

Cape Agulhas Municipality



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
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MONTHLY REPORT SUPPLY CHAIN & FLEET MANAGEMENT 31 MARCH 2018

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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:

NUMBER OF MEMBERS	Management	Supervisory	Clerical
	1	3	8
Annual Leave	4	7,5	4,5
Sick Leave	0	2	1
Courses / Seminar	0	0	0
Overtime	0	0	0
Meetings	0	0	0
Family Responsibility Leave	0	0	1
Study	0	0	0
Maternity Leave	0	0	0
Union Matters	0	0	0
Absent	0	0	0
Special Annual Leave	0	0	3
No. of Workdays Attended	16	50,5	150,5
Total Workdays	20	60	160
Percentage attendance per Group	80%	84%	94%
Average	86%		

NUMBER OF MEMBERS	Management	Supervisory	Clerical
	1	3	8
Approved Overtime	0	0	2:15
Overtime x 1,5	0	0	2:15
Overtime x 2,0	0	0	0
Unapproved Overtime	10:02	16:38	40:12
Standby Allowance	0	0	0
Total No. of Overtime hours	0	16:38	0
Total Normal Workhours	119:25	411:39	1144:40

3.2 Training & Development

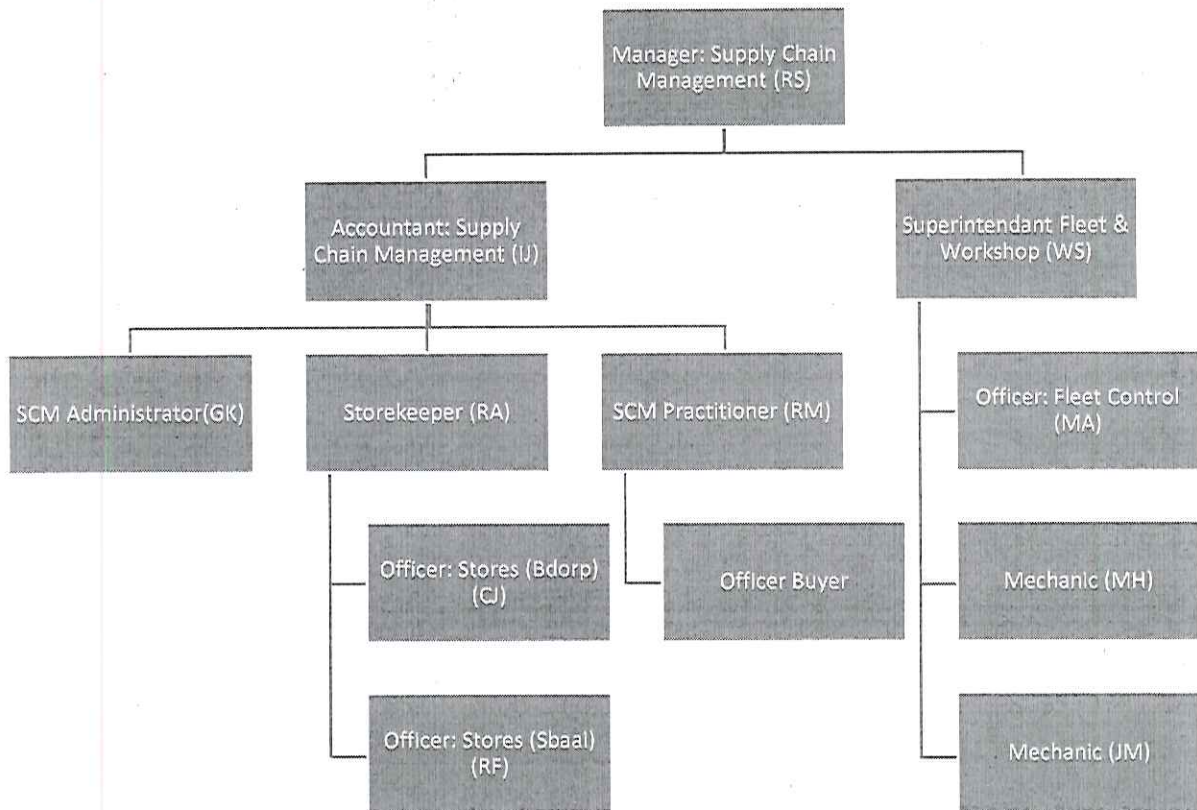
The following personnel members are currently enrolled for SCM related studies:

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
MARCH	11	22
TOTAL SUPPLIERS	1004	1045
VALID REGISTRATION	409	282
TAX CLEARANCES EXPIRED	595	763
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 31 March 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 March 2018.

ALL REQUESTS	YEAR TO DATE SUMMARY: JUL - DEC 2017			
	Mar-18			
Description	Total No	value	Total No	value
Requests processed	333	R 4 565 565,19	2 884	R 38 587 200,66
Orders processed	342	R 4 270 710,75	2 973	R 38 524 432,27
Request/ orders cancelled	9	R 294 854,44	89	R 1 683 301,95
Outstanding orders (all)	692	R 9 429 714,13	692	R 9 429 714,13
Paid orders	172	R 1 380 644,49	2 192	R 29 157 466,53

5.2 Tender Management

The following awards were made by the BAC.

AWARDS	01-Mar-17		01-Mar-18	
	Number	Amount	Number	Amount
Competitive Bids	3	R 2 768 244,67	0	R 0,00
Formal Written Quotations	0	R 0,00	0	R 0,00
Deviation In Terms Of Part 18.6.3 Of The SCMPOS	1	R 973 981,80	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	2	R 9 724,50	0	R 0,00
Procurement In Terms Scm Regulation 32	1	R 6 812 245,63	0	R 0,00
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-Mar-17	01-Mar-18
	Number	Number
Competitive Bids	3	11
Formal Written Quotations	2	7
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
none	-	-	-	-	-
Meetings Attended	-	-	-	-	-
Percentage Attendance	0%	0%	0%	0%	0%

6. Stores Management

As at **31 March 2018** the value of stock at the municipal stores amounted to:

	OPENING VALUE	PURCHASES VALUE	ISSUES VALUE	BALANCE VALUE
Store A – Bredasdorp Stores	R 1 220 894.27	R 418 143.54	-R 311 618.04	R 1 327 419.77
Store B – Electrical Stores	R 122 850.00	R 0,00	-R 20 475.00	R 102 375.00
Store C – Struisbaai Stores	R 91 085.76	R 32 065.09	-R 25 022.94	R 98 127.91
Total value of stock	R 1 434 830.03	R 450 208.63	-R 357 115.98	R 1 527 922.68

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

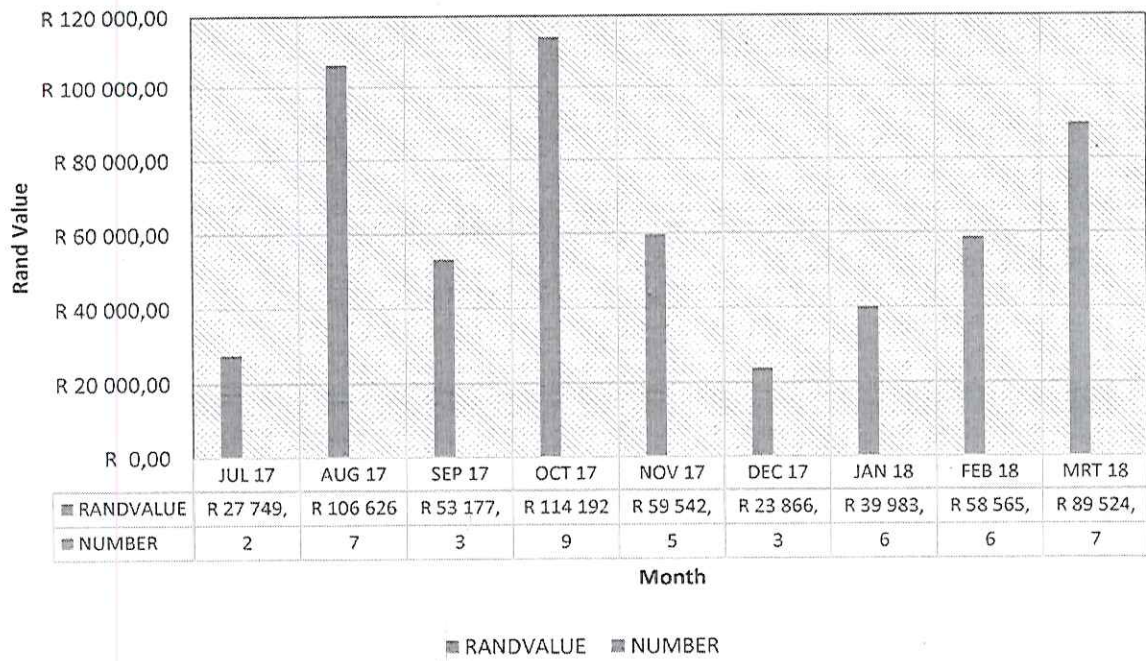
7.1 Deviations

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

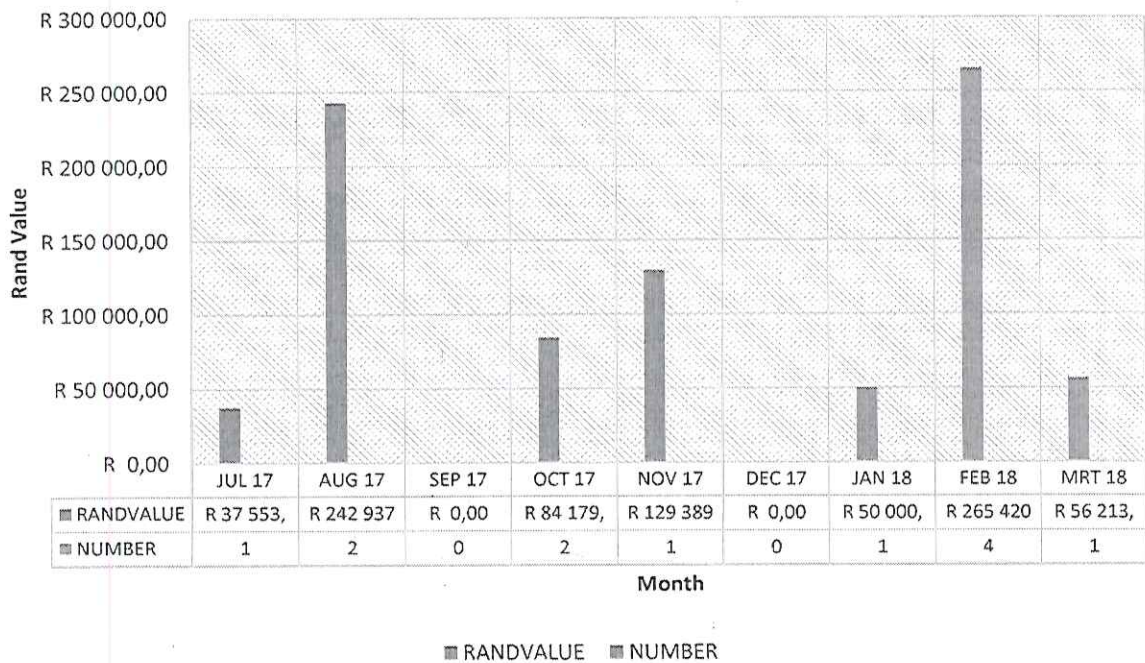
Deviations from Minor Breaches of the Supply Chain Management Policy (SCM Regulations 36 (1) (a), (i) (ii), (iii), (iv)&(v))				
	MARCH 2017		MARCH 2018	
THRESHOLD	RANDVALUE	NUMBER	RANDVALUE	NUMBER
BELOW R30 000	R 89 700.69	10	R 89 524.55	7
ABOVE R30 000	R 109 784.00	3	R 56 213.00	1
ABOVE R200 000	R 0.00	0	R 0.00	0
TOTAL	R 199 484.69	13	R145 737.55	8

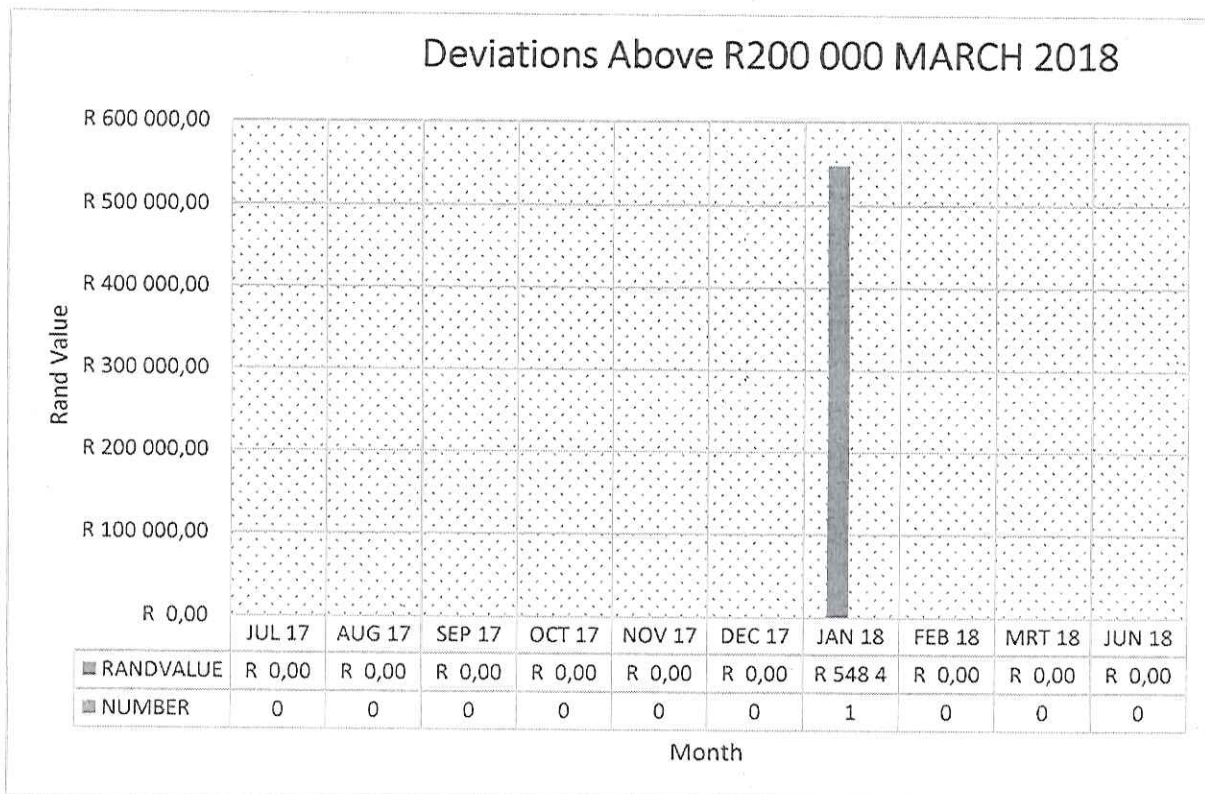
Deviations from Minor Breaches of the Supply Chain Management Policy (SCM Regulations 36 (1) (a), (i) (ii), (iii), (iv)&(v))				
	MARCH 2018		YEAR TO DATE	
	RAND VALUE	NUMBER	RAND VALUE	NUMBER
36 (1) (a) (i): Emergency	R33 656.34	3	R33 656.34	3
36 (1) (a) (ii): Sole Provider	R55 868.21	4	R 958 311.64	17
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 56 213.00	1	R 1 141 123.35	41
TOTAL	R 145 737.55	8	R 2 133 091.33	61

Deviations Below R30 000 MARCH 2018



Deviations Above R30 000 - MARCH 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 March 2018:

cidb Reference Number	Tender Number	Tenders Advertised And Not Closed					
		Description	Status	Date Advertised	Date Closed	Awarded	Change Request Status
100046115	SCM18-2017-18	THE BUILDING OF BATHROOMS IN BREDASDORP, NAPIER, STRUISBAAI AND ANISTON.	Advertised	2018-03-20	2018-04-17	No	N/A

cidb Reference Number	Tender Number	Description	Status	Date Advertised	Date Closed	Awarded	Change Request Status
100046209	SCM13-2018-19	UPGRADING OF TIDAL POOLS IN L'AGULHAS	Advertised	2018-03-27	2018-04-20	No	N/A
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	EXTENSION OF THUSONG CENTRE, PHASE 2	EXTENSION 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 Suiderstrand	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

TRAFFIC & LAW ENFORCEMENT DEPARTMENT

Ford Ranger LDV CS 4836 – 195852Km – 31 March 2018:

- Service underway; Seat bracket needs welding & Left rear tail lamp needs replacement

Nissan Tida – CS 5241 – 158953Km – 31 March 2018:

- Upcoming 160 000Km service - shortly;

Nissan Tida – CS 13901 – 112030Km – 31 March 2018:

- Good running condition;

Nissan Tida – CS 13908 – 117814Km – 31 March 2018:

- Upcoming 120 000Km service;

