	53	77	47

Section 2: Finance

#	Description of Measurement Criteria per Tender	Average Calendar Days Q1	Average Calendar Days Q2	Average Calendar Days Q3	Average Calendar Days Q4
5.	Tender with Fastest Procurement Process: BSC to BAC	51	42	27	63
6.	Tender with Longest Procurement Process: BSC to BAC	144	140	90	169

7. **Formal Written Price Quotations between R 30 000 and R 300 000**

- 7.1. The procurement of Formal Written Price Quotations has been streamlined by obviating the need for Bid Specification and Evaluation Committees before a Director could make an award. This change was made to improve the turnaround time for procurement.
- 7.2. **Thirty-One (31)** RFQ's were awarded by the Directors in terms of their delegated authority for a total value as follows:

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
1	SCM/RFQ/2024/59/CORP	Provision of Occupational Functional Capacity Evaluation	Mrs. V Cunningham	02 April 2024	Dominique Van Wyk t/a Dominique Van Wyk Occupational Therapist	0	Knysna	Various rates, total transactions are limited to R 300 000.00 (Incl. VAT)
2	SCM/RFQ/2024/71/CORP	Accommodation in Plettenberg Bay for a Municipal Official for the Period of 15th April - 28 June 2024.	Mrs. V Cunningham	11 April 2024	Property Management Services (Pty) Ltd t/a Castleton Self-catering Accommodation	4	Bitou	R 115 500,00
3	SCM/RFQ/2024/65/COMM	Re-advertisement-Rental Of Essential Office Container For a Period Ending 31 December 2024	Mr. J Sijama	18 April 2024	MZ Trading's and Services (Pty) Ltd	1	Bitou	Various rates, total transactions are limited to R 300 000.00 (Incl. VAT)
4	SCM/RFQ/2024/64/COMM	Re-Advertising Provision of Maintenance and Paint Work of Main Office Building	Mr. J Sijama	08 May 2024	Mndilisi and Sons Construction (Pty) Ltd	0	Bitou	R 192 034,00
5	SCM/RFQ/2024/67/COMM	Repair and Maintenance work to be done at Councillor's Offices.	Mr. A Benjamin	09 May 2024	Bumza Projects (Pty) Ltd	0	George	R 38 560,00
6	SCM/RFQ/2024/68/COMM	Repair and maintenance work to be done at Kranshoek sports ground.	Mr. A Benjamin	08 May 2024	Bumza Projects (Pty) Ltd	0	George	R 30 280,00
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Laurencia Andrews t/a Isiyetu Projects (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Potwana for Siyo General Trading (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	One Way Global Group (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Inga and Sihle General Trading (Pty) Ltd	0	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	MZ Tradings and Services (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Otha Construction and Civil (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Selfcon (Pty) Ltd t/a Selfcon Business Group	0	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Ukuqonoo Construction CC	0	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Furicom (Pty) Ltd	0	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
7	SCM/RFQ/2024/69/COMM	Grass Cutting at Various pump stations on a panel of contractors	Mr. J Basson	22 May 2024	Bay Developments (Pty) Ltd	0	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
8	SCM/RFQ/2024/70/COMM	Repair and maintenance work to be done at New Horizon sports ground.	Mr. A Benjamin	08 May 2024	Laurencia Andrews t/a Isiyetu Projects (Pty) Ltd	1	Bitou	R 144 235,00
9	SCM/RFQ/2023/73/COMM	Supply and install laminating flooring at: Cottage No2, Ebenezer	Mr. A Benjamin	08 May 2024	Kukokonke Trading (Pty) Ltd	1	Bitou	R 68 587,60
10	SCM/RFQ/2024/77/COMM	Collection of Recyclable Waste	Mr. D Baartman	26 April 2024	Masiqhame Trading 672 CC	1	Bitou	R 287 500,00
11	SCM/RFQ/2024/82/MM	Transport for Freedom Day Celebration that will be held on the 27 April 2024 in Green Valley Sports Field- 1. Kranshoek Multi-purpose center to Green valley Sport field, 2. Kurland community hall to Green valley Sport field and back , 3. New Horizon Community Hall to Green valley sport field and back	Mr. R Plaatjies	26 April 2024	MZ Trading's and Services (Pty) Ltd	1	Bitou	R 34 800,00
11	SCM/RFQ/2024/82/MM	Transport for Freedom Day Celebration that will be held on the 27 April 2024 in Green Valley Sports Field- 1. Kwanokuthula Community Hall to Green valley Sport field and back , 2. Harkerville/ forest view to Green valley sport field and back	Mr. R Plaatjies	26 April 2024	Bolekwa General Trading CC	1	Bitou	R 10 200,00

