

**MIDVAAL LOCAL MUNICIPALITY**

**MINUTES OF THE 3<sup>RD</sup> ORDINARY MEETING OF 2023 HELD ON THURSDAY,  
30 MARCH 2023 AT 14:00 IN THE COUNCIL CHAMBERS**

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**C 3051/03/2023**  
**MC A/6031/03/2023**

**9.A.4 IFS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT  
POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT  
REGULATIONS: MONTH OF FEBRUARY 2023**

8/1/1

**COMPETENCY: COUNCIL**

**IT WAS RESOLVED BY THE MAJORITY OF COUNCILLORS:**

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 February 2023, be noted.

**Note:** Cllr. S.M. Hoyane, representing the TYM, requested that his objection against this item be recorded.

C 3051/03/2023  
MC A/6031/03/2023

**9.A.4 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: MONTH OF FEBRUARY 2023**

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 February 2023.

**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 February 2023, 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

**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 **February 2023**:

(i) PURCHASES ACQUIRED IN EMERGENCY CASES					
R/N	DEP	DESCRIPTION	DATE	REASON	AMOUNT
FEB003-2022/2023	Public Safety & Roads	SI&R- AFRICA Hiring of high-pressure unit for section of blocked stormwater pipes to clear flooding.	03/02/2023	Regulation (1)(a)(i) Stormwater pipes were blocked and forced water through pavement into residential homes. This caused damage to resident's houses. Emergency services had to be provided to residence to drain flood waters from their homes.	R25 405,69
FEB004-2022/2023	Engineering	G-Man Electrical (Pty) Ltd - Strip, quote, repairs, transportation and re-installation of a faulty Risiville 20 MVA transformer at Graceview substation.	06/02/2023	Regulation (1)(a)(i) An incident occurred at Risiville Substation where an adjacent Emtuleni Local Municipality transformer caught fire and the resulting inferno also damaged the Midvaal Local Municipality 20MVA transformer.	R2 316 991,60
FEB005-2022/2023	Engineering	Red Art security relocation and eviction (Pty) Ltd - Removal of electrical illegal connections	06/02/2023	Regulation (1)(a)(i) During the high risk execution of disconnection and removal of illegal electrical connections, Specialised vehicles (Nyaias) had to be used as illegal connections syndicate members were armed. The service provider is duly appointed on bid for the removal of illegal connections, however the bid does not cater for specialised vehicle usage	R227 700,00
FEB006-2022/2023	Engineering	Makgotamishe Plant Hire (Pty) Ltd - Hire of jetting and vacuuming truck- sewer blockages in Ewelme pump in Henley on Klip, Gardener street in Risiville, Adelaar pump station in Daleside, Randvaal offices and De Deur offices.	06/02/2023	Regulation (1)(a)(i) The municipality's Jet Vacuuming truck has been experiencing breakdowns frequently which affects service delivery. The non-availability of the municipal equipment and the frequency of loadshedding resulted in a number of sewer stations overflowing exposing the community to an environmental hazard.	R455 982,25
(ii) PURCHASES ACQUIRED WHERE GOODS AND SERVICES PRODUCED OR AVAILABLE ARE FROM A SINGLE PROVIDER ONLY/AGENTS					R3 025 089,54

**AGENDA OF THE 3<sup>RD</sup> ORDINARY MEETING OF 2023 TO BE HELD ON THURSDAY,  
30 MARCH 2023 AT 14:00 IN THE COUNCIL CHAMBERS**

RNR	DEP	DESCRIPTION	DATE	REASON	AMOUNT
FEB007-2022/2023	Public Safety & Roads	Marce Projects (Pty) Ltd - service of TNT hydraulics equipment.	13/02/2023	Regulation (1)(a)(ii) Sole authorised agent to sell, market and service the TNT product range in South Africa. Marce is the only authorised agent of the TNT product in South Africa therefore they are regarded as Sole providers.	R17 250,00
R 17 250,00					
<b>(iii) SPECIAL WORKS OF ART OR HISTORIC OBJECTS</b>					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
<b>(iv) ACQUISITION OF ANIMALS FOR ZOOS AND/OR NATURE AND GAME RESERVES</b>					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
<b>(v) IMPRACTICAL OR IMPOSSIBLE</b>					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
FEB001-2022/2023	Community	Universal Knowledge Software - Library Software training for newly appointed staff member	01/02/2023	Regulation (1)(a)(v) Universal Knowledge was previously awarded to provide the library with their software and as they are the only company that can provide the software training in Africa, they are being utilised to provide training to newly appointed library employees who need to know how to operate the software	R5 534,90
FEB002-2022/2023	Corporate	Arena Holdings - Placement of Senior/Executive Manager Advertisement for Executive Director: Roads and Public Safety in the National Sunday paper (Sunday Times)	03/02/2023	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. Similarly, the service of Sunday Times (Arena Holdings) has been used prior with a good response and it would be impractical to source quotations due to different publications serving different leadership.	R56 883,60
FEB008-2022/2023	Corporate	LL Hotel (Pty) Ltd/a Lord's Signature Hotel - Conference for Mayoral Committee and all HOD's	13/02/2023	Regulation (1)(a)(ii) The conference requires a suitable seating viable for a planning workshop. Currently, the hotels within the Municipality's boundaries do not have the required setup. One of the hotels has a U-shape which has obstructive pillars in the centre of the U-shape and therefore it is deemed not viable for the planning workshop.	R18 700,00
R 81 118,50					

		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  
02 March 2023

RECOMMENDED / NOT RECOMMENDED

  
MR. Z. N MHLONGO  
CHIEF FINANCIAL OFFICER  
02 March 2023

REVIEWED BY:

  
MR. F JONAS  
DIRECTOR: SCM  
02 March 2023

APPROVED / NOT APPROVED

  
MR. A.M. GROENEWALD  
MUNICIPAL MANAGER  
02 March 2023

**COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF  
DEPARTMENT: 14 MARCH 2023**

**Resolved to Recommend**

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

**COMMENTS: SECTION 80 FINANCE SERVICES PORTFOLIO COMMITTEE: 13  
MARCH 2023**

The recommendation is supported.