VW Polo Sedan – CS 13295 – 13531Km – 31 March 2018:

- Upcoming 15 000Km (First) service & Blue light needs replacement;

Nissan Tida – CS 5245 – 188910 Km – 31 March 2018:

- Driver seat needs recovering;
- Rear tyres needs replacement;

Nissan NP300 LDV CS 13450 – 71485Km – 31 March 2018:

- Upcoming 75 000Km service;

Ford Bantam 130i – CS 8446 – 281294Km – 31 March 2018:

- LDV needs new bonnet cable & fuel pump

Ford Ikon – CS 8623 – 207237Km – 31 March 2018:

- Needs 3 new tyres;

Kiosk Trailers - CS 5469 & CS 8160 31 March 2018:

- Good running condition

8.2 Fuel Account Summary

MONTHLY FUEL CARD SYSTEM RECON					
CAPE AGULHAS MUNICIPALITY					
31 March 2018					
DEPARTMENT	COST CENTRE	FUEL	OIL	FEES	GRAND TOTAL
TRAFFIC [8]	01 4021 2830 00	29807,95		632,66	30440,61
WATER [10]	01 5020 2830 10	41029,61		870,73	41900,34
COUNCIL [1]	01 2010 2830 00			26,33	26,33
ADMIN SUPPORT	01 2524 2830 00	578,55		10,53	589,08
<i>Corporate Services</i>	<i>CS 9208</i>			26,33	26,33
PARKS [5]	01 4042 2830 00	9551,13		287,31	9838,44
RESORTS [2]	01 4043 2830 00	3034,25		116,99	3151,24
THUSONG CENTRE [1]	01 4043 2830 00	1501,15		61,75	1562,90
ENVIRONMENTAL [2]	01 4023 2830 00	5388,45		133,21	5521,66
HOUSING [1]	01 4030 2830 00	382,45		35,33	417,78
BUILDINGS/COMM [3]	01 4041 2830 00	8129,78		202,28	8332,06
WORKSHOP [2]	01 3051 2830 00	2434,45		83,43	2517,88
SEWERAGE [12]	01 5030 2830 10	41514,49		862,41	42376,90
CLEANSING [9]	01 5040 2830 00	48681,80		814,27	49496,07
ROADS & SW [16]	01 5050 2830 10	44109,97		904,82	45014,79
ELECTRICAL [10]	01 5060 2830 10	26287,43		657,47	26944,90
	TOTAL FUEL =	262431,46		5725,85	268157,31

8.3 Monthly Acquisitions – Fleet management

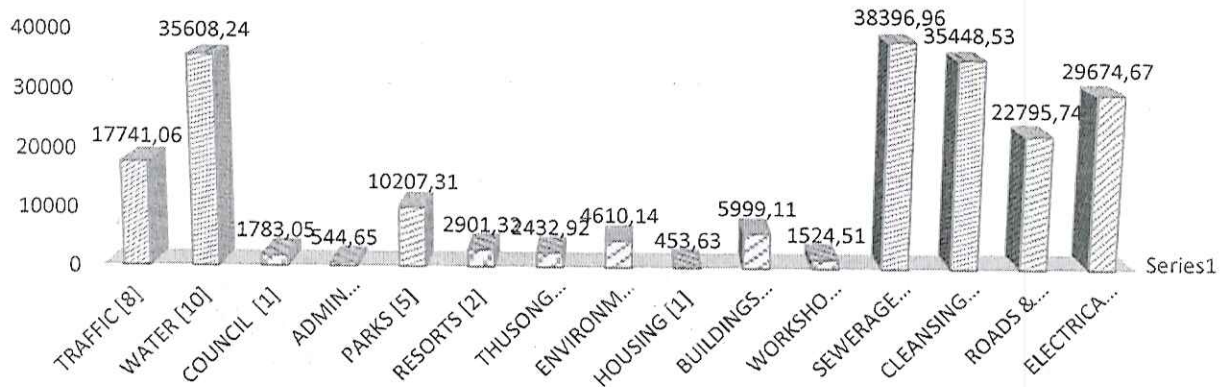
DEPARTMENTAL ACQUISITION SUMMARY

<u>DIRECTORATE</u>	<u>DEPARTMENT</u>	<u>AMOUNT</u>
FINANCE -SCM	Workshop	R 1 118,96
COMMUNITY SERVICES	Buildings & Commonage	R 1 035,00
	Parks	R 1 6892,70
	Resorts	R 136,80
	Social Development / Thusong	-
	Traffic	R 7 278,80
	Environmental	R 1 881,00
INFRASTRUCTURE	Electrical	R 2 976,40
	Solid Waste	R 19 800,30
	Streets & Storm Water	R 40 930,80
	Sewerage	R 16 203,19
	Water	R 10 378,00
	Housing	-
	<u>TOTAL</u> =	<u>R 118 632,00</u>