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
12	SCM/RFQ/2024/83/MM	Catering for the Freedom Day celebration that will be held on the 27 April 2024 at the Green Valley Sport Field.	Mr. R Plaatjies	26 April 2024	S'phethezona Trading and Investments CC	1	Bitou	R 45 347,00
13	SCM/RFQ/2024/84/MM	Provision of Sound, Stage and Artist for the Freedom Day Celebration that will be held on the 27 April 2024 in Green valley Sport Field.	Mr. R Plaatjies	26 April 2024	IROCK Trading (Pty) Ltd	0	Bitou	R 142 600,00
14	SCM/RFQ/2024/79/CORP	Provision of Recruitment Agency	Mrs. V Cunningham	09 May 2024	Amasiko Trading Enterprise CC	0	Johannesburg	Various rates, total transactions are limited to R 300 000.00 (Incl. VAT)
15	SCM/2024/76/ENG	Supply & delivery of Mechanical Workshop Tools and Equipment for a period ending 30 June 2024	Sunkar S	14 May 2024	Wurth South Africa Co (Pty) Ltd	0	Kempton Park	R 194 320,10
16	SCM/RFQ/2024/72/COMM	Repairs and Maintenance work to be done at Bossiegif Community Hall.	Mr. A Benjamin	23 May 2024	Mbayo Projects (Pty) Ltd	1	Bitou	R 93 660,00
17	SCM/RFQ/2024/99/COMM	Re-advertising Supply and Delivery of Outreach Equipment and Tools for Libraries	Mr. V Moodley	23 May 2024	Plett Building Supplies CC t/a Plett Build IT	0	Bitou	R 22 278,36
18	SCM/RFQ/2024/100/MM	Provision of Facilitation and Training	Ms. Mangxaba	30 April 2024	Jeke Lamavuso Projects (Pty) Ltd	0	Bitou	R 130 000,00

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Mbayo Projects (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	One Way Global Group (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Bay Developments (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Nimiety Opulence Group (Pty) Ltd	0	Knysna	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Ukuqonoo Construction CC	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Laurencia Andrews t/a Isiyetu Projects (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Lukholo Projects and Investments (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	S'phethezona Trading and Investments CC	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
19	SCM/RFQ/2024/74/COMM	Clearing & Pruning of Vacant Stands on a panel of contractors	Mr. J Basson	22 May 2024	Mbeko Mancam (Pty) Ltd	1	Bitou	Various rates, total transactions combined are limited to R 300 000.00 (Incl. VAT)
20	SCM/RFQ/2024/75/COMM	Service and Maintenance of Small Plant & Machinery.	Mr. J Basson	22 May 2024	The Cut N Mow Specialists (Pty) Ltd t/a George Lawnmowers & Chainsaws	2	George	Various rates, total transactions are limited to R 300 000.00 (Incl. VAT)
21	SCM/RFQ/2024/87/ENG	Monitoring Vecto-Graphs Through Webhosting System	Mr. MJ Rhode	13 June 2024	CT Lab (Pty) Ltd	0	Stellenbosch	Rate based; total transactions are limited to R 300 000.00 (Incl. VAT)
22	SCM/RFQ/2024/88/ENG	Cleaning of Roads, SW Channels and Manholes in Residential Areas of Bitou.	Ms. S Madolo	19 June 2024	Gqukani Trading (Pty) Ltd	1	Bitou	Rate based; total transactions are limited to R 300 000.00 (Incl. VAT)
23	SCM/RFQ/2024/85/FIN	Provision of Supply Chain Management Bid Committee Training Services.	Mr. N Maredi	19 June 2024	Trainers Without Borders CC	1	Johannesburg	R 90 000,00
24	SCM/RFQ/2024/101/MM	Provision of Stretch Tent for Youth Day Celebrate 16 June 2024 at Bossiesgif Sport Field	Mr. R Plaatjies	13 June 2024	Irock Trading (Pty) Ltd t/a Irock Event's	1	Bitou	R 30 000,00

