

MIDVAAL LOCAL MUNICIPALITY

MINUTES OF THE 9TH ORDINARY MEETING OF 2022 HELD ON
THURSDAY, 27 OCTOBER 2022 AT 14:00 IN THE COUNCIL CHAMBERS

C 2960/10/2022
MC A/5912/10/2022

9.A.11 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT
POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT
REGULATIONS: MONTH OF SEPTEMBER 2022

8/1/1

COMPETENCY: COUNCIL

IT WAS UNANIMOUSLY RESOLVED:

That the report on the deviations from the MFMA Supply Chain Management Policy, as required by the Municipal Supply Chain Regulations, for the month of September 2022 be noted.

C 2960/10/2022
MC A/5912/10/2022

9.A.11 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: MONTH OF SEPTEMBER 2022

8/1/1

COMPETENCY: COUNCIL

PURPOSE

To report on deviations from the supply chain management policy as required by the Municipal Supply Chain Management (MFMA) Regulations for the month of September 2022.

RECOMMENDATION

That the report on the deviations from the MFMA Supply Chain Management Policy, as required by the Municipal Supply Chain Regulations, for the month of September 2022 be noted.

REPORT

The Municipal Supply Chain Management Regulations published under General Notice 868 in Government Gazette 27636 of 30 May 2005, inter alia, contains the following reporting requirements:

“Regulation 6 provides that the council of a municipality has an oversight role over the implementation of its supply chain management policy.

- (1) *The council of a municipality must maintain oversight over the implementation of its supply chain management policy.*
- (2) *For the purposes of such oversight the accounting officer must –*
 - (ii) *Whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to the council of the municipality.”*

The following Regulations are applicable to the implementation of the SCM policy and reported on as per the SCM regulations:

REPORT	SCM REGULATION NO	REPORT TO	FREQUENCY	RESPONSIBLE PERSON
Report on deviations from SCM Policy	36(2)	Council	Monthly (next Council meeting)	ASD: SCM
Report whenever there are serious and material problems in the implementation of the SCM Policy, immediately submit a report to the Council	6 (2) (a) (iii)	Council	Immediately (as and when applicable)	ASD: SCM

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MIDVAAL LOCAL MUNICIPALITY: MFMA SCM REGULATIONS - REGULATION 36 (1) & (2) OF THE: DEVIATIONS AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESS

1. **The Accounting Officer may dispense with the official procurement processes established by Midvaal Local Municipality's SCM policy and procure goods or services through a convenient process which includes:**

- i) Emergency;
- ii) Goods and services produced or available from a single provider only;
- iii) Special works of art, historical objects;
- iv) Animals for zoos;
- v) Exceptional cases where it is impractical or impossible to follow the official procurement process.

Herewith the report to Council on purchases that could not follow the official procurement process for the month of **September 2022**:

(i) PURCHASES ACQUIRED IN EMERGENCY CASES					
RIN	DEP	DESCRIPTION	DATE	REASON	AMOUNT
Sep005-2022/2023	Public Safety & Roads	Afri Guard Pty Ltd -Monitoring, Maintenance, Supply and Installation of the Midvaal Local Municipality Cameras and Wireless Radio Network for CCTV on a month-to-month basis not exceeding 31 December 2022	28/09/2022	Regulation (1)(a)(i) This is a crucial service to the municipality as it enables law enforcement to monitor all areas. The new tender has been advertised and still need go through the evaluation and adjudication process. Afri-Guard are a security company is already included in the security tender that runs a similar control room operation and maintenance in Midvaal Local Municipality, therefore have the capability to assist	R 1 534 675,00
R 1 534 675,00					
(ii) PURCHASES ACQUIRED WHERE GOODS AND SERVICES PRODUCED OR AVAILABLE ARE FROM A SINGLE PROVIDER ONLY/AGENTS					
RINR	DEP	DESCRIPTION	DATE	REASON	AMOUNT
Sep002-2022/2023	Public Safety & Roads	The Rescue Tool Guys- Holmatro equipment servicing	07/09/2022	Regulation (1)(a)(ii) The Rescue Tool Guys are solely responsible for the service maintenance of all Holmatro equipment on the Republic of SA.	R 38 111,00
Sep003-2022/2023	Public Safety & Roads	Sysman Public Safety -Maintenance repairs on the IFIG Bell System	09/09/2022	Regulation (1)(a)(ii) Snymans Public Safety Systems (Pty) Ltd are the developer and sole provider of the ESS iFIG hardware and software solutions within South Africa and internationally.	R 6 985,10
Sep006-2022/2023	Corporate	CESA School of Consulting Engineering- Quality Management System and Excel for Engineers short courses	28/09/2022	Regulation (1)(a)(ii)-CESA, is the sole provider for Excel for Engineers and Quality Management System for Consulting Engineer Firms	R 20 424,00
					R 65 520,10
(iii) SPECIAL WORKS OF ART OR HISTORIC OBJECTS					

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R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(iv) ACQUISITION OF ANIMALS FOR ZOOS AND/OR NATURE AND GAME RESERVES					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(v) IMPRACTICAL OR IMPOSSIBLE					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
Sep001-2022/2023	Corporate	Hotel Apollo-Conference and Accommodation for Strategic Planning Session (20-22 September 2022)	06/09/2022	Regulation (1)(a)(v) A quote was requested from City Of Choice who is awarded for the bid for all travel requirements and car rental services. Their pricing included a surge fee which was considered to be high, therefore the municipality directly obtained a quote from the hotel which demonstrated a saving of R 77 953,50	R 72 524,00
Sep004-2022/2023	Corporate	Arena Holdings Pty Ltd - Placement of Advert for Executive Director Development & Planning	29/09/2022	Regulation (1)(a)(v) The regulations related to the appointment and employment conditions of senior managers specifies that the advertisement be placed in a National newspaper. Services of Arena Holdings (Sunday Times) have been used prior with a good response rate and it would be impractical to source quotations due to different publications serving different readership	R 50 811,60
TOTAL					R 123 335,60
36 (1)(b) RATIFICATION OF MINOR BREACH BY ACCOUNTING OFFICER					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			

Implementation of the SCM policy Regulation 6 (2) (a) (iii)

That it be noted that there are no serious or material problems in the implementation of the MFMA SCM policy.

PREPARED BY:


MRS. D SEMANO
 ASSISTANT DIRECTOR: SCM
 03 SEPTEMBER 2022

REVIEWED BY:


MR. F JONAS
 DIRECTOR: EXPENDITURE
 03 SEPTEMBER 2022

APPROVED / NOT APPROVED

MR. AM GROENEWALD
MUNICIPAL MANAGER
03 SEPTEMBER 2022

RECOMMENDED / NOT RECOMMENDED

MR. A MEIRING
ACTING CHIEF FINANCIAL OFFICER
03 SEPTEMBER 2022

**COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF
DEPARTMENT: 11 OCTOBER 2022**

Resolved to Recommend

That the Item be referred to the Section 80 Finance Services Portfolio Committee.

**COMMENTS: SECTION 80 FINANCE SERVICES PORTFOLIO COMMITTEE: 17
OCTOBER 2021**

The recommendation is supported.