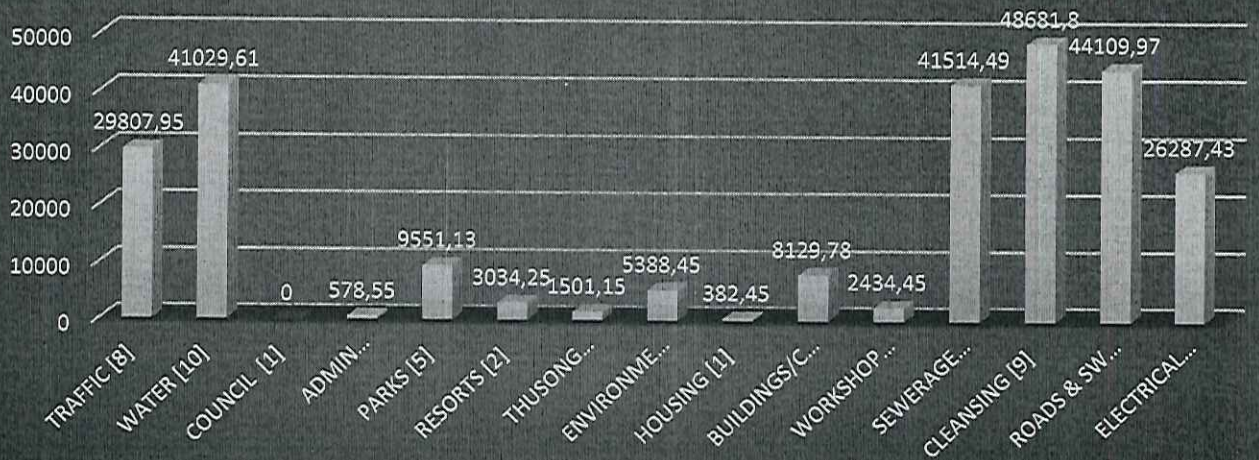
8.4 Workshop Operational & Summary Report

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	MAR'18
WORKSHOP OPERATIONS										
VEHICLES SERVICED	1	0	5	7	8	4	1	3	3	10
INHOUSE - VEHICLE REPAIRS DONE	10	8	12	6	12	15	8	11	12	8
VEHICLES TO EXTERNAL SUPPLIERS	0	0	1 - Visser's Eng	0	0	1	0	0	2	0
SMALL PLANT MACHINERY	2	1 Compactor	0	1 Compactor	0	0	0	0	2	1
SDBIP VEHICLE CHECKS DONE	10 Vehicles	10 Vehicles	10	10	10	10	10	10	10	10
CAPITAL PROJECTS	Completed	2 Projects	2 Projects	1 Item Ordered	Completed	Completed	Completed	Completed	Completed	Completed
ROADWORTHY TESTS	1 Tested	0	3	1	2	4	0	4	2	3
RW CERTIFICATES ISSUED	1 Passed	0	3	1	2	4	0	3	2	3
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	R 5 294,00
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	R 262 431,46
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	R 118 632,00
SPEED FINES ISSUED		5 of JUNE	4 of JULY	1 for AUGUST	1 for OCTOBER	2 for NOVEMBER	4 for DECEMBER	0	0	0
COMMENTS	New compactor truck on the road again - Auto Electrical fault found on wiring plug at automatic gearbox that was corroded Tenders for some repair work awarded									
CAPITAL PROJECTS	1. MIG Welder 200Amp - Delivered [Not in use yet]; 2. Workshop Tools aquisitioned and delivered 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	Desparately 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 262 431,46									

FUEL USAGE - FEBRUARY 2018



FUEL USAGE - MARCH 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: 5.4.2018


.....
PJ VAN BILJON
DIRECTOR: FINANCIAL SERVICES
Date:


.....
DGI O'NEILL
MUNICIPAL MANAGER
Date: 09/04/18