Section 2: Finance

BITOU MUNICIPALITY								
FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2023/24 PROCUREMENT YEAR FOR THE QUARTER 4 - PERIOD 01 APRIL TO 30 JUNE 2024								
#	FWPQ NUMBER	DESCRIPTION	PROJECT MANAGER	DATE OF AWARD	AWARDED TO	B-BBEE STATUS LEVEL	LOCALITY	TOTAL ESTIMATED AMOUNT (Including VAT)
25	SCM/RFQ/2024/103/MM	Provision of Catering for the Youth Day Celebration 16 June 2024 at Bossiesgif Sport Field.	Mr. R Plaatjies	13 June 2024	Urshie's Enterprises	1	Bitou	R 52 957,00
26	SCM/RFQ/2024/104/MM	Provision of Sound System and Stage for the Youth Day Celebration 16 June 2024 at Bossiesgif Sport Field	Mr. R Plaatjies	13 June 2024	Shekinah Unlimited (Pty) Ltd	1	Bitou	R 114 800,00
27	SCM/RFQ/2024/105/MM	Provision Artist and Stage Management for the Youth Day Celebration 16 June 2024 at Bossisgif Sport Field.	Mr. R Plaatjies	13 June 2024	Irock Trading (Pty) Ltd t/a Irock Event's	1	Bitou	R 171 500,00
28	SCM/RFQ/2024/106/MM	Provision of Transport for the Youth Day Celebrate 16 June 2024 at Bossiesgif Sport Field	Mr. R Plaatjies	13 June 2024	ME Nocezo	1	Bitou	R 19 200,00
29	SCM/RFQ/2024/107/ENG	RE-Advertising Supply and Delivery of a 30KV, 900 Joule Surge Generator (Thumper).	Mr. MJ Rhode	13 June 2024	Flo Specialized Product Solutions	1	Cape Town	R 231 566,01
30	SCM/RFQ/2024/108/ENG	Supply, Delivery and Installation of Office Furniture.	Ms. EZ De Bruin	14 June 2024	Noyo Project Development	0	Bitou	R 110 197,30
31	SCM/RFQ/2024/89/ENG	Supply and Delivery of 8 Steel Toolboxes with Tools Include.	Mr. MJ Rhode	29 June 2024	FLO Specialised Product Solutions	1	Cape Town	Rate based; total transactions are limited to R 300 000.00 (Incl. VAT)

Section 2: Finance

The average time of processing the thirty (31) Formal Written Price Quotations in Q4 was **twenty (22)** days. As per the SCM Unit’s standard of measurement, the average time to processing a single Formal Written Price Quotations should be at least **ten (10)** days after the closure of the bid.

- Allow to Bitou’s local SMMEs to remedy their municipal rates and taxes accounts with the Revenue Section; as well.
- Tax matters with SARS, in addition.
- Construction Industry Development Board (cidb) status renewals.
- This was allowed to the benefit to the SMMEs in enhancing their participation in the municipality’s procurement opportunities. Furthermore, there were instances where procurement related communiques were sent out to either the Project Managers or bidders to confirm technical matters. The response to such communiques were not attended to promptly by the recipients, resulting to unwarranted delays.

#	Description of Measurement Criteria	Average Calendar Days- 2023/24- Q1	Average Calendar Days- 2023/24- Q2	Average Calendar Days- 2023/24- Q3	Average Calendar Days- 2023/24- Q4
1	Average Calendar Days from Advertisement Date to Award	16	27	25	33
2	Average Calendar Days from Closing Date to Award	9	20	17	22

8. Deviations from the SCM Policy

Section 36(1) of Council’s Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement processes under certain circumstances. During the 3rd Quarter of the 2023/24 procurement year, only **one (1)** deviation was considered and approved to the total value of **R3 011 250,00** as follows:

DEVIATIONS APPROVED DURING THE 2023/2024 PROCUREMENT YEAR FOR THE PERIOD 01 JANUARY TO 31 MARCH 2024 – Q3						
#	DATE APPROVED	PROJECT MANAGER	REASON FOR DEVIATION	MOTIVATION FOR DEVIATION	SUPPLIER/S ERVICE PROVIDER	AMOUNT
1	2024/06/27	Ganga S	Exceptional Case	Delays to acquire accommodation was due to the delay in confirmation of vetting of officials to attend and then to receive confirmation only late in June 2024, and to have go through the procurement process without	Lorcocom (Pty) Ltd	R 3 011 250,00

Section 2: Finance

DEVIATIONS APPROVED DURING THE 2023/2024 PROCUREMENT YEAR FOR THE PERIOD 01 JANUARY TO 31 MARCH 2024 – Q3						
#	DATE APPROVED	PROJECT MANAGER	REASON FOR DEVIATION	MOTIVATION FOR DEVIATION	SUPPLIER/SERVICE PROVIDER	AMOUNT
				confirmation/vetting of officials to attend may have led to fruitless and wasteful expenditure. In addition, the cost for accommodation in Gqeberha being the nearest to Bitou, results in saving for transport and other logistical expenses versus Cape Town the second nearest which will result in excessive travel costs. The service provider is situated near the training venue and easily accessible for staff to attend without any difficulty.		
					<u>TOTAL</u>	<u>R3 011 250,00</u>

8.1. Deviations were approved in the following categories provided for in terms of Section 36(1) of the SCM Policy versus total deviations processed for the Q4:

Section from SCM Policy	Categories	Value (R) of Deviations Approved			
		Q1: 2023/24	Q2: 2023/24	Q3: 2023/24	
36(1)(a)(i)	In an emergency which is considered an unforeseeable and sudden event with materially harmful or potentially materially harmful consequences for the municipality which requires urgent action to address	R 0.00	R 0.00	R 0.00	R 0.00
36(1)(a)(ii)	Where it can be demonstrated that goods or services are produced or available from a single provider only	R 0.00	R 0.00	R 0.00	R 0.00
36(1)(a)(v)	Exceptional case and it is impractical or impossible to follow the official procurement processes	R 282 139.98	R 853 300.00	R2,251,824.61	R3 011 250,00
	Total	<u>R 282 139.98</u>	<u>R 853 300.00</u>	<u>R2,251,824.61</u>	<u>R3 011 250,00</u>

Section 2: Finance

8.2. The applications for deviations are continuously monitored to reduce the incidents and competitive bidding processes are instituted immediately upon identification of recurring deviations, wherever possible.

8.3. Supply Chain Management Bid Committees

8.3.1 Bid Specification Committee

The **Bid Specification Committee (BSC)** had scheduled **eleven (11)** meetings for the 4th Quarter of the 2023/24 procurement year. The Bid Specification Committee makes use of the Demand Management Plan as a strategic procurement tool.

#	Description of Criteria	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4
1	Bid Specification Committee Meetings scheduled and convened	8	21	9	11

Even though the SCM Unit has experienced challenges relating to the timeous receiving of specifications from the project managers, there has, however, been a huge improvement on the side of project managers in this regard. This also assisted the SCM Unit to improve on the turnaround time toward the implementation of the Demand Management Plan 2023/24.

