

# Cape Winelands District Municipality

## IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

For the Financial Year 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019

### BACKGROUND

This report is in compliance with Regulation 6(2)(a)(i) of the Supply Chain Management Regulations<sup>1</sup> on the implementation of the Supply Chain Management Policy of the Cape Winelands District Municipality. The purpose of the report is to assist and strengthen Council's oversight role in the execution thereof. Furthermore, it must be made public in accordance with Section 21A of the Municipal Systems Act, 2000 on an annual basis.

### POLICY

The Supply Chain Management Policy was initially adopted on 23 January 2006 and revised for a third time on 25 May 2017. It is fully compliant with National Treasury's prescripts. It has been advertised numerously and is available on Council's website.

### ACTIONS/PROCEDURES GIVING EFFECT TO POLICY IMPLEMENTATION

The Constitution of the Republic of South Africa, 1996 addresses this issue in section 217. When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.

To give orderly effect to the above the Supply Chain Management processes are categorised in;

- (a) Demand management
- (b) Acquisition management
- (c) Logistics management
- (d) Disposal management
- (e) Performance management
- (f) Other matters

#### (a) Demand management

Demand management requires timely planning and a management process that will ensure that all goods and services which are required are quantified, budgeted for and delivered in a timely and effective manner at the right locations and at the critical delivery dates. These goods and services must be of appropriate quality, quantity at a fair cost.

Furthermore, the required specifications must ensure that needs are met.

In order to further enhance the demand planning process, an annual procurement plan has been designed for implementation during the coming financial year. The final target dates for each project were determined with Council's approval of the final budget. Senior managers are accountable to ensure that the procurement process commences as per the target dates. Information is available in the financial system.

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<sup>1</sup> Supply Chain Management Regulations: National Treasury General Notice 868, Gazette no. 27636 dated 30 May 2005.

Specifications are unbiased and advertised in order to promote the five pillars of procurement as set out in the Constitution. It ultimately ensures that the needs are addressed effectively.

**(b) Acquisition management**

The system of acquisition management must ensure the following:

- (i) That goods and services are only procured in accordance with authorised processes;
- (ii) That expenditure on goods and services are incurred in terms of an approved budget as per section 15 of the Municipal Finance Management Act (Act 56 of 2003);
- (iii) That the threshold values for different procurement processes are complied with;
- (iv) That bid documentation, evaluation and adjudication criteria and general conditions of contract are in accordance with any applicable legislation; and
- (v) That any Treasury guidelines on acquisition management are properly taken into account.

The procurement process is centralised. This is essential to ensure that all requests for quotations are actioned by the Supply Chain Management Unit which controls and manage compliance with the different thresholds of procurement. It must also combat the deliberate splitting of orders into smaller parts merely to avoid complying with the thresholds. Requests for competitive bids (in excess of R 30,000) and awards made are advertised on the municipal notice boards, website and in the press if more than R 200,000.

To give effect to the above, a coding system, by range (SCM Regulation 12) of procurement and value, was developed to control, manage and report on acquisitions.

A summary of the different categories of acquisitions made for the period is attached as **Annexure "A1"**.

**Bid committees:** The following table details the number of bid committee meetings held for the year under review:

	Bid Specification Committee				Bid Evaluation Committee				Bid Adjudication Committee			
	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes
<b>TENDERS: &gt; R200,000</b>												
1 <sup>st</sup> Quarter	4	27	4	4	2	17	2	2	2	16	2	2
2 <sup>nd</sup> Quarter	1	7	1	1	4	22	4	4	5	18	5	5
3 <sup>rd</sup> Quarter	3	12	3	3	2	9	2	2	1	6	1	1
4 <sup>th</sup> Quarter	12	58	12	12	6	15	6	6	8	16	8	8
<b>TOTAL</b>	<b>20</b>	<b>104</b>	<b>20</b>	<b>20</b>	<b>14</b>	<b>63</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>56</b>	<b>16</b>	<b>16</b>

**Formal written price quotations:** (R 30,001 - R 200,000) The following table details the number of formal written price quotations that were evaluated and awarded in the year under review:

**FORMAL WRITTEN PRICE  
QUOTATIONS: R30,001 - R200,000**

1<sup>st</sup> Quarter

2<sup>nd</sup> Quarter

3<sup>rd</sup> Quarter

4<sup>th</sup> Quarter

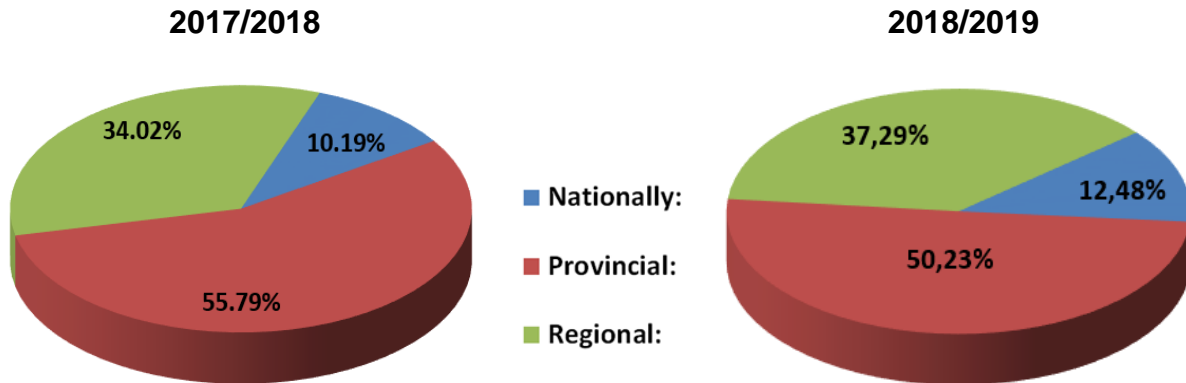
**TOTAL**

<b>Evaluated &amp; Awarded</b>
18
63
12
15
<b>108</b>

Municipalities must report to National Treasury on all acquisitions in excess of R 100,000 on a monthly basis. Information is captured and approved directly on their CRA System. **Annexure “A3”** is a list of awards made.

**B-BEE COMPLIANCE PERFORMANCE INFORMATION**

**Geographical expenditure:**



**Awards made to companies according to their Broad-Based Black Economic Empowerment (B-BBEE) level of contribution**

As from 1<sup>st</sup> April 2017, the new Preferential Procurement Regulations, 2017 came into effect. The threshold value between the 80/20 and the 90/10 applications increased from R 1m to R 50m. It’s also now prescriptive on issues such as cancellation, sub-contracting and market-related pricing.

The B-BBEE status level of contribution means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. The scoring is done by an accredited institution. Auditors are no longer allowed to issue certificates. The scorecard contains elements such as ownership, management control, employment equity, skills development, procurement, enterprise development and socio economic development. A score is then calculated as prescribed by the B-BBEE Act and the Codes of Good Practice, which places the supplier on a certain B-BBEE level. Each level earns a supplier a certain number of B-BBEE points which they can claim when bidding for goods and services above a value of R 30 000 (incl VAT). **New regulations passed on 06 May 2015 provides that EMEs (Exempted Micro Enterprises) and QSEs (Qualifying Small Enterprises) can obtain eligibility by producing their own B-BBEE certificates in the form of a sworn affidavit.**

**Break down of procurement to illustrate values spent with B-BBEE compliant suppliers:**

Level & Points i.r.o the 90/10 & 80/20 categories		Number of Qualifying Suppliers		Value spent		% of Total	
		2017/2018	2018/2019	2017/2018	2018/2019	2017/2018	2018/2019
Level 1	10/20	92	92	35 763 318.80	32 944 798.22	24.28%	23.13%
Level 2	9/18	31	25	16 151 592.69	12 170 243.76	10.97%	8.54%
Level 3	6/14	19	12	12 596 307.58	1 681 955.38	8.55%	1.18%
Level 4	5/12	54	40	15 304 723.10	12 969 288.45	10.39%	9.11%
Level 5	4/8	4	3	1 276 034.51	837 304.63	0.87%	0.59%
Level 6	3/6	2	2	374 360.69	385 882.73	0.25%	0.27%
Level 7	2/4	2	2	368 852.47	85 508.49	0.25%	0.06%
Level 8	1/2	12	7	20 684 639.08	11 931 843.13	14.04%	8.38%
No Status		289	295	44 770 727.44	69 430 301.33	30.40%	48.74%
<b>Totals</b>		<b>505</b>	<b>478</b>	<b>147 290 556.36</b>	<b>142 437 126.12</b>	<b>100.00%</b>	<b>100.00%</b>

**Appeals by aggrieved bidders: Regulation 50(4)(b)**

No successful appeals were lodged by aggrieved bidders for the period under review.

**Deviations from normal procurement processes****(i) Regulation 36(1)(a)&(b) Deviations (Sole provider, impractical, impossible, etc. & ratification of minor breach)**

Regulation 36 refers to acquisitions made in exceptional cases when it is impractical or impossible to follow the official procurement processes. Typical circumstances may be in case of an emergency, if such goods or services are produced or available from a single provider only, such as agents, special works of art or historical objects where specifications are difficult to compile and/or the acquisition of animals for zoos.

For the year under review, the total deviations approved by the Accounting Officer and or his delegated authority amounted to R 8,101,476 compared to the previous year's figure of R 9,316,907. This represents a decrease of 13.05%. It is noted that deviation values fluctuate during each period and will not necessarily reflect the same patterns. However, long-term contracts are included in the total. The table and chart on page five indicates the volumes and values of instances, per category. Regulation 36(1) (b) refers to ratification of any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature. In these instances the correct procurement processes were followed per Supply Chain Management Policy, however anomalous errors were made and are purely of a technical nature.

See illustration below for the deviations which occurred in the year under review. Full details thereof can be analysed in the quarterly reports as submitted to Council during the year. All instances of this nature are disclosed and included in the annual financial statements.

**(ii) Regulation 16(c) and 17(1)(c) Deviations**

In the acquisition process it is not always possible to obtain three responsive quotations. If it is in respect of written quotations, regulation 16(c) for a value R 2001 to R 10,000 complies, namely; the reasons must be recorded and reported quarterly to the accounting officer or another official designated by the accounting officer. For formal written price quotations, regulation 17(1)(c) for a value R 10,001 to R 200,000 complies, namely; the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer. In this instance the accounting officer must record the names of the potential providers and their written quotations.

In the 2012/2013 audit, the Auditor-General was of the opinion that the municipality did not demonstrate that it did its best to obtain three quotations and/or did not give sufficient reasons for the deviations. This was rectified with improved procedures that satisfied the Auditor-General in the previous audits. The total for 2018/2019 amounted to R 6,697,481.72 in relation to R 7,301,561.72 reported in the 2017/2018 financial year. Despite the renewed efforts, the results reflect an improvement for the current year. The illustration below can be scrutinised to identify problematic areas.

It must be noted that 228, to the value of R 6,338,357.64 of the 157 instances were advertised on the municipality's notice boards and webpage. It represents 68.68% of the transactions and 82.42% of the value.

### ILLUSTRATED VALUES

Commodity Description July 2018 to June 2019	REG.16(c) < 3 Written Quotations		REG.17(f)(c) < 3 Written Quotations		DEV- REG.36(1) (a)(v) Impractical		Other Organs of State		DEV- REG.36(1) (a)(ii) Sole Supplier		TOTALS	
	#	Value	#	Value	#	Value	#	Value	#	Value	#	Value
AGENTS: SPECIALISED EQUIPMENT					6	80 003					6	80 003
AUDITOR GENERAL							14	3 378 405			14	3 378 405
BREAKFAST/LUNCH/SUPPER-OTHER	6	18 460	8	245 713	4	88 330					18	352 503
BUILDINGS - CONSTRUCTION			2	70 547							2	70 547
BUILDINGS - MAINTENANCE			12	1 347 216							12	1 347 216
CAMERA: DIGITAL			6	49 470							6	49 470
CELL PHONE - SERVICE CHARGES					27	30 326					27	30 326
CLEANING SERVICES			36	318 522							36	318 522
COLLECTIVE AGREEMENTS							38	114 523			38	114 523
COMMUNICATION CENTRE					9	21 833					9	21 833
CONSTRUCTION MATERIAL - ROADS							1	18 934			1	18 934
CONSULTANTS - CIVIL/ENGINEERING			1	29 118							1	29 118
CONSULTANTS - PROFESSIONAL SERVICES	2	3 600	20	753 041	38	3 079 855					60	3 836 496
EDUCATIONAL/SOCIAL/RECREATION	2	8 379	3	228 680					1	27 600	6	264 659
EQUIPMENT - ELECTRONIC/RADIO/Etc.	1	7 800	2	33 430							3	41 230
EQUIPMENT - OTHER			3	92 100							3	92 100
FUEL - DIESEL							21	27 617			21	27 617
GARNISHING ORDERS							87	69 720			87	69 720
HOTEL BOOKINGS - LOCAL			4	56 200			2	14 850			6	71 050
INTERNET CONNECTION			2	364 211							2	364 211
IT RELATED GOODS & SERVICES			5	56 853	3	12 100	4	152 336	1	4 237	13	225 526
LEGAL SERVICES					5	64 253					5	64 253
LICENSING - OTHER			1	82 800							1	82 800
LICENSING - VEHICLES							167	22 994			167	22 994
MEDIA: NEWS PAPERS/MAGAZINES/Etc.							40	8 191	4	9 209	44	17 400
MEDICAL: TREATMENT	2	17 325	1	15 840							3	33 165
MISCELLANEOUS	16	38 477	8	278 720	1	2 852	1	2 735	1	4 440	27	327 224
OFFICE FURNITURE			1	161 760							1	161 760
PHOTOCOPY MACHINES					11	692 860					11	692 860
PRINTING & PUBLICATIONS	13	10 557	11	220 791	23	424 823			2	8 364	49	664 534
PROTECTIVE CLOTHING			1	11 644	2	6 400					3	18 044
REFRESHMENTS/ENTERTAINMENT			7	150 806							7	150 806
REGISTRATION FEES: SEMINARS/Etc.									14	140 703	14	140 703
RENEWAL: SOFTWARE LICENSE			1	17 207	6	1 654 473					7	1 671 680
RENTAL - CONFERENCE FACILITