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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, Bids, Contracts and Compliance Management, and the Head: Acquisition, 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, Bids, Contracts and Compliance Management, and the Head: Acquisition, Demand, Logistics and Disposal Management are vacant. The said post are currently advertised. We are anticipating both posts to be permanently filled by the 1st of December 2024.

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

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.

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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 Q1 period are valued at **R14 296 574,94** (VAT Incl.). There were five (5) 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 Q1 period are valued at **R119 167 414,51** (VAT Incl.). There were **five (5)** Tenders awarded by duly delegated Accounting Officer. The referred awards are quantified as follows: -

| TENDER NUMBER | DESCRIPTION | TOTAL ESTIMATED AMOUNT (Including VAT) |
|------------------|--|---|
| SCM/2024/45/COMM | Construction of Engineering Services for Ebenezer (Phase 3) Portion 2 | R 29 000 000,00 |
| SCM/2024/46/COMM | Construction of Engineering Services for Ebenezer (Phase 3) Portion 3 | R 34 500 000,00 |
| SCM/2024/10/ENG | Upgrading of Stormwater in Bitou Areas for a Period Ending 30 June 2027 | R 20 000 000,00 |
| SCM/2025/01/ENG | Re-advertising Upgrading of the Kurland Wastewater Treatment Works: Civil Engineering Works. | R 25 000 000,00 |
| SCM/2024/95/COMM | Re-advertising Collection of Recyclable Waste Service for a Period Ending 30 June 2027 | R 10 667 414,52 |

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| BITOU MUNICIPALITY | | | | | | | | |
|---|------------------|---|-----------------|---------------|--|---------------------|--------------|---|
| TENDERS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
| # | TENDER NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 1 | SCM/2024/72/FIN | Panel of service providers to provide third-party payment facilities for consumers of the Bitou Municipality to pay their Municipal accounts for period ending 30 June 2027 | Zindlu A | 2024/07/22 | Pay At Services (Pty) Ltd t/a Pay@ | 8 | Stellenbosch | Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT) |
| 2 | SCM/2024/83/CORP | Re-Advertising Provision of Licensing, Maintenance and Support Services for our Adobe Acrobat Pro for Teams Software Ending 30 June 2027: Ranked 1 | Lewis G | 2024/07/22 | Tech Alliance (Pty) Ltd | 1 | Belville | Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT) |
| 2 | SCM/2024/83/CORP | Re-Advertising Provision of Licensing, Maintenance and Support Services for our Adobe Acrobat Pro for Teams Software Ending 30 June 2027: Ranked 2 | Lewis G | 2024/07/22 | Siraha Group (Pty) Ltd | 0 | Roodepoort | Rate based, subject to availability of funds, not exceeding R 10mil (Incl. VAT) |
| 3 | SCM/2024/45/COMM | Construction of Engineering Services for Ebenezer (Phase 3) Portion 2 | Maki F | 2024/07/22 | Norland Construction (Pty) Ltd | 1 | Mossel Bay | R 29 000 000,00 |
| 4 | SCM/2024/46/COMM | Construction of Engineering Services for Ebenezer (Phase 3) Portion 3 | Maki F | 2024/07/22 | Star Time Trading CC | 1 | Gqeberha | R 34 500 000,00 |
| 5 | SCM/2024/10/ENG | Upgrading of Stormwater in Bitou Areas for a Period Ending 30 June 2027 | Ms. S Madolo | 2024/09/13 | Naso Civil and Building (Pty) Ltd / Loyiso Ranuga Projects t/a L R Projects JV | 1 | Bitou | Rate based, subject to availability of funds, exceeding R 10mil (Incl. VAT) |
| 6 | SCM/2024/103/ENG | Upgrading of the Plettenberg Bay Water Treatment Works: Phase 2 | Meiring M | 2024/09/02 | SNR Electrical CC | 1 | Bitou | R 5 035 411,39 |
| 7 | SCM/2024/104/ENG | Natures Valley Bulk Water Supply Phase 2: Replacement of Reservoir | Meiring M | 2024/09/02 | Leruo Baueng Trading Enterprise CC | 1 | Bitou | R 5 955 363,55 |

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|---|------------------|---|-----------------|---------------|------------------------------|---------------------|----------|---|
| TENDERS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
| # | TENDER NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 8 | SCM/2025/01/ENG | Re-advertising Upgrading of the Kurland Wastewater Treatment Works: Civil Engineering Works. | Meiring M | 2024/09/13 | Rudcor Engineering (Pty) Ltd | 1 | Bitou | R 25 000 000,00 |
| 9 | SCM/2024/34/COMM | Provision of Beach Safety Coordinating, Training and Consulting Services for a Period Ending 30 June 2027 | Prins J | 2024/09/20 | Bulumko Bamaza (Pty) Ltd | 1 | Bitou | Monthly Rate, subject to availability of funds, not exceeding R 10mil (Incl. VAT) |
| 10 | SCM/2024/95/COMM | Re-advertising Collection of Recyclable Waste Service for a Period Ending 30 June 2027 | Mr. D Baartman | 2024/09/27 | Masiqhame Trading 672 CC | 1 | Bitou | Monthly Rate, subject to availability of funds, not exceeding R 10mil (Incl. VAT) |

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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 2024/25 |
|-----|--|------------------------------------|
| 1. | Tenders Awarded | 10 |
| 2. | Contracts concluded resulting from the tenders. (Individual suppliers or service providers appointed because of the tenders awarded) | 11 |
| 3. | Estimated Value of Tenders Awarded | R133 463 989,45 |
| 4. | Number of Appeals Received | 0 |
| 5. | Number of Appeals in Progress | 0 |
| 6. | Number of successful appeals | 0 |
| 7. | Number of Contracts Awarded to B-BBEE Enterprises | 10 |
| 8. | Value of Contracts Awarded to B-BBEE Enterprises | R133 463 989,45 |
| 9. | % of Contracts Awarded to B-BBEE Enterprises | 100% |
| 10. | Number of Contracts Awarded to Enterprises based in the Bitou Municipality Area | 6 |
| 11. | Estimated Value of Contracts Awarded to Enterprises based in the Bitou Municipality Area | R 67 829 189,46 |
| 12. | % of Contracts Awarded to Enterprises based in the Bitou Municipality Area vs All Contracts | 60% |

5.5. The Constitutional Court Ruling, by Judge J. Mhlantla that was delivered on 16 February 2023 had made it unlawful for 30% subcontracting to be made a compulsory prerequisite during tender submissions. The Court had argued that subcontracting should be removed as there could be possibility that 70% of the subcontractors' work could be sub-contracted to fully white-owned EMEs and QSEs, where of course, if a tenderer does not subcontract, the subcontractors may be limited. The National Treasury had also issued a communication on the matter on hand, for the municipalities in South Africa to amend their Supply Chain Management Policies.

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| | |
|----|---|
| 13 | Sub-Contracts to Local SMME's |
| 14 | % of Contracts & Sub-Contracts Awarded to Local SMME's vs All Contracts |

Below extracts out of the Preferential Procurement Regulations, 2017 determined to be unlawful- National Treasury Circular and PPPFA 2017 attached for reference:

Identification of preference point system, designated sector, pre-qualification criteria, objective criteria, and subcontracting.

3 (b) (b) determine whether pre-qualification criteria are applicable to the tender as envisaged in regulation 4;

Pre-qualification criteria for preferential procurement

4.(1) If an organ of state decides to apply for pre-qualifying criteria to advance certain designated groups, that organ of state must advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond-

(a) a tenderer having a stipulated minimum B-BBEE status level of contributor;

(b) an EME or QSE;

(c) a tenderer subcontracting a minimum of 30% to

(i) an EME or QSE which is at least 51% owned by black people;

(ii) an EME or QSE which is at least 51% owned by black people who are youth;

(iii) an EME or QSE which is at least 51% owned by black people who are women;

(iv) an EME or QSE which is at least 51% owned by black people with disabilities;

(v) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships.

(vi) a cooperative which is at least 51% owned by black people;

(vii) an EME or QSE which is at least 51% owned by black people who are military veterans;

(viii) an EME or QSE

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(viii) an EME or QSE.

(2) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.

Subcontracting as condition of tender

9.(1) If feasible to subcontract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups.

(2) If an organ of state applies subcontracting as contemplated in sub regulation

(1) the organ of state must advertise the tender with a specific tendering condition that the successful tenderer must subcontract with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-

(a) an EME or QSE;

(b) an EME or QSE which is at least 51% owned by black people;

(c) an EME or QSE which is at least 51% owned by black people who are youth;

(d) an EME or QSE which is at least 51% owned by black people who are women;

(e) an EME or QSE which is at least 51% owned by black people with disabilities;

(f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;

(g) a cooperative which is at least 51% owned by black people;

(h) an EME or QSE which is at least 51% owned by black people who are military veterans; or

(i) more than one of the categories referred to in paragraphs (a) to (h).

(3) The organ of state must make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in the respect of the applicable designated groups mentioned in sub regulation (2) from which the tenderer must select a supplier.

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 21(a) 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.

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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 |
|----|---|--------------------------|
| 1. | Average Calendar Days from Bid Specification Committee (BSC) to Bid Adjudication Committee (BAC) - Full Procurement Cycle | 130 |
| 2. | Average Calendar Days from Tender Advertisement Date to BAC | 114 |
| 3. | Average Calendar Days from Tender Closing Date to BAC | 85 |
| 4. | Average Calendar Days from Tender Closing Date to BEC - Tender Evaluation | 74 |
| 5. | Tender with Fastest Procurement Process: Tender Closing Date to BAC | 28 |
| 6. | Tender with Longest Procurement Process: Tender Closing Date to BAC | 133 |

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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. **Twenty-nine (29)** RFQ's were awarded by the Directors in terms of their delegated authority for a total value as follows:

| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|-----------------------|---|-----------------|---------------|--|---------------------|----------------|--|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 1 | SCM/RFQ/2024/109/COMM | Collection of Recyclable Waste | Mr. D Baartman | 2024/07/08 | Masiqhame Trading 672 CC | 1 | Bitou | R 287 500,00 |
| 2 | SCM/RFQ/2024/110/ENG | Supply Delivery and Install Mechanical Workshop Equipment | Mr. S Sunkar | 2024/07/04 | Cape Province Garage Equipment CC | 0 | Gqeberha | R 92 862,50 |
| 3 | SCM/RFQ/2025/01/COMM | Clearing of Illegal Dump Sites - Area: Pine trees | Mr. J Windvogel | 2024/09/13 | Mbayo Projects (Pty) Ltd | 1 | Bitou | Various rates, total combined transactions are limited to R 300 000.00 (Incl. VAT) |
| 3 | SCM/RFQ/2025/01/COMM | Clearing of Illegal Dump Sites - Area: Kwanokuthula | Mr. J Windvogel | 2024/09/13 | Akhanani and Anhe Construction (Pty) Ltd | 1 | Bitou | Various rates, total combined transactions are limited to R 300 000.00 (Incl. VAT) |
| 3 | SCM/RFQ/2025/01/COMM | Clearing of Illegal Dump Sites - Area: Green Valley | Mr. J Windvogel | 2024/09/13 | Duncan John William Sam t/a J.J Maintenance | 1 | Bitou | Various rates, total combined transactions are limited to R 300 000.00 (Incl. VAT) |
| 3 | SCM/RFQ/2025/01/COMM | Clearing of Illegal Dump Sites - Area: Kranshoek | Mr. J Windvogel | 2024/09/13 | Ukuqonoo Construction CC | 1 | Bitou | Various rates, total combined transactions are limited to R 300 000.00 (Incl. VAT) |
| 3 | SCM/RFQ/2025/01/COMM | Clearing of Illegal Dump Sites - Area: New Horizon | Mr. J Windvogel | 2024/09/13 | Selfcon (Pty) Ltd t/a Selfcon Business Group | 1 | Bitou | Various rates, total combined transactions are limited to R 300 000.00 (Incl. VAT) |
| 3 | SCM/RFQ/2025/01/COMM | Clearing of Illegal Dump Sites - Area: Kurland | Mr. J Windvogel | 2024/09/13 | Lizz's Tours (Pty) Ltd | 1 | Bitou | Various rates, total combined transactions are limited to R 300 000.00 (Incl. VAT) |
| 4 | SCM/RFQ/2025/02/COMM | Supply, Delivery & Installation of Weighbridge Operating Software | Mr. J Windvogel | 2024/08/15 | Massamatic Eastern Cape (Pty) Ltd | 0 | Uitenhage (EC) | R 41 500,00 |

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| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|----------------------|--|------------------|---------------|---|---------------------|----------|--|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 5 | SCM/RFQ/2025/04/ENG | Supply, Delivery of Laboratory Instrument. | Mr. R Tarentaal | 2024/09/03 | Sain's Agencies CC | 1 | Gqeberha | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 6 | SCM/RFQ/2025/05/ENG | Supply, Delivery of Laboratory Reagents and Materials. | Mr. R Tarentaal | 2024/09/03 | Sain's Agencies CC | 1 | Gqeberha | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 7 | SCM/RFQ/2025/06/ENG | Supply, Delivery of Various Electrical/Mechanical Components for Pumpstations | Mr. E Oosthuizen | 2024/09/03 | Viking Pony Africa Pumps (Pty) Ltd t/a Tricom Africa | 1 | Bitou | R 277 411,26 |
| 8 | SCM/RFQ/2025/07/COMM | Repairs & Maintenance Works for No.2 Ebenezer. | Mr. A Benjamin | 2024/09/13 | SBY Trading and Projects (Pty) Ltd | 1 | Bitou | R 111 000,00 |
| 9 | SCM/RFQ/2025/08/COMM | Rental of Plant & Machinery- Horizontal Grinder. | Mr. J Windvogel | 2024/08/21 | South Cape Plant Hire and Civil Contractors (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 10 | SCM/RFQ/2025/09/COMM | Rental of Plant & Machinery – 10m ³ Tipper Truck | Mr. J Windvogel | 2024/08/21 | South Cape Plant Hire and Civil Contractors (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 11 | SCM/RFQ/2025/10/COMM | Rental of Plant & Machinery - Dozer | Mr. J Windvogel | 2024/08/21 | South Cape Plant Hire and Civil Contractors (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 12 | SCM/RFQ/2025/11/COMM | Rental of Plant & Machinery - Excavator | Mr. J Windvogel | 2024/08/21 | South Cape Plant Hire and Civil Contractors (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 13 | SCM/RFQ/2025/12/COMM | Repairs and maintenance required at Green Valley Sports Field Ablution Facility. | Mr. A Benjamin | 2024/09/05 | Laurencia Andrews t/a Isiyetu Projects (Pty) Ltd | 1 | Bitou | R 107 687,74 |
| 14 | SCM/RFQ/2025/17/ENG | Supply & Delivery of Tools and Equipment - Items: - Cordless angle grinder; Cordless drill; Fuel driven generator; Compaction rammer; Circular saw and | Mr. R Tarentaal | 2024/09/13 | Plett Building Supplies CC t/a Plett Build It | 0 | Bitou | Various rates, total transactions combined for both RFQ awards are limited to R 300 000.00 (Incl. VAT) |

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| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|----------------------|--|-----------------|---------------|--|---------------------|-----------|--|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| | | Demolition hammer/ Jackhammer | | | | | | |
| 14 | SCM/RFQ/2025/17/ENG | Supply & Delivery of Tools and Equipment - Items: - Submersible water pump (electric); Petrol driven chainsaw; Submersible pump (HSP-3) (Fuel) and Professional porta pack with full gas bottles | Mr. R Tarentaal | 2024/09/13 | Terra Aqua Agencies (Pty) Ltd | 0 | Cape Town | Various rates, total transactions combined for both RFQ awards are limited to R 300 000.00 (Incl. VAT) |
| 15 | SCM/RFQ/2025/18/COMM | Repairs and maintenance required at New Horizons sport field {caretaker house} | Mr. A Benjamin | 2024/09/05 | Khollie and Sons Enterprises (Pty) Ltd | 1 | Bitou | R 45 520,00 |
| 16 | SCM/RFQ/2025/19/ENG | Supply & Delivery of New One Off 80mm Self Priming Diaphragm Sludge Pump Units with 4.8Hp (Net) Petrol Engine with Accessories. | Mr. R Tarentaal | 2024/09/05 | Viking Pony Africa Pumps (Pty) Ltd t/a Tricom Africa | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 17 | SCM/RFQ/2025/20/COMM | Erection of Queuing Shelter at Traffic Department Offices. | Mr. S Ganga | 2024/09/03 | Ukuqonoa Construction CC | 1 | Bitou | R 143 000,00 |
| 18 | SCM/RFQ/2025/21/COMM | Supply and Delivery of Body Cameras. | Mr. S Ganga | 2024/09/03 | Noyo Projects Development (Pty) Ltd | 1 | Bitou | R 80 979,75 |
| 19 | SCM/RFQ/2025/22/ENG | Rewind and Refurbishment of 4 off Submersible Pumps. | Mr. R Tarentaal | 2024/09/03 | SNR Electrical CC | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 20 | SCM/RFQ/2025/25/COMM | Collection of Recyclable Waste | Mr. J Windvogel | 2024/09/18 | Masiqhame Trading 627 CC | 1 | Bitou | R 299 000,00 |
| 21 | SCM/RFQ/2025/26/COMM | Appointment of Invasive Alien clearing contractor- Kurland; Keurbooms; Nature's Valley | Mr. J Basson | 2024/09/18 | Lizz's Tours (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |

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| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|----------------------|--|-----------------|---------------|--|---------------------|------------|---|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 21 | SCM/RFQ/2025/26/COMM | Appointment of Invasive Alien clearing contractor - Kranshoek; Airport area | Mr. J Basson | 2024/09/18 | Shekynah Projects CC | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 21 | SCM/RFQ/2025/26/COMM | Appointment of Invasive Alien clearing contractor - Harkerville and surrounds | Mr. J Basson | 2024/09/18 | V&J Maintenance and Tree Trimming | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 21 | SCM/RFQ/2025/26/COMM | Appointment of Invasive Alien clearing contractor - New Horizon; Town/CBD; Bossiesgif & Industrial Area; Qolweni & Pine trees | Mr. J Basson | 2024/09/18 | Plett Gardens (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 22 | SCM/RFQ/2025/28/COMM | Repairs and Maintenance required at New Horizons / Kwanokuthula / Town cemeteries. | Mr. A Benjamin | 2024/09/18 | Laurencia Andrews t/a Isiyetu Projects (Pty) Ltd | 1 | Bitou | R 49 789,97 |
| 23 | SCM/RFQ/2025/29/COMM | Supply & Delivery Of Protective Clothing For Bitou Municipality Integrated Waste Management - Sections: 1 - Two piece 100% Cotton conti suits with 50mm wide lime green reflective tape – YKK Zipper; 4- D59 Flame & acid suit pants, 4- Canteen housecoat; 13- Heat resistant boot; 16- PVC Gloves Shoulder Length (per pair); 17- PVC Coated Gloves (per pair) ; 21- Crayfish Gloves (per pair); 24- Reflective safety jacket; 25- Bush hat – Navy blue or khaki ; 27- Earplugs (per pair) | Mr. J Windvogel | 2024/09/18 | Platinum Suppliers (Pty) Ltd | 1 | Oudtshoorn | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 23 | SCM/RFQ/2025/29/COMM | Supply & Delivery Of Protective Clothing For Bitou Municipality | Mr. J Windvogel | 2024/09/18 | Heico Project Management 1 (Pty) Ltd | 1 | George | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |

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| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|----------------------|--|-----------------|---------------|----------------------------------|---------------------|----------|---|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| | | Integrated Waste Management - Sections: 2- Two piece 100% Cotton conti suits with 50mm wide lime green reflective tape – Button-Up; 3 - D59 flame & acid suit jacket; 6 - Golf shirts; 7 -Two-tone high visibility golf shirt; 5- High visibility rain jacket; 6 - Two-tone rain suits with reflective tape; 7- Weather resistant jacket with fur type inner lining ; 14- Safety shoes- ladies (per pair); 23- Shaded lens safety Spectacles; 31-Dust Masks and Respirators – Double Half Mask; 32- Full dust mask & Respirator (Box of 20); 33- TYVEK® 800 J Coveralls for pump station - Coveralls | | | | | | |
| 23 | SCM/RFQ/2025/29/COMM | Supply & Delivery of Protective Clothing for Bitou Municipality Integrated Waste Management - Sections: 12- Heat resistant shoe; 22- Disposable latex gloves (per pair) | Mr. J Windvogel | 2024/09/18 | EJ Juries Construction (Pty) Ltd | 1 | Bitou | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |

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| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|----------------------|--|------------------|---------------|---|---------------------|---------------|---|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 23 | SCM/RFQ/2025/29/COMM | Supply & Delivery Of Protective Clothing For Bitou Municipality Integrated Waste Management - Sections: 4- Woman's work shirt ; 2 - Woman's work trousers; 6- Woman's work shirt ; 8- Gumboots- steel toe cap ; 9 - Gum boots no steel cap; 10- Safety boots- male steel cap; 11- Safety boots - male no steel cap; 20- Pig-skin leather glove ; 26- Hard hat/head protection ; 28- 75SCP100 Series cartridge; 29 - 7000 Series cartridge; 30- Dust Masks and Respirators – Single Half Mask (Box of 20) | Mr. J Windvogel | 2024/09/18 | Pienaar Brothers (Pty) Ltd | 1 | Mossel Bay | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 23 | SCM/RFQ/2025/29/COMM | Supply & Delivery of Protective Clothing for Bitou Municipality Integrated Waste Management - Section: 15- Safety shoe – slip on (per pair) | Mr. J Windvogel | 2024/09/18 | Sihle Engineering and Construction (Pty) Ltd | 1 | KwaZulu-Natal | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 24 | SCM/RFQ/2025/31/ENG | Hire of Combination Unit for Cleaning of Sewer Pump Station Sumps Removal of Hazardous Waste. | Mr. R Padayachee | 2024/09/18 | Abaphumeleli Trading 651 t/a Pollution control services | 1 | Jeffrey's Bay | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |

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| FORMAL WRITTEN PRICE QUOTATIONS AWARDED DURING THE 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | | | |
|---|----------------------|--|------------------|---------------|--------------------------------------|---------------------|------------|---|
| # | FWPQ NUMBER | DESCRIPTION | PROJECT MANAGER | DATE OF AWARD | AWARDED TO | B-BBEE STATUS LEVEL | LOCALITY | TOTAL ESTIMATED AMOUNT (Including VAT) |
| 25 | SCM/RFQ/2025/32/ENG | Supply & Delivery of Flame and Acid (Chemical) Resistant Conti Suit Pants and Jacket (Navy) with Logo. | Mr. R Padayachee | 2024/09/18 | Platinum Suppliers (Pty) Ltd | 1 | Oudtshoorn | Various rates, total transactions are limited to R 300 000.00 (Incl. VAT) |
| 26 | SCM/RFQ/2025/37/COMM | Repairs and maintenance required at municipal rentals "No10 Flying Cloud / No3 Fiery Cross. | Mr. A Benjamin | 2024/09/18 | Ukuqonoo Construction CC | 1 | Bitou | R 61 890,00 |
| 27 | SCM/RFQ/2025/40/MM | Provision of Transport for the Heritage Day Celebration on the 28 of September 2024 in Kranshoek near Sport field. | Mr. S. Liwani | 2024/09/25 | Melikhaya Elvis Nocezo t/a ME Nocezo | 1 | Bitou | R 22 000,00 |
| 28 | SCM/RFQ/2025/41/MM | Provision Of Catering Service for The Heritage Day Celebration 28 September 2024 IN Kranshoek Near Sport Field. | Mr. S. Liwani | 2024/09/25 | Shekynah Projects CC | 1 | Bitou | R 39 831,00 |
| 29 | SCM/RFQ/2025/42/MM | Provision of Sound System, Stage and Artist, dancers, poets. Management for the Heritage Day Celebration on the 28th of September 2024 in Kranshoek. | Mr. S. Liwani | 2024/09/25 | Advanced Company (Pty) Ltd | 1 | Bitou | R 174 500,00 |

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The average time of processing the twenty (29) Formal Written Price Quotations in Q1 was **twenty (17)** 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 addressed promptly by the recipients, resulting to unwarranted delays.

| # | Description of Measurement Criteria | Average Calendar Days- 2024/25- Q1 |
|---|--|---------------------------------------|
| 1 | Average Calendar Days from Advertisement Date to Award | 26 |
| 2 | Average Calendar Days from Closing Date to Award | 17 |

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 1st Quarter of the 2024/25 procurement year, only **one (1)** deviation was considered and approved to the total value of **R19 692,80** as follows:

| DEVIATIONS APPROVED DURING 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | |
|--|---------------|-----------------|----------------------|--|---------------------------|---------|
| # | DATE APPROVED | PROJECT MANAGER | REASON FOR DEVIATION | MOTIVATION FOR DEVIATION | SUPPLIER/SERVICE PROVIDER | AMOUNT |
| 1 | 2024/08/14 | A Croutz | Exceptional Case | The Municipality decided to oppose the application, and it is now required to file a notice of opposition within 15 days from service of the application on the Municipality. The Application was served on the 1 August 2024, and the notice of opposition must be filed on or before 23 August 2023. The service of a legal practitioner is required, and the costs of the said practitioner is estimated to | Regan Brown Inc. | Ongoing |

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| DEVIATIONS APPROVED DURING 2024/25 FINANCIAL YEAR FOR THE QUARTER 1 - PERIOD 01 JULY TO 30 SEPTEMBER 2024 | | | | | | |
|--|---------------|-----------------|----------------------|--|---------------------------|-----------------------|
| # | DATE APPROVED | PROJECT MANAGER | REASON FOR DEVIATION | MOTIVATION FOR DEVIATION | SUPPLIER/SERVICE PROVIDER | AMOUNT |
| | | | | be more than R300 000.00. It is therefore impractical to follow the SCM process to make the appointment and it is as an exceptional case and justifiable deviation from the SCM processes. | | |
| | | | | | <u>TOTAL</u> | <u>Ongoing</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 Q1:

| Section from SCM Policy | Categories | Value (R) of Deviations Approved |
|-------------------------|---|----------------------------------|
| | | Q1: 2024/25 |
| 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 |
| 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 |
| 36(1)(a)(v) | Exceptional case and it is impractical or impossible to follow the official procurement processes | Ongoing |
| | Total | <u>Ongoing</u> |

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 **twelve (12)** meetings for the 1st Quarter of the 2024/25 procurement year. The Bid Specification Committee makes use of the Demand Management Plan as a strategic procurement tool.

| # | Description of Criteria | 2024/25 Q1 |
|---|---|------------|
| 1 | Bid Specification Committee Meetings scheduled and convened | 12 |

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The 2024 / 25 procurement year commenced with *con spirito*, where all the referred twelve (12) Bid Specification Committee Meetings were well attended. Furthermore, the quality of the bid specifications has continued to rise sharply in the 1st Quarter of 2024 / 25 procurement year. Credit must be given to the Bitou Managers and Project Managers to work as a unit to improve the municipality's tender specification. This has also reduced the number of back-referrals of bid specifications, from the BSC to Project Managers, due to quality or completeness of documents.

8.3.2 Bid Evaluation Committees

For Quarter 1, the **Bid Evaluation Committee (BEC)** has scheduled **eight (8)** meetings. However, there have been fewer delays experienced in completing the evaluation of tenders due to capacity constraints in the Supply Chain Management Unit. Only 1 person is in charge of performing compliance checks, the evaluation of tenders, as well as the submission of reports to the Bid Adjudication Committee. In the event where the referred person is not available, the evaluation processes halts. The municipality needs to consider acquiring the services of the second person to assist with the evaluation of tenders.

| # | Description of Criteria | 2024/25 Q1 |
|---|--|------------|
| 1 | Bid Evaluation Committee Meetings scheduled and convened | 08 |

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.*

The decision of the Council of Bitou Municipality, to adopt the concept of Technical Evaluation Committee in tenders, will forever be applauded. The TECs of Bitou Municipality have continued to provide neutral and unbiased technical evaluation of tenders. This has assisted the municipality to continue with the evaluation and the award of tenders without any appeals.

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8.3.3 Bid Adjudication Committees.

For the Quarter 1, the **Bid Adjudication Committee (BAC)** had scheduled five (8) meetings.

| # | Description of Criteria | 2024/25 Q1 | 2024/25 Q2 | 2024/25 Q3 | 2024/25 Q4 |
|---|--|---------------|---------------|---------------|---------------|
| 1 | Bid Adjudication Committee Meetings scheduled and convened | 8 | - | - | - |

For the 2024 / 25 procurement year, the Bitou Municipality still prides 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. And, the municipality's BAC has always been an integral part of such characteristics.

8.4 Irregular, Fruitless and Wasteful Expenditure.

8.4.1 Potential Irregular Expenditure per Irregular Expenditure Register 2024 / 25

None report.

FINANCIAL IMPLICATION

Financial implications are inherent in this financial report.

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 1st Quarter, 01 July to September 2024, of the 2024/25 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

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RECOMMENDED BY THE MUNICIPAL MANAGER

That Council notes the Supply Chain Management Implementation Report for the 1st Quarter, 01 July to September 2024, of the 2024/25 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 1st Quarter, 01 July to September 2024, of the 2024/25 procurement year in terms of Section 6(3) of the SCM Policy.