A4953

IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT (SCM) POLICY FOR 2024 / 2025 FINANCIAL YEAR (DIRECTOR: FINANCIAL SERVICES (CFO)

Purpose of the report

To submit a report to the Executive Mayor for consideration regarding the implementation of the Langeberg Municipality's Supply Chain Management Policy for the 2024/2025 financial year (01 July 2024 – 30 June 2025).

Background

Section 4 of the SCM Policy states as follows:

That Council must maintain oversight over the implementation of the Supply Chain Management Policy.
For the purpose of such oversight, the Accounting Officer must: -

(a) within 10 days after the end of each quarter, submit a report on the implementation of the Policy to the Executive Mayor;
(b) **within 30 days after the end of the financial year, submit a report on the implementation of the Policy to the Council**;
(c) whenever there are serious and material problems in the implementation of the Policy, immediately submit a report to the Executive Mayor; and
(d) make public the reports on the Policy in accordance with section 21A of the Systems Act.

1. Adoption of Policy

The SCM Policy was adopted by Council on 30 May 2024 for implementation in the 2024 / 2025 financial year.

2. Delegation

The following delegations were approved by the Municipal Manager and implemented:

- Delegations to do electronic transfers
- Delegations to sign purchase orders
- Delegations to approve requisitions

3. Sub-delegation

(1) The Accounting Officer may in terms of section 79 of the MFMA sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this policy, but any such sub-delegation must be consistent with legislation, this policy and subparagraph (2) of this paragraph.

(2) The power to make a final award with a transaction value: -
  (a) above R 10 000 000 may not be sub-delegated;
  (b) of R 300 000, but not exceeding R 10 000 000, may be sub-delegated but only to a bid adjudication committee of which the chief financial officer is the chairperson and at least 3 (three) senior managers are members and present at the consideration and all are in favour of the award; and
  (c) up to R 300 000 may be sub-delegated to an official.

(3) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated to make a final award in a competitive bidding process, otherwise than through the committee system provided for in paragraph 8 of the SCM policy.

4. Supply Chain Management Unit (SCM Unit)

The SCM Unit operates under the Finance Directorate, and the Manager: SCM reports directly to the Chief Financial Officer.

5. Range of Procurement processes

(1) The procurement of goods and services will be procured as follows: -

(a) petty cash purchases up to a transaction value of R 100. The Chief Financial Officer or senior manager can approve petty cash purchases up to an amount of R 500 per transaction in exceptional cases;
(b) a documented verbal quotation for purchases below R 2 000 which are not petty cash purchases;
(c) 3 (three) formal written quotations where the transaction value is between R 2 000 to R 300 000;
(d) a competitive bidding process is required for: -
(i) procurement for transactions above a value of R 300 000; and
(ii) the procurement of long-term contracts.

(2) The Accounting Officer may in writing lower, but not increase, the threshold values specified in (1) above.

(3) Goods or services may not be split into parts or items of a lesser value to avoid complying with the requirements of this Policy.

(4) When determining transaction values, the procurement of goods or services consisting of different parts or items must be treated and dealt with as a single transaction.

6. Bid Documents

The bid documents as prescribed by National Treasury include the *General Conditions of Contract*.

7. Bid Committee Structures

The following committees have been established:

(i) A Bid Specification Committee
(ii) A Bid Evaluation Committee
(iii) A Bid Adjudication Committee

COMPOSITION OF COMMITTEES

(i) Bid Specification Committee - The Accounting Officer appoints members to the Bid Specification Committee for each tender.

NAMES	**DEPARTMENT / SECTION**
Line Manager	Manager responsible for the function involved will serve as Chairperson.
Ms L.J Jass-Holmes	Practitioner: Supply Chain Management
When appropriate	External Specialist Advisor
Secundi	
Ms P Kana	Supply Chain Management

The following table details the number of Bid Specification Committee meetings held for the quarter under review:

Period	**Bid Specification Committee**	**No. of Meetings**	**No. of Items**	**No. of Agendas**
1st Quarter	July 2024 – Sep 2024	16	28	16
2nd Quarter	Oct 2024 – Dec 2024	11	15	11
3rd Quarter	Jan 2025 – March 2025	13	17	13
4th Quarter	Apr 2025 – June 2025	5	6	5
	Total	**45**	**66**	**45**

(ii) Bid Evaluation Committee - The following members have been appointed by the Accounting Officer:

NAMES	DEPARTMENT / SECTION
Mrs. J. Ladouce (1st Quarter) Mr. TH Carstens	Manager: Income Services (Chairperson) Manager: Human Resources(Chairperson)
Mrs. A. Swarts	Manager: IDP, Communication & PMS
Ms. L Deutchen	Practitioner: Supply Chain Management
Secundi	
Mr Corné Franken	Manager: Expenditure services (**Secundi**)
Mr. U. Nakasa	Manager: Income Services

NB. Mrs. J. Ladouce was the chairperson of the BEC for the first quarter of the 2024/2025 financial year, after which Mr. TH Carstens was appointed and assumed the chairmanship position of the BEC to date.

The following table details the number of Bid Evaluation Committee meetings held for the quarter under review.

Period	Bid Evaluation Committee	No. of Meetings	No. of Items	No. of Agendas
1st Quarter	July 2024 – Sep 2024	3	9	3
2nd Quarter	Oct 2024 – Dec 2024	6	27	6
3rd Quarter	Jan 2025 – March 2025	8	31	8
4th Quarter	Apr 2025 – June 2025	8	23	8
	Total	**25**	**90**	**25**

(iii) Bid Adjudication Committee – The following members have been appointed by the Accounting:

NAMES	DEPARTMENT / SECTION
Mr. M. Shude (July 2024– Dec 2024) Mr. A. Mati	Chief Financial Officer (Chairperson) Acting Chief Financial Officer (Chairperson)
Mr. A.W.J. Everson	Director: Corporate Services
Ms. C.O. Matthys	Director: Strategy & Social Development
Mr. M. Mgajo	Director: Community Services
Mr. D. Louwrens	Director: Engineering Services
Mr. S. Ngcongolo	Manager: Supply Chain Management
Secundi	
Mrs L. Jass-Holmes	Practitioner: Supply Chain Management

NB. Mr M. Shude was the chairperson of the BAC from July 2024 until December 2024. After which Mr A. Mati was appointed as a chairperson for the BAC from 9 December 2024 to date.

The following table details the number of Bid Adjudication Committee meetings held for the quarter under review:

Period	Bid Adjudication Committee	No. of Meetings	No. of Items	No. of Agendas
1st Quarter	July 2024 – Sep 2024	3	9	3
2nd Quarter	Oct 2024 – Dec 2024	6	27	6
3rd Quarter	Jan 2025 – March 2025	8	31	8
4th Quarter	Apr 2025 – June 2025	8	23	8
	Total	**25**	**90**	**25**

8. Verbal price quotations

The procurement of goods or services by means of a verbal quotation referred to in paragraph 14(1)(b) is as follows:-

(a) a verbal quotation may only be obtained for a transaction of a value of not more than R 2 000 (two thousand rand);
(b) quotations must be obtained from at least one service provider preferably from, but not limited to, service providers whose names appear on the list of accredited service providers of the Municipality. If quotations are obtained from a service provider who is not listed, such service provider must supply the information as set out in paragraph 16 of this Policy; and
(c) if a quotation was obtained verbally, the order may only be placed after written confirmation of such quotation and the required information have been received from the service provider.

9. Formal written price quotations

The procurement of goods or services through formal written price quotations referred to in paragraph 14(1)(c) is as follows:-

(a) quotations must be obtained in writing from the different providers whose names appear on the list of accredited service providers of the Municipality;
(b) in the case of specialised plant, machinery and vehicles, quotations may be obtained from providers who are not listed, provided that such providers supply the information as set out in paragraph 16 of this Policy;
(c) if it is not possible to obtain at least 3 quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official(s) designated by the Chief Financial Officer. Documentary proof must be provided that quotations have been requested;
(d) the official(s) referred in (c) above must within 3 days after the end of each month report to the Chief Financial Officer on any approvals given during that month by that official(s); and
(e) the names of the service providers and their written quotations must be recorded.

10. Further Procedures: formal written quotations

In addition to paragraph 19, the following must also be taken into account regarding formal written price quotations:-

(a) all transactions in excess of R 30 000 that are made by means of written quotations, must be advertised for at least 7 calendar days on the website and official notice board;
(b) where the quotations have been invited via the notice board and website of the Municipality, no additional quotations need to be obtained should the number of responses be less than 3 quotations;
(c) when using the list of accredited service providers, the Municipality must:-
    (i) promote ongoing competition amongst the providers, including by inviting providers to submit quotations on a rotational basis;
    (ii) promote the objectives of the Broad-Based Black Economic Empowerment Act;
    (iii) apply the Preferential Procurement Policy Framework Act and any applicable regulations; and
    (iv) promote the goals as identified by Council;

(d) the Accounting Officer must take all reasonable steps to ensure that the procurement of goods and services through formal written price quotations is not abused;
(e) the Accounting Officer must on a monthly basis be notified in writing of all formal written quotations accepted by an official acting in terms of a sub-delegation;
(f) offers below R 30 000 must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
(g) acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points;
(h) a proper record must be kept of the received written quotations;
(i) the goals of Council must be taken into account before offers/quotations are awarded; and
(j) in the case of construction works, where required a site inspection may be conducted before the close of the quotation due date to ensure that providers understand the scope of the project and that they comply with the conditions and requirements.

11. CAPITAL PROJECTS FOR THE PERIOD

The capital projects of the Municipality (table below) show consistent flow of tenders required throughout the financial year:

Tender No.	Name of Contractors	Tender Description	Total Amount
TE 12/2024	Inzalo UMS (PTY) Ltd	Provision of services for the disconnection and re-connection of municipal services for a period of three (3) years	R15 000 per 50 Disconnections / Reconnections
TE 19/2024	Qhawekasi Global (PTY) Ltd	Compilation and maintenance of the General Valuation and Supplementary Valuation Roll for a period of 5 years	Price per unit
TE 40/2023	Africoast Consulting (PTY) Ltd EFG Engineers (PTY) Ltd Invictus Engineering Services IX Engineers (PTY) Ltd Lyners JPCE JV Quantra Consulting SA Royal Mndawe Holdings (PTY) Ltd t/a Romh Consulting Sirocon International (PTY) Ltd WEC Consult (PTY) Ltd	Appointment of Consulting Engineering services for various projects for a 3-year period	Rates per service
TE 22/2024	Surtie Supply and Services	Development of Ashton Silos Cemetery Expansion	R451 876.68
Sita Transversal Contract RFB 740/2020- laptops	Siraha Group (PTY) Ltd	Sita Transversal Contract RFB 740/2020- laptops	R119 665.86
TE 40/2023	Lyners JPCE (JV)	Professional Services, Updating the Water and Sewer Master Plan	R3 061 645.00
TE 40/2024	IX Engineers (PTY) Ltd	Professional Services, Upgrade of Roads in Ashton and Montagu	R1 610 575.00
TE 04/2024	VE RETICULATION (PTY) LTD	SUPPLY, INSTALL AND COMMISSION HIGH MAST LIGHTS IN ZOLANI AND RIEMVASMAAK	R684 304.74
TE 22/2024	SURTIE SUPPLY AND SERVICES	DEVELOPMENT OF ASHTON SILOS CEMETRY EXPANSION	R451 876.68

Tender No.	Name of Contractors	Tender Description	Total Amount
TE 40/2023	LYNERS JPCE JV	APPOINTMENT REPORT: PROFESSIONAL SERVICES, UPDATING THE WATER AND SEWER MASTER PLAN	R3 061 645.00
TE 40/2024	IX ENGINEERS (PTY) LTD	APPOINTMENT REPORT: PROFESSIONAL SERVICES, UPGRADE OF ROADS IN ASHTON AND MONTAGU	R1 610 575.00
TE 40/2025	WEC CONSULT (PTY) LTD	APPOINTMENT REPORT: PROFESSIONAL SERVICES, FOR THE UPGRADING OF PUBLIC DROP OFF, MCGREGOR	R213 520.50
TE 40/2026	LYNERS JPCE JV	APPOINTMENT REPORT: PROFESSIONAL SERVICES, UPGRADING OF MCGREGOR WTW	R2 086 243.75
TE 40/2027	LYNERS JPCE JV	APPOINT REPORT: PROFESSIONAL SERVICE PROVIDER FOR THE WATER PIPELINE REPLACEMENT IN BONNIEVALE, LANGEBERG MUNICIPALITY	R913 330.00
TE 33/2024	KADDON PROJECTS CC	TENDER 33/2024: SUPPLY ,DELIVERY & INSTALLATION OF HIGH MAST LIGHTS AT KING ADWARD SPORT FIELD MONTAGU	R721 050.00
TE 52/2024	ALTRON DIGITAL BUSINESS, A DIVISION OF ALTRON TMT (PTY) LTD	TENDER 52/2024: SUPPLY AND DELIVERY OF A STORAGE DISK SHELF	R281 890.16
TE 35/2024	SHARON ROSE TRADING CC JONTY ENGINEERING AND TRADING	TENDER 35/2024: SUPPLY AND INSTALLATION OF PERIMETER FENCING / WALLING, FOR PERIOD OF THREE (3) YEARS	RATES BASED TENDER
TE 60/2024	AMG CONNEKT (PTY)	TENDER 60/2024: THE PROVISION OF PROJECT READINESS ASSESSMENT AND INSTALLATION OF LOCAL AREA NETWORK FIBRE TO HIGH MAST SITES	R270 771.33

Tender No.	Name of Contractors	Tender Description	Total Amount
TE 51/2023	MIDAS TOUCH PROMOTIONS STARTUNE (PTY) LTD VIDA E SPORTS (VIDA E SPORT (PTY) LTD BLAIZE CREATIONS T/A GEORGINA CMT BUCLER INDUSTRIAL SUPPLIERS (PTY) LTD GOSAFE TRADING MASANA CLOTHING ROBERTS SUPPLIER (PTY) LTD PIENAAR BROTHERS (PTY) LTD PLATINUM SUPPLIERS SAFETY PROTECTIVE CLOTHING	TENDER 51/2023: SUPPLY AND DELIVERY OF A SAFETY CLOTHING, TEXTILE, FOOTWARE AND LEATHER FOR THE LANGEBERG MUNICIPALITY, FOR A PERIOD OF THREE CONSECUTIVE YEARS	RATES BASED TENDER
TE 51/2024	MOTLA CONSULTING ENGINEERS	SUPPLY AND INSTALL SOLAR AND BACKUP POWER MUNICIPAL BUILDINGS FOR LANGEBERG MUNICIPALITY	R223 267.33
TE 53/2024	FIRST TECHNOLOGY WESTERN CAPE (PTY) LTD	SUPPLY AND DELIVERY OF SOFTWARE LICENCES	R4 710 717.18
TE 59/2024	ACFOIS (PTY) LTD	THE PROVISION OF A PROJECT READINESS ASSESMENT, AND INSTALLATION OF A TWO-WAY DIGITAL RADIO COMMUNICATION NETWORK	RATE BASED TENDER
TE 32/2024	PERFECT BOUNCE	DESIGN AND CONSTRUCTION OF NEW NETBALL COURT, ZOLANI SPORTGROUNDS	R981 425.07
TE 54/2024	MINKIGEN (PTY) LTD	UPGRADE OF INTERSECTION BETWEEN BATH- AND CROSS STREET IN MONTAGU	R3 340 942.80
TE 23/024	ABSA	PROVISION OF BANKING SERVICES FOR A PERIOD OF 5 YEARS WITH EFFECT FROM 01 JULY 2025 OR NEEAREST PRACTICAL DATE AS DETERMINED BY THE CHIEF FINANCIAL OFFICER	TARIFFS RATE BASED

Tender No.	Name of Contractors	Tender Description	Total Amount
TE 49/2024	POWER COMMERCIALS (PTY) LTD	SUPPLY AND DELIVERY OF A NEW JETTING COMBI TRUCK	R3 997 500.00
TE 31/2024	MEMOTEK TRADING CC LUDIFY SUPPLIERS (PTY) LTD	SUPPLY, DELIVERY AND INSTALLATION OF EQUIPMENT FOR COMMUNITY FACILITIES	RATES BASED TENDER
TE 61/2024	LWAZI CONSTRUCTION	CONSTRUCTION LOW WATER BRIDGE OVER HOUTBAAI RIVER MCGREGOR	R 1 332 292.31
TE 24/2024	2ACS SERVICES PTY LTD AGUA AFRICA CC BIO (PTY) LTD CHLORCAPE (PTY) LTD MEMOTEK TRADING CC METSI CHEM IKAPA (PTY) LTD POWERCOMM SOLUTIONS (PTY) LTD PROTEA CHEMICALS A DIVISION OF OMNIA GROUP (PTY) LTD SECOND OPINION CONSULTING SITUC PROJECTS UDEC THERMAL (PTY) LTD WETSPEC CC ZANA MANZI SERVICES	SUPPLY AND DELIVERY OF WATER PURIFICATION CHEMICALS RELATED SERVICES, FOR A PERIOD OF THREE YEARS.	RATE BASED TENDER
TE 36/2024	TRENCHLESS TECHNOLOGIES (PTY) LTD	PIPE REPLACEMENT USING CONVENTIONAL AND TRENCHLESS METHODS, (RATES BASED) FOR A PERIOD OF THREE YEARS	RATE BASED TENDER
TE 36/2024	MARTIN & EAST (PTY) LTD	PIPE REPLACEMENT USING CONVENTIONAL AND TRENCHLESS METHODS, (RATES BASED) FOR A PERIOD OF THREE YEARS	RATE BASED TENDER
TE 36/2024	PLANET EARTH CONSTRUCTION CC	PIPE REPLACEMENT USING CONVENTIONAL AND TRENCHLESS METHODS, (RATES BASED) FOR A PERIOD OF THREE YEARS	RATE BASED TENDER

Tender No.	Name of Contractors	Tender Description	Total Amount
TE 36/2024	EXEO KHOKELA ENGINEERING CONSTRUCTION (PTY) LTD	PIPE REPLACEMENT USING CONVENTIONAL AND TRENCHLESS METHODS, (RATES BASED) FOR A PERIOD OF THREE YEARS	RATE BASED TENDER
TE 01/20525	TESS ENGINEERS RSA (PTY) LTD	MAINTENANCE WORK AT THE ASHTON WATER TREATMENT WORKS	R 5 090 938.17
TE 03/2025	WEC-CONSULT (PTY) LTD	COMPILATION OF DAM SAFETY INSPECTION REPORT FOR MONTAGU BOTTOM DAM, MONTAGU TOP DAM, ASHTON DAM, MCGREGOR VAALDAM, ROOI DAM AND NEW DAM.	R 323 106.88
TE 58/2024	ALUMANYE (PTY) LTD	REFURBISHMENT OF ROOF AT THE MONTAGU MUNICIPAL OFFICE	R 321 200.00
TE 57/2024	LUDIFY SUPPLIERS	MAINTENANCE AND REPAIRS, ROBERTSON MUNICIPAL OFFICES, LANGEBERG MUNICIPALITY	R 187 061.88
TE 64/2024	BATSINI (PTY) LTD	CONSTRUCTION FOR THE UPGRADING OF VARIOUS ROADS IN ASHTON AND MONTAGU	R 19 037 636.48
TE 63/2024	JPCE (PTY) LTD	PROVISION OF PROFESSIONAL SERVICES: EXTERNAL AUDITING OF WASTE DISPOSAL FACILITIES AT ASHTON, MONTAGU, BONNIVALE AND MCGREGOR, OVER A PERIOD OF THREE YEARS	R 770 112.35
TE 65/2024	BOLAND RISK SOLUTIONS (PTY) LTD	SECURITY ALARMS MONITORING SERVICES AND ARMED RAPID RESPONSE FOR 10 X LIBRARIES FOR A PERIOD OF THREE (3) YEARS, LANGEBERG MUNICIPALITY	R 144 900.00
SITA -RFB 740/2020	GRAYLINK MEDIA	SUPPLY AND DELIVERY OF PRINTER INK AND TONER CARTRIDGES	R 178 946.90
TE 40/2023	LYNERS JPCE JV	PROFESSIONAL SERVICES, UPGRADE OF EXISITING WATER TREATMENT WORKS BONNIEVALE – LANGEBERG MUNICIPALITY	R8 141 474.45

Tender No.	Name of Contractors	Tender Description	Total Amount
TE 40/2023	WEC-CONSULT (PTY) LTD	PROFESSIONAL SERVICES: DEVELOP SPECIFICATIONS AND DEVELOP DATA CAPTURING SYSTEMS FOR CONSOLIDATION OF INFORMATION FOR MONTHLY REPORTING	R138 575.00
SITA RFB 740/2020	EZEVEE COMPUTER SOLUTIONS	SUPPLY, DELIVERY AND INSTALLATION OF A MULTI-FUNCTION PRINTER (MFP) AND SEALER	R 483 290.95
TE 40/2023	IX ENGINEERS (PTY) LTD	PROFESSIONAL SERVICES: UPDATING OF THE LANGEBERG MUNICIPALITY WATER SERVICES INSTITUTIONAL PLANS AND AUDITS	R2 846 227.00
TE 40/2023	INVICTUS ENGINEERING SERVICES	PROFESSIONAL SERVICES: UPGRADING OF BREEDE RIVER RAW WATER PUMPSTATION IN ASHTON, LANGEBERG MUNICIPALITY	R1 411 050.00

12. Central Supplier Database

Langeberg Municipality is using service providers registered on the Central Supplier Database for all its procurement.

13. Recommendation / Aanbeveling

That the content of the report be noted

Dat kennis geneem word van die inhoud van die verslag

This item served before a Statutory Meeting of Council on 30 July 2025
Hierdie item het gedien voor 'n Statutêre Vergadering van die Raad op 30 Julie 2025
Eenparig Besluit / Unanimously Resolved

That the content of the report be noted

Dat kennis geneem word van die inhoud van die verslag