For Quarter 4, the Supply Chain Management Unit processed its procurement requests in line with the Bitou Annual Procurement Plan 2023/24. The said Bitou Annual Procurement Plan emanates from the approved municipal budget. As part of the effectiveness of the SCM Unit, the Unit has introduced monthly reports in line with the Annual Procurement Plan, and submitted to the Municipal Manager, through the Office of the Chief Financial Officer.

Credit needs to be given to the Project Managers for the improvement toward the compilation of Bid Specifications. The SCM Unit has noted with exhilaration the timeous completion of tender specifications at the BSC Meetings. The latter connotes that the rate of back referrals of tender specifications from BSC to Project Managers, or the delays within the BSC processes due to the quality of tender specifications has reduced substantially. If such a reduction could be carried out or extended into the 2024/25 procurement year and beyond, the municipality would experience a trajectory performance on both the Capital and Grant Expenditure.

8.3.2 Bid Evaluation Committees

For the Quarter 4, the **Bid Evaluation Committee (BEC)** has scheduled **ten (10)** meetings. However, there have been fewer delays experienced due to the non-availability of the members, which resulted to meetings being re-convened. Furthermore, there were also fewer back referral of items to Project Managers due to clarity being required on technical matters. One other reason for the delays has been as a result of the delayed submission of functionality evaluation reports by the Project Managers/Technical Evaluation Committees (TECs).

Section 2: Finance

#	Description of Criteria	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4
1	Bid Evaluation Committee Meetings scheduled and convened	12	7	5	10

8.3.2.1 Technical Evaluation Committee

Section 7(1)(2) & (3) of the SCM Policy requires that a Technical Evaluation Committee (TEC) be appointed and implementation as approved in the Supply Chain Management Policy, for ease of reference the policy prescript is quoted verbatim below:

27. Bid evaluation committees

- 1) *The SCM Unit must convene a technical evaluation committee, where,*
 - a) *The value of the tender for goods and services exceeds the amount of R2 million (excluding VAT),*
 - b) *The value of the tender for infrastructure exceeds the amount of R2,5 million (excluding VAT),*
- 2) *The committee must be composed of the Chairperson, at least three members, an SCM Practitioner and the relevant Project Manager.*
- 3) *The Committee must work through the entire tenders' specifications to assess the bidders' ability to rendering service or delivering goods to the municipality.*

To provide context on the past processes followed, where bids were issued to project managers to evaluate and draft reports on by themselves or gather officials to assist in the finalization on a draft report to serve at the BEC, which proved the process to be fragmented, not time based, and time consuming. It can also be attested that in the previous financial year, the TEC system was in an adaptation phase. This has afforded an opportunity for Bitou officials, with the necessary skills, to collaborate with each tender, and compile evaluation technical reports for the submission to the Bid Committee Committees. It needs to be mentioned that the TEC is a part of the BEC, and not a stand alone committee.

It cannot be denied that the overall implementation of the Demand Management Plan 2023 / 24 had some challenges. Some of the referred challenges have included, among others,

- Non-attendance of delegated Chairpersons and officials,
- Reluctance of Project Managers to fully participate in sittings.

With that in mind, the TEC in Bitou had demonstrated sheer segregation of duties in the evaluation process of bids. As a key control in the evaluation of bids, the introduction and implementation of TECs in Bitou was intending to minimize the occurrence of errors or fraud by ensuring that no members of the evaluation committee has the ability to both perpetrate and conceal errors or fraud in the normal course of their duties. Cognizance to be taken that the municipality has registered only two (2) ongoing Appeals, looking into the number of awards made in the entire 2023 / 24 Procurement Year. Without any shadow of a doubt, one can argue that the controls applied around the bid committee system of Bitou has improved tremendously over the years. However, more still needs to be attended to.

Section 2: Finance

8.3.3 Bid Adjudication Committees.

For the Quarter 4, the **Bid Adjudication Committee (BAC)** had scheduled eight (8) meetings.

#	Description of Criteria	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q3
1	Bid Adjudication Committee Meetings scheduled and convened	11	8	3	8

For the 2023 / 24 Procurement Year, the municipality has pride itself with the independence of the BAC to the BEC. The Bitou Municipality's procurement system has always been characterized by the compliance to five principles of good governance, which are: (1) fairness, (2) equity, (3) transparency, (4) competitiveness and (5) cost effectiveness. The municipality's BAC has always been an integral part of such characteristics.

The awarding of tenders in the current procurement year has sheerly demonstrated that the bids' awarding process of the municipality contained a composed system of accountability. The said process has also ensured that an effort existed to integrate procurement into a more strategic view of Council's efforts to relentless service delivery and scintillating local economic development. The recording of the two (2) appeals by the municipality serves as a demonstration of senior management's tutelage procurement processes free of fraud and corruption.

8.4 Irregular, Fruitless and Wasteful Expenditure.

8.4.1 SCM Regulations 2023

For the 2023/24 Procurement Year, the municipality has incurred the Irregular Expenditure amounting to R1 868 534.58 between the period of 01 July 2023 and 28 February 2024.

On 13 November 2023, the Auditor-General SA (AGSA) issued Bitou Municipality with a ComAF Number 13 relating to procurements below the value of R30 000 per transaction. It should be noted that this was a universal finding, which was issued to about sixteen (16) municipalities in the Western Cape.

In the referred finding, the AGSA indicated that during the municipality's audit on Supply Chain Management, it was observed that the preferential points system was not applied to written quotations below R30 000 (VAT included) incurred from 16 January 2023. There was then a dispute or argument between the sixteen (16) affected municipalities, where the WC Provincial Treasury had to intervene. A meeting was initiated by WC Provincial Treasury, Office of the Auditor-General in the WC as well as the 16 affected WC municipalities (the delegation of the municipalities was headed by Breede-Valley Municipality).

During the meeting, it was resolved that each municipality should investigate the full population of formal quotes below R30 000 as occurred between 16 January and 30 June 2023,

Section 2: Finance

as well as between 01 July 2023 and 30 June 2024. The municipalities were to quantify the procurement amounts that were not in complaint to PPR 2022. Such amounts were to be disclosed as Irregular Expenditure in the municipality's Annual Financial Statements. Subsequently, the National Treasury issued a Preferential Procurement Regulations 2023 on 14 December 2023 to set a tone on the procurement thresholds below R50 million, that being the value R2 001 up to R50 million.

From the Regulation 2023, it would then be expected of all municipalities to be complaint with PPR2023 with effect from 01 March 2024. Furthermore, the AGSA in their 2023/24 financial audit would also focus on the implementation of PPR2023, where it would be expected for Bitou Municipality to submit all the necessary information substantiating to such compliance. The municipality would also be expected to submit to AGSA, a substantive proof that Council has refereed the Irregular Expenditure under discussion to MPAC for investigation, and/or Council has written-off such an expenditure.

For the expenditure of R1 868 534.58, the SCM Unit will submit a report to MPAC for investigation.

8.4.2 Potential Irregular Expenditure per Irregular Expenditure Register 2023 / 24

For 2023 / 24 Procurement Year, the municipality has recorded Five (5) transactions to the amount of R121 612 as Potential Irregular Expenditure.

Date	Description	Supplier / Service Provider	Vat	Total (Vat Incl.)
18-Feb-24	Accommodation for 5 Bitou Electrical Apprentices for 53 nights	Munside Chalets (Pty) Ltd	-	19 000,00
13-May-24	Catering	Selfcon	-	12 080,00
16-May-24	Catering	Beacon Island	-	40 532,00
13-May-24	Beverages	Sidomela Trading Enterprise	-	20 000,00
12-Jun-24	Catering	Inga and Sihle	-	30 000,00
				121 612,00

The SCM Unit will submit a report to MPAC on the above expenditure for investigation.

9 SCM Bid Committee Training: 26 & 27 JUNE 2024

The SCM Manager received budget of R90 000.00 and sourced a suitably qualified and experienced service provider to provide Bid Committee Training to SCM officials and officials serving on the Bid Specification, Evaluation Committees and user departments. The budget allowed for 30 officials to attend, and a wider audience was invited to ensure target is met and funds are adequately spent.

Section 2: Finance

Due to MMCL training, unavoidable work commitments and pre-arranged vacation leaves, only 20 officials could attend. It was pleasing on the part of the Project Manager (Mr. Maredi) and the facilitator to experience the informed debates and questions raised and believe this training will strengthen the understanding and synergy between the SCM Unit and user-departments during the 2024 / 25 procurement year.

The primary objectives of the training were:

- ✓ To ensure that officials identify and adhere to the procedures for advertising bids.
- ✓ To fully understand functions of bid committees
- ✓ To understand critical issues to consider when developing specification.
- ✓ To understand critical issues to consider when evaluating bids.
- ✓ To understand critical issues to consider when awarding bids.
- ✓ To link the bidding process to the latest case laws occurred between the organs of state and bidders.

The learning outcomes of the training were to ensure that the participants are able to:

- ✓ Understand the elements of the Supply Chain Management model with public service that applies to the bid committee system to establish the Supply Chain Management context.
- ✓ Understand the regulatory framework that governs Supply Chain Management within the public service to demonstrate an understanding of how each legislation and/or prescript regulates the decision making of bid committees.
- ✓ Know the ethical conduct for Supply Chain Management practitioners within the public service and how this impact on bid committee member behaviour.
- ✓ Compile tender documentation and bid invitation for a specific commodity, according to SCM Regulations, PPPFA and other regulatory framework in order to ensure that the process is fair, cost effective, competitive, transparent, and equitable.
- ✓ Evaluate bids and compile a written submission to the Bid Adjudication Committee recommending the award of the bid to a provider according to bid specification criteria to ensure fames and compliance and ensure that value for money is attained.
- ✓ Consider for the adjudication of bids, the written submissions from Evaluation Committee for fairness, correctness, and compliance against predetermined bid criteria or for the drawing up of a resolution to the relevant authorities for the award of the bid to a provider.
- ✓ Certificate of accreditation/attendance will be required on all delegates that attended the training.

FINANCIAL IMPLICATION

Financial implications are inherent in this financial report.

Section 2: Finance

EXECUTIVE SUMMARY

Section 6(3) of the Bitou Supply Chain Management Policy (SCM Policy) requires that the Accounting Officer submit a quarterly report on the implementation of the Policy to the Executive Mayor.

This report contains performance information on Tenders and Formal Written Quotations Awarded, as well as Deviations from the SCM Policy, considered and approved by the delegated officials, for the 4th Quarter, 01 April - 30 June 2024, of the 2023/24 procurement year.

RELEVANT LEGISLATION

Local Government: Municipal Finance Management Act 2003, (Act 56 of 2003)

Local Government: Municipal Finance Management Act 2003, (Act 56 of 2003): Municipal Supply Chain Management Regulations

Bitou Municipality Supply Chain Management & Preferential Procurement Policies

RECOMMENDED BY THE MUNICIPAL MANAGER

That Council notes the Supply Chain Management Implementation Report for the 4th Quarter, 01 April - 30 June 2024, of the 2023/24 procurement year in terms of Section 6(3) of the SCM Policy.

RECOMMENDED BY THE FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE

1. That Council notes the Supply Chain Management Implementation Report for the 4th Quarter, 01 April - 30 June 2024, of the 2023/24 procurement year in terms of Section 6(3) of the SCM Policy.