

STRICTLY CONFIDENTIAL

EXECUTIVE SUMMARY

SUBMISSION TO : Mayoral Committee & Council

DIVISION REQUESTING THE SUBMISSION : Finance Department (SCM)

TITLE OF THE SUBMISSION

Finance Deviations from Supply Chain Management Policy: (5/16/1/2) (CFO)

1. SOLUTION REQUIRED

Strategy Endorsement	
Commercial Options	
Approval	
Information	X

2. PURPOSE

To inform Council of the deviations from 01 October 2021 to 31 December 2021.

3. BACKGROUND

In terms of Section 36(1) (a) of the Municipal Supply Chain Management Regulations, the Supply Chain Management Policy may allow the Accounting Officer to dispense the official procurement processes established by the policy, to procure any required goods or services through any convenient process. The Accounting Officer must record the reasons for all deviations in terms of sub regulation (1) (a) and report them to council in terms of Section 36(2) of the Municipal Supply Chain Management Regulations.

4. FINANCIAL IMPLICATIONS

The total cost of the deviations for the period 01 October 2021 to 31 December 2021 amounts to R1 595 475.00.

5. LEGISLATIVE PROVISION

- Section 36(1)(a(v)) and Section 36(2) of the Municipal Supply Chain Management Regulations.
- Section 36(1)(a(v)) and Section 36(2) of the Lesedi Local Municipality Supply Chain Management Policy.
- Section 17(1)(c) of the Municipal Supply Chain Management Regulations.
- Section 17(1)(c) of the Lesedi Local Municipality Supply Chain Manage

7. RECOMMENDATION

That the attached list of deviations be noted.

8. ATTACHMENTS

Attached hereto is a list of approved deviations.

COMPANY	DESCRIPTION	CONTRACT VALUE	DATE	REASON	DEPARTMENT
Thembridge Support Services CC	Supply of a Front-End Loader for loading of Solid Waste into the haul-trucks at Heidelberg Waste Transfer Station	R487,025.00	22/10/2021	Contract ended and new tender was in process	Infrastructure Services
Masimbuya (Pty) Ltd	Supply of Tipper Trucks for Transportation of Solid Waste from Heidelberg Waste Transfer Station to Devon Landfill Site.	R881 050.00	22/10/2021	Contract ended and new tender was in process, transfer station needed to be cleared.	Infrastructure Services
Hazy Delight Trading Enterprise	Supply and Delivery of petrol	R179,400	30/11/2021	Service provider for the supply and delivery of fuel (Diesel and petrol) was appointed, the appointment includes maintenance of pumps and tanks, on implementation of the project they had to carry out maintenance as the pumps were standing idle for a year the appointed service provider discovered that the fuel tank is delapidated and will contaminate the petrol which will in turn will damage municipal vehicles. The solution is to have a temporary tank as overhauling the current tanks is going to have material financial	Stores

COMPANY	DESCRIPTION	CONTRACT VALUE	DATE	REASON	DEPARTMENT
				implications. We are awaiting the adjustment budget process for the procurement of the temporary tank	
Siyoghuba Enterprise (Pty) Ltd	TLB Hire	R48 000.00		Flooding in Vischskuil resulted in roads having to be graded using a TLB	Infrastructure Services