

Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

MONTHLY REPORT SUPPLY CHAIN & FLEET MANAGEMENT 28 FEBRUARY 2018

TABLE OF CONTENTS

1. Introduction.....	3
2. Background.....	3
3. Personnel.....	3 - 4
4. Demand Management.....	5
4.1 Supplier Data Base.....	5
4.2 Procurement Plan.....	5
5. Acquisition Management.....	5
5.1 Procurement Statistics.....	5
5.2 Tender Management.....	6
5.3 Bid Committees.....	6 - 7
6. Stores Management.....	7
7. Other Matters.....	7
7.1 Deviations.....	7 - 9
7.2 SCM Reg 16 (c).....	9
7.3 CIDB Report.....	10
8. Fleet Management.....	11 - 15
9. Conclusion & Sign-off.....	16

1. INTRODUCTION

The main objective of supply chain management is to implement a system that is fair; equitable; competitive; transparent; cost-effective to ensure best value for money by applying the highest possible ethical standards; and to promote local economic development.

2. BACKGROUND

The Act on Local Government : Municipal Finance Management Act, 2003 , Chapter 11 , the Municipal Supply Chain Management Regulations , as published in the Government Gazette on 30 May 2005 and the Council 's Supply Chain Management Policy as adopted on 30 March 2017 states that several reports must be submitted to the Council , accounting Officer and the Chief Financial officer. In order to create a transparent image to all processes in the Supply Chain Management Division, a full report is submitted to the Council .

3. PERSONNEL

3.1 Productivity / Efficiency

Attendance trends within the Supply Chain Management Section are summarized as follows:

	Management	Supervisory	Clerical
NUMBER OF MEMBERS	1	3	8
Annual Leave	0	0	1,5
Sick Leave	0	2	2
Courses / Seminar	0	0	0
Overtime	0	1	0
Meetings	0	0	0
Family Responsibility Leave	0,5	0	0
Study	0	0	0
Maternity Leave	0	0	0
Union Matters	0	0	0
Absent	0	0	0
Special Annual Leave	0	0	1
No. of Workdays Attended	19,5	57	155,5
Total Workdays	20	60	160
Percentage attendance per Group	98%	95%	97%
Average	97%		

	Management	Supervisory	Clerical
NUMBER OF MEMBERS	1	3	8
Approved Overtime	0	0	0
Overtime x 1,5	0	0	0
Overtime x 2,0	0	0	0
Unapproved Overtime	17:48	20:48	35:12
Standby Allowance	0	0	0
Total No. of Overtime hours	0	20:48	0
Total Normal Workhours	150:00	428:55	1164:20

3.2 Training & Development

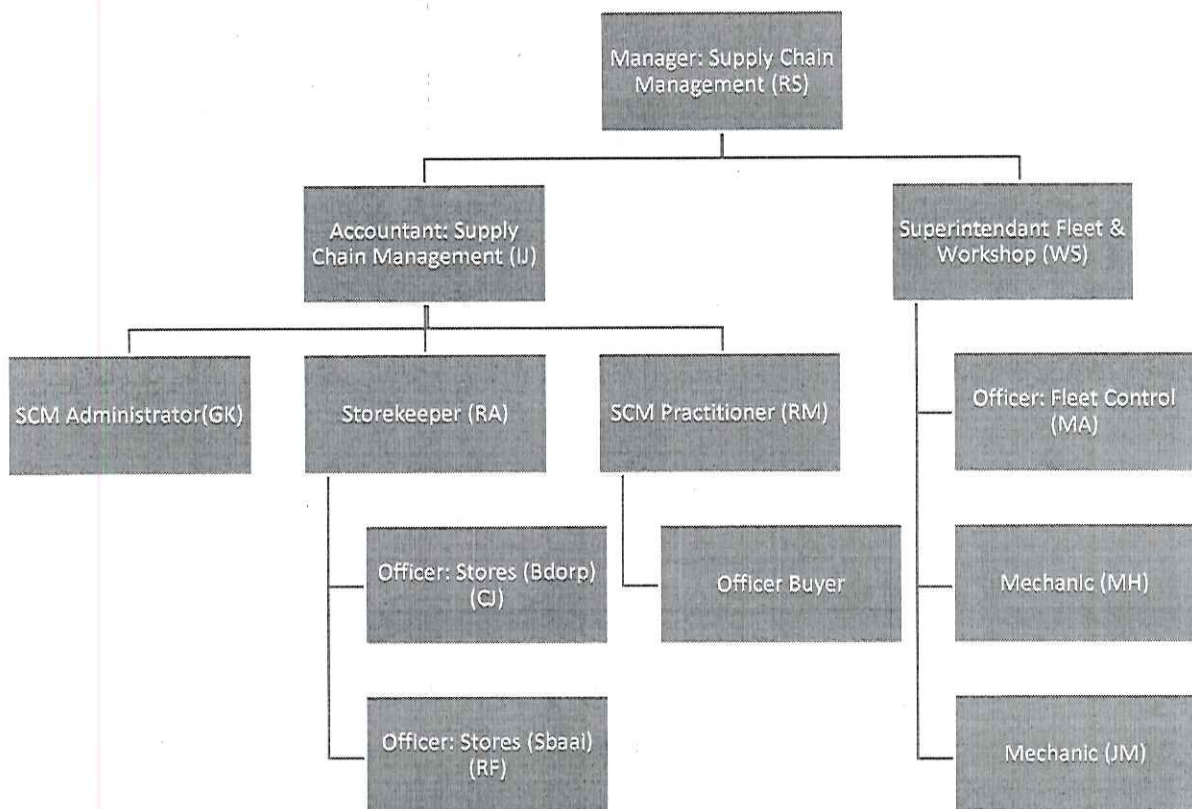
The following personnel members are currently enrolled for SCM related studies:

POST	Qualification	Institution
SCM Practitioner	Diploma NQF6: Public Supply Chain Management	Southern Business School
SCM Buyer	Diploma: Public Management	Boland College

3.3 SCM Structure

In terms of Paragraph 7 of the Municipal Supply Chain Management Regulations, the municipality must establish a Supply Chain Management Unit (SCMU) to implement its policy. The SCMU must operate under the direct supervision of the Chief Financial Officer (CFO) or may be delegated to an official in terms of Section 82 of the MFMA.

During the reporting period the staff complement that performed the duties and functions in terms of the SCM policy were as follows:



4. Demand Management

4.1 Supplier Database

In terms of SCM Reg14(1)(a), the supply chain management policy must instruct the accounting officer to keep a list of accredited prospective providers for goods and services that must be used for the procurement requirements of the municipality through written or verbal quotations and formal written price quotations.

With effect from 1 July 2016, Municipalities and Municipal Entities are required to utilize the Central Supplier Database System as mandatory requirement as part of listing criteria for accrediting prospective provider in line with Section 14(1)(b) of the Municipal Supply Chain Management Regulations.

REGISTRATION ON SUPPLIER DATABASE		
MONTHLY REGISTRATIONS	2016/17	2017/18
JULY	4	4
AUGUST	6	15
SEPTEMBER	10	10
OCTOBER	4	5
NOVEMBER	18	8
DECEMBER	3	5
JANUARY	6	1
FEBRUARY	15	0
TOTAL SUPPLIERS	1004	1045
VALID REGISTRATION	409	337
TAX CLEARANCES EXPIRED	595	708
CENTRAL SUPPLIER DATABASE REGISTRATIONS	660	761
REGISTRATIONS PER AREA		
BREDASDORP	242	245
STRUISBAAI	36	38
NAPIER	20	21
WAENHUISKRANS	6	6
ELIM	8	9
OUTSIDE CAM	692	726

4.2 Procurement Plan

The updated Procurement Plan as at 28 February 2018 is attached as Annexure A.

5. Acquisition Management

5.1 Procurement Statistics

The following is a summary of the procurement statistics for the month of January 2018.

REQUESTS BELOW R30 000	feb-18		YEAR TO DATE SUMMARY: Jul 2017 - Feb 2018	
	Total No	value	Total No	value
Requests processed	348	R 4 414 038,97	2 551	R 34 021 635,47
Orders processed	361	R 4 674 451,12	2 270	R 29 579 270,40
Request/ orders cancelled	13	R 260 412,15	80	R 1 388 447,51
Outstanding orders (all)	672	R 9 243 438,90	651	R 7 941 065,00
Paid orders	468	R 6 110 290,54	2 020	R 27 776 822,04

5.2 Tender Management

The following awards were made by the BAC.

AWARDS	01-Feb-17		01-Feb-18	
	Number	Amount	Number	Amount
Competitive Bids	0	R 0,00	5	R 3 516 434,27
Formal Written Quotations	5	R 288 668,28	0	R 0,00
Deviation In Terms Of Part 18.6.3 Of The SCMPOS	0	R 0,00	0	R 0,00
Sale Of Erven	0	R 0,00	0	R 0,00
Extensions / Amendment Of Contracts In Terms Of Part 20.14 Of The SCMPOS	0	R 0,00	1	R 72 507,00
Procurement In Terms SCM Regulation 32	0	R 0,00	2	R 1 215 126,00
Number of Disputes, Complaints, Enquiries and Objections Received	0		0	

The following is a summary of competitive bids and formal written quotations that was advertised during the month of January:

DESCRIPTION	01-Feb-17	01-Feb-18
	Number	Number
Competitive Bids	6	3
Formal Written Quotations	3	0
Sale Of Erven	0	0

The advertisement of bids and publication of awards on the e-Tender Publication Portal is additional to the requirement specified in the SCM Regulation 22 (1) (a) which must be complied with by all municipalities and municipal entities. This initiative supports government's drive to improve access to government business opportunities, reduce red tape and duplication of administrative effort in doing business with the state designed to improve the use of technology across all spheres of government.

5.3 Bid Committees

The bid committees for the 2017/18 financial year were established and are fully functioning according to Council's SCM Policy and the SCM Regulations. The committees are listed below:

- Bid Specification Committee (**BSC**)
- Bid Evaluation Committee (**BEC**)
- Bid Adjudication Committee (**BAC**)

The following members will serve on the Bid Adjudication Committee for the 2017-2018 financial year:

- Director Financial & Information Management (Chairperson)
- Director Community Services
- Director Infrastructure Services
- Divisional Head: Strategic, Planning & Administration Services
- Divisional Head: Social & Economic Services (vacant)
- Divisional Head: Human Resources & Organisation Development Services
- Manager: Budget & Treasury
- Manager SCM & Fleet (SCM Advise & Administrative Support)

The attendance figures of members of the bid adjudication committee are as follows:					
BAC MEETING DATES	Director Finance & ITC Services	Manager Budget & Treasury Office	Director Community Services	Div Head :Human Resources	Div Head:Strategic, Planning & Administration
15 February 2018	X	-	X	X	X
Meetings Attended	1	0	1	1	1
Percentage Attendance	100%	0%	100%	100%	100%

6. Stores Management

As at **28 February 2018**, the value of stock at the municipal stores amounted to:

	OPENING VALUE	PURCHASES VALUE	ISSUES VALUE	BALANCE VALUE
Store A – Bredasdorp Stores	R 1 191 858,40	R 395 883,94	-R 366 848,07	R 1 220 894,27
Store B – Electrical Stores	R 122 850,00	R 0,00	R 0,00	R 122 850,00
Store C – Struisbaai Stores	R 61 054,38	R 44 641,75	-R 14 610,37	R 91 085,76
Total value of stock	R 1 375 762,78	R 440 525,69	-R 381 458,44	R 1 434 830,03

Included in the above reconciliation are Goods Receive Notes (GRN's) that were duplicated during the month of August, we are still awaiting feedback from the Financial system Service provider on how to correct this.

7. Other Matters

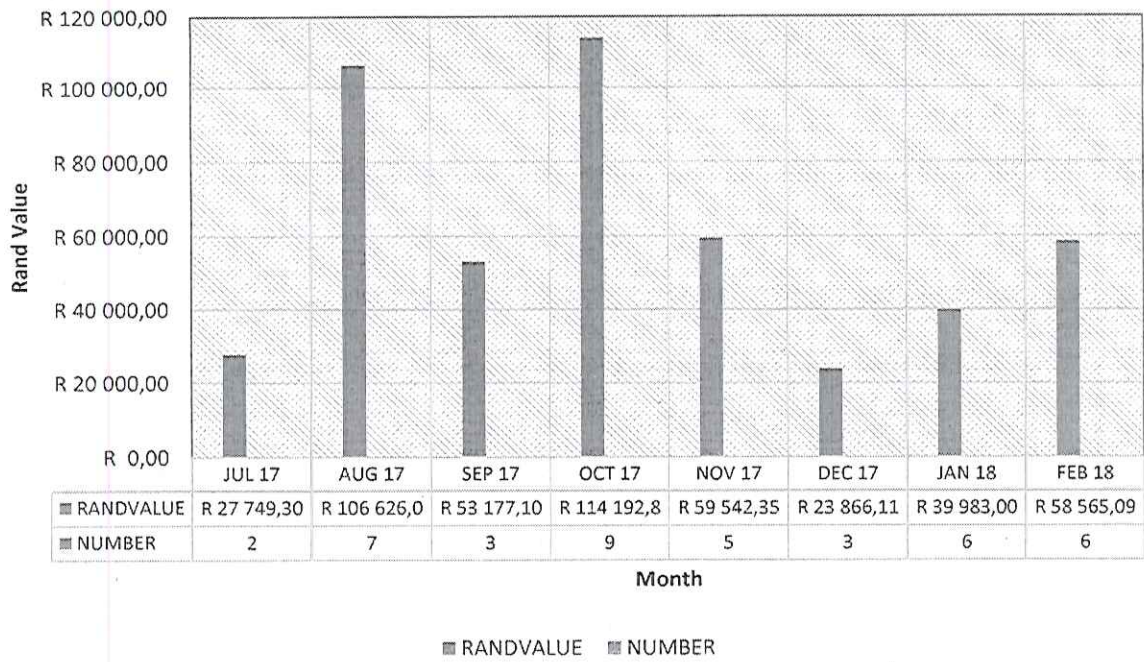
7.1 Deviations

The following table provides a summary of deviations approved for the month of February 2018:

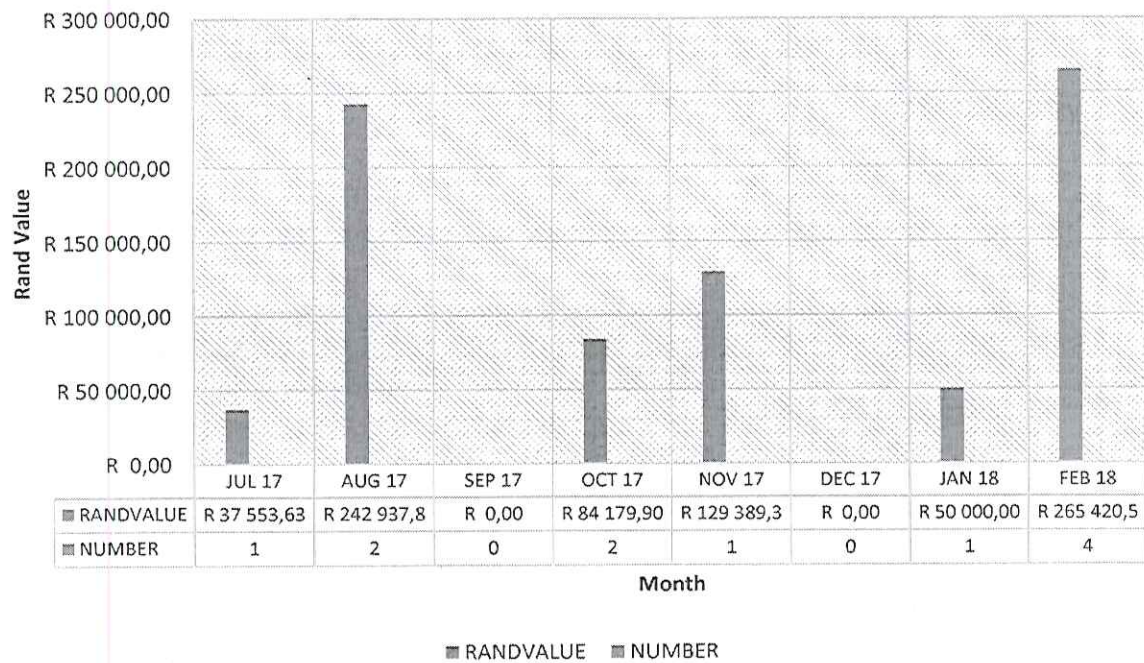
Deviations from Minor Breaches of the Supply Chain Management Policy (SCM Regulations 36 (1) (a), (i) (ii), (iii), (iv)&(v))				
	FEBRUARY 2017		FEBRUARY 2018	
THRESHOLD	RANDVALUE	NUMBER	RANDVALUE	NUMBER
BELOW R30 000	R 74 636.19	8	R 58 565.09	6
ABOVE R30 000	R 55 404.00	1	R 265 420.57	4
ABOVE R200 000	R 0.00	0	R 0.00	0
TOTAL	R 130 040.19	9	R 323 985.66	10

Deviations from Minor Breaches of the Supply Chain Management Policy (SCM Regulations 36 (1) (a), (i) (ii), (iii), (iv)&(v))				
	FEBRUARY 2018		YEAR TO DATE	
	RAND VALUE	NUMBER	RAND VALUE	NUMBER
36 (1) (a) (i): Emergency	R0.00	0	R 0,00	0
36 (1) (a) (ii): Sole Provider	R51 902.38	1	R 756 705.88	13
36 (1) (a) (iii): Special Works of art	R0.00	0	R 0,00	0
36 (1) (a) (iv): Animals for zoos	R0.00	0	R 0,00	0
36 (1) (a) (v): Impractical or Impossible	R 272 083.28	9	R 1 084 910.35	40
TOTAL	R 323 985.66	10	R 1 517 630.57	53

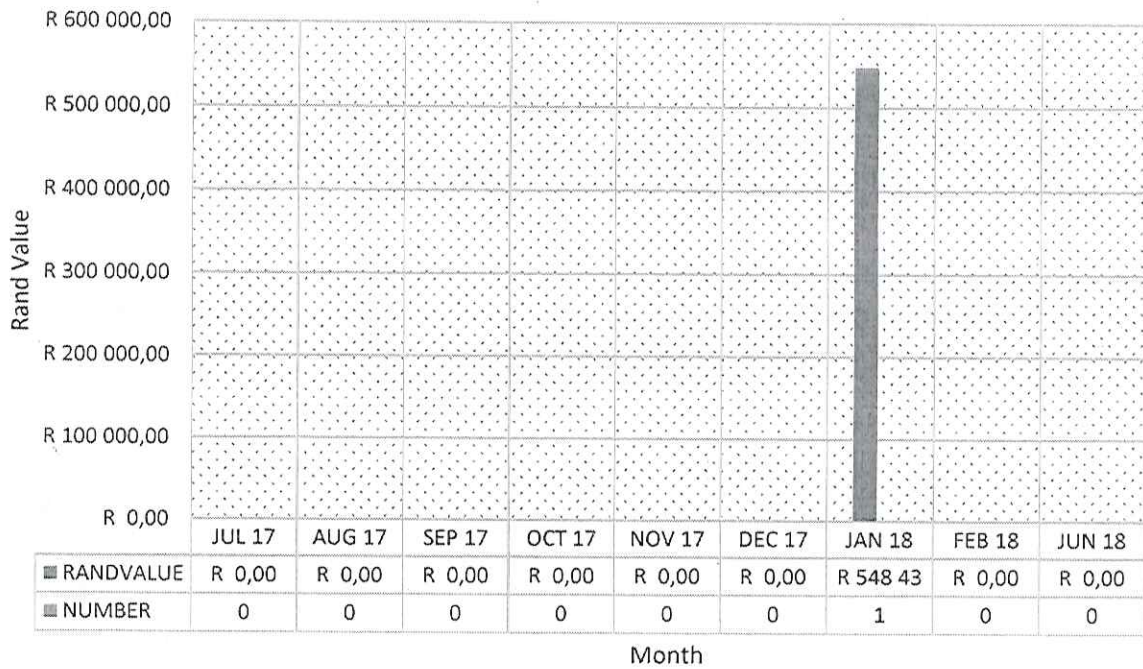
Deviations Below R30 000 FEBRUARY 2018



Deviations Above R30 000 - FEBRUARY 2018



Deviations Above R200 000 FEBRUARY 2018



7.2 Written Quotations awarded without obtaining three quotations (SCM Regulations 16 (c)) & 17 (c))

In terms of SCM Regulations 16 (c), if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the accounting officer or another official designated by the accounting officer.

Written Quotations awarded without obtaining three quotations (SCM Regulations 16 (c)) & 17 (c))

	FEBRUARY 2018		YEAR TO DATE	
	RAND VALUE	NUMBER	RAND VALUE	NUMBER
THREE SUPPLIERS REQUESTED TO QUOTE, LESS THAN 3 QUOTES RECEIVED / SUBMITTED	R34 399.00	2	R 136 156.46	14
TOTAL	R 34 399.00	2	R 136 156.46	14

7.3 Construction Industry Development Board (CIDB)

The following table provides a report in terms of CIDB Regulation 18(1)(June 2004) - for the month of February 2018:

Tenders Advertised And Not Closed							
cidb Reference Number	Tender Number	Description	Status	Date Advertised	Date Closed	Awarded	Change Request Status

Tenders Closed and Not Awarded							
cidb Reference Number	Tender Number	Description	Status	Date Advertised	Date Closed	Awarded	Change Request Status

ACTIVE CONTRACTS							
cidb Ref No	Contract Number	Title	Description	Status	Change Request Status	Date Awarded	Date of practical completion
100044305	SCM10/2017/18	UPGRADING OF GRAVEL ROADS TO SURFACED STANDARD IN BREDASDORP & NAPIER	UPGRADING OF GRAVEL ROADS TO SURFACED STANDARD IN BREDASDORP & NAPIER	Awarded		2018-02-15 00:00	N/A
10004127	SCM7/2017/18	REPLACEMENT OF WATERMAIN IN VILJOEN STREET, BREDASDORP	REPLACEMENT OF WATERMAIN IN VILJOEN STREET, BREDASDORP	Awarded		2017-11-17 00:00	N/A
100041268	SCM6/2017/18	UPGRADING OF INDUSTRIAL ROAD IN STRUISBAAI	UPGRADING OF INDUSTRIAL ROAD IN STRUISBAAI	Awarded		2017-11-17 00:00	N/A
100075019	SCM16/2016/17	UPGRADING OF BREDASDORP WWTW	THE UPGRADING OF MECHANICAL AND ELECTRICAL AERATION EQUIPMENT AT BREDASDORP WASTE WATER TREATMENT WORKS (WWTW)	Awarded		2017-03-27 00:00	-
100056289	SCM30/2015/16	EXTENTION OF THUSONG CENTRE, PHASE 2	EXTENTION OF THE THUSONG CENTRE IN BREDASDORP	Awarded		2016-03-11 00:00	
100006984	SCM20/2012/13	WATER TREATMENT: ARNISTON AND SUIDERSTRAND	Water Treatment at Arniston and Suidersstrand	Awarded		2013-02-20 00:00	

CONTRACTS WHERE PRACTICAL COMPLETION HAS BEEN REGISTERED							
cidb Ref No	Contract Number	Title	Description	Status	Change Request Status	Date Awarded	Date of practical completion
100040352	SCM2/2017/18	SUPPLY & INSTALLATION OF AIRCONDITIONERS	SUPPLY & INSTALLATION OF AIRCONDITIONERS	Awarded		2017-10-16 00:00	2017-12-20 00:00
100076948	SCM26/2016/17	FENCING	THE ERECTION OF FENCING AT BOREHOLE SITES IN BREDASDORP	Awarded		2017-06-09 00:00	2017-08-07 00:00

8. Fleet Management

8.1 Condition of Vehicle checks done per Department

WATER & SEWERAGE DEPARTMENTS

Isuzu F8000D –Vacuum Tanker CS 1442 – 308445Km -28 February 2018:

- Dents on both fenders & rust on bodywork;

Toyota Hilux VVTi LDV CS 4581 – 174507Km -28 February 2018:

- Seats torn needs recovering;

Nissan UD85 Vacuum tanker CS 1577 – 320622Km – 28 February 2018:

- Oil leakage on engine; Passenger seat torn; Tank rusted;
- Lights on dashboard & tank not working;

Toyota Hilux VVTi LDV CS 4570 – 235768Km – 28 February 2018:

- Dent on passenger side door & Seats torn;
- Headlamp lenses needs rubbing.

Ford Ranger 2.2 LDV- CS 15640 –264932Km - 28 February 2018:

- Front bumper needs replacement & Seats torn

John Deere Tractor CS 1296 -328575Hours - 28 February 2018:

- Clutch Master & Slave Cylinders leaking – needs replacement

80Kva Generator on trailer CS 10487 – 101.2 Hours – 28 February 2018:

- Good running condition;

Box trailer- CS 13615 -28 February 2018:

- Good running/working condition

Nissan UD55 CS 3180 – 471793Km – 28 February 2018:

- Dent on Left front fender & Seats torn;

Jet Cleaner on trailer CS 11975 – 923 Hours 28 February 2018:

- High pressure hose needs replacement

8.2 Fuel Account Summary

MONTHLY FUEL CARD SYSTEM RECON					
CAPE AGULHAS MUNICIPALITY					
28 February 2018					
DEPARTMENT	COST CENTRE	FUEL	OIL	FEES	GRAND TOTAL
TRAFFIC [8]	01 4021 2830 00	17741,06		535,12	18276,18
WATER [10]	01 5020 2830 10	35608,24		794,91	36403,15
COUNCIL [1]	01 2010 2830 00	1783,05		50,65	1833,70
ADMIN SUPPORT	01 2524 2830 00	544,65		38,41	583,06
				26,33	26,33
PARKS [5]	01 4042 2830 00	10207,31		279,03	12486,34
RESORTS [2]	01 4043 2830 00	2901,32		113,61	3014,93
THUSONG CENTRE [1]	01 4043 2830 00	2432,92		70,41	2503,33
ENVIRONMENTAL [2]	01 4023 2830 00	4610,14		128,50	4738,64
HOUSING [1]	01 4030 2830 00	453,63		38,47	492,10
BUILDINGS/COMM [3]	01 4041 2830 00	5999,11		187,28	6186,39
WORKSHOP [2]	01 3051 2830 00	1524,51		76,45	1600,96
SEWERAGE [12]	01 5030 2830 10	38396,96		975,65	39372,61
CLEANSING [9]	01 5040 2830 00	35448,53		758,03	36206,56
ROADS & SW [16]	01 5050 2830 10	22795,74		755,15	23550,89
ELECTRICAL [10]	01 5060 2830 10	29674,67		617,01	30291,68
	TOTAL FUEL =	210121,84		5445,01	217566,85

8.3 Monthly Acquisitions – Fleet management

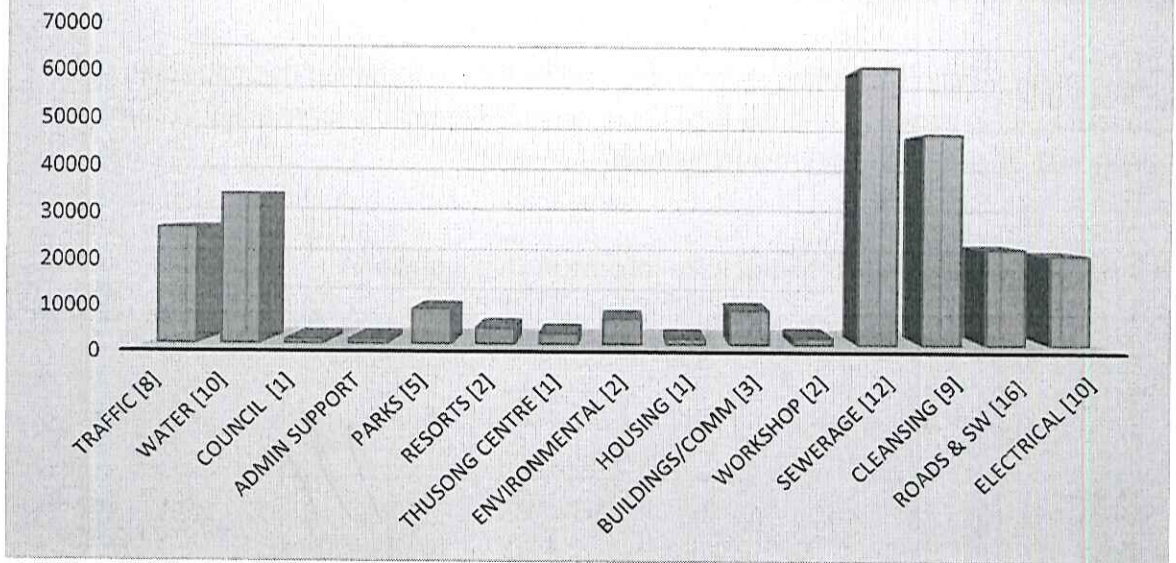
DEPARTMENTAL ACQUISITION SUMMARY

<u>DIRECTORATE</u>	<u>DEPARTMENT</u>	<u>AMOUNT</u>
FINANCE -SCM	Workshop	-
COMMUNITY SERVICES	Buildings & Commonage	-
	Parks	R 14738,06
	Resorts	R 975.84
	Social Development / Thusong	R 133,38
	Traffic	R 224,92
	Environmental	R 173,28
INFRASTRUCTURE	Electrical	R 32125,39
	Solid Waste	R 142861,39
	Streets & Storm Water	R 88572,20
	Sewerage	R 15318,04
	Water	R 23581,40
	<u>TOTAL</u> =	<u>R 318 703.81</u>

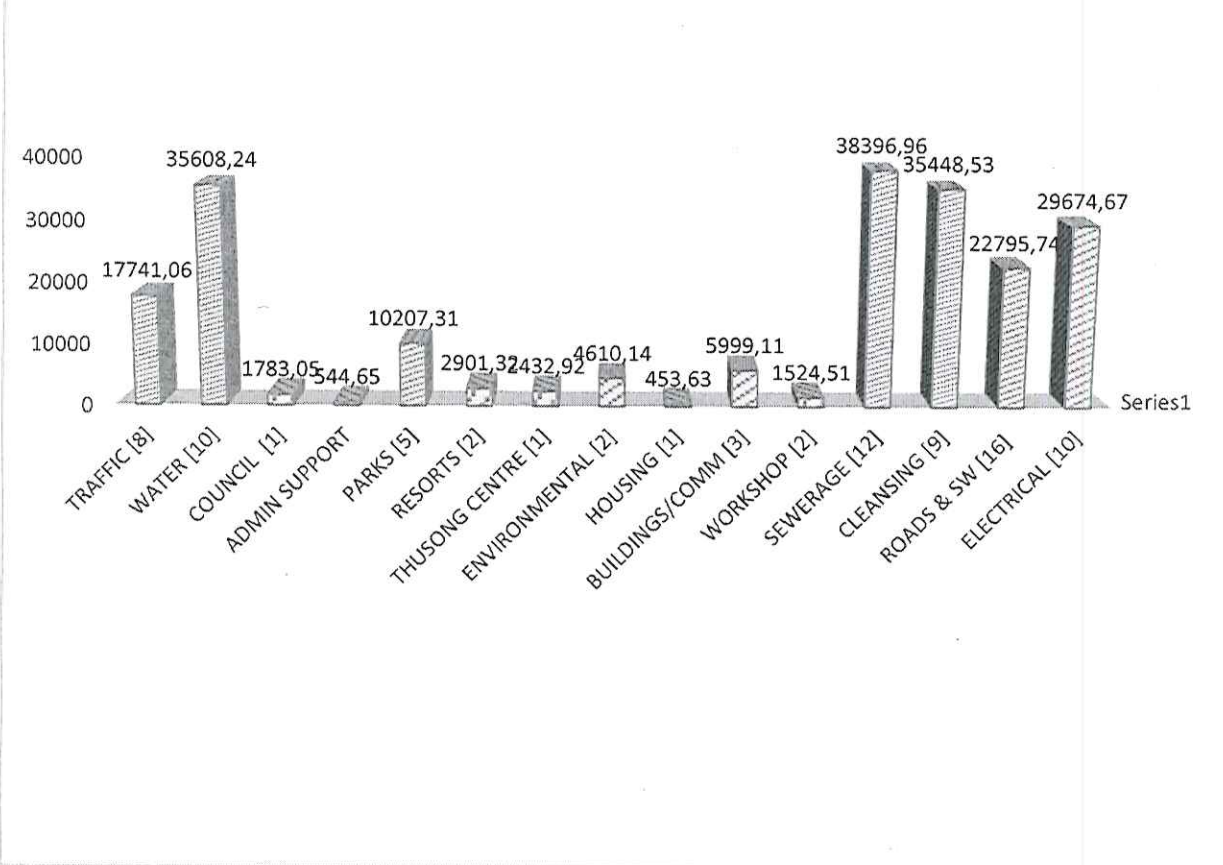
8.4 Workshop Operational & Summary Report

FLEET AND WORKSHOP OPERATIONAL & SUMMARY REPORT									
DESCRIPTION	JUN'17	JUL'17	AUG'17	SEPT'17	OCT'17	NOV'17	DEC'17	JAN'18	FEB'18
WORKSHOP OPERATIONS									
VEHICLES SERVICED	1	0	5	7	8	4	1	3	3
INHOUSE - VEHICLE REPAIRS DONE	10	8	12	6	12	15	8	11	12
VEHICLES TO EXTERNAL SUPPLIERS	0	0	1 - Visser's Eng	0	0	1	0	0	2
SMALL PLANT MACHINERY	2 Compactors	1 Compactor	0	1 Compactor	0	0	0	0	2
SDBIP VEHICLE CHECKS DONE	10 Vehicles	10 Vehicles	10	10	10	10	10	10	10
CAPITAL PROJECTS	Completed	2 Projects	2 Projects	1 Item Ordered	Completed	Completed	Completed	Completed	Completed
ROADWORTHY TESTS	1 Tested	0	3	1	2	4	0	4	2
RW CERTIFICATES ISSUED	1 Passed	0	3	1	2	4	0	3	2
SMALL PLANT FUEL	R 3 879	R 3 459	No Figure	R 8 640	9 835	No Figure	R 5 407,55	R 14 113,32	R 5 410,09
VEHICLE'S FUEL BILL - Monetary Value	R 219 577	R 204 596,00	R 206 738,00	R 227 698,00	R 239 881,77	R 271 861,28	R 290 057,30	R 246 069,90	R 210 141,80
LOCAL ACQUISITIONS - Monetary Value	45 367	36 609	105 451	72 887	217 303,18	191 764,94	R 129 292,46	R 94 735,04	318 703,81
SPEED FINES ISSUED		5 of JUNE	4 of JULY	1 for AUGUST	1 for OCTOBER	2 for NOVEMBER	4 for DECEMBER	0	0
COMMENTS	New compactor truck on the road again after slight repair had to be done - Viscous Fan Clutch was faulty								
	Crew cab seat built, covered and fitted								
	Tenders for some repair work awarded								
CAPITAL PROJECTS	1. MIG Welder 200Amp - Delivered [Not in use yet]; 2. Workshop Tools needs to be acquired								
	Heavy Duty(3 Phase) Hot Water Steamcleaner - Moved to 2018/19 Financial year								
SAFETY & RISK	Compressors needs services & pressure vessels tested - Not all suppliers keen to register on CSD								
CONDITION OF VEHICLES	Canopies of vehicles needs attention: Ldv's Canopies as well as Trucks Steel Canopies								
	Several vehicles bakkies & trucks in different departments needs some re-spray work								
STAFF MATTERS	Desperately need 2 x workers / assistants positions inside the workshop on a permanent basis - Artisans cannot work together on jobs - Highly unproductive!!!								
	EPWP Contract workers are a waste of time as we've been making use of this for the last three years, we had to train new people every 3 months - we need semi skilled workers in this trade								
VEHICLE'S FUEL BILL	Total Fuel usage = [Petrol & Diesel fuel] - Vehicles Only = R 246 069,90								

FUEL USAGE - JANUARY 2018



FUEL USAGE - FEBRUARY 2018




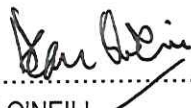
9. Conclusion & Sign Off

The Supply Chain Management Unit is continuously improving its processes and procedures in order to ensure that Council receive value for money in terms of demand and acquisition management.

It is hereby certified that the above information is correct.


.....
RJ SEFOOR
MANAGER SCM
Date: 8-3-2018


.....
PJ VAN BILJON
DIRECTOR: FINANCIAL SERVICES
Date: 08/03/2018


.....
DGI O'NEILL
MUNICIPAL MANAGER
Date: 09/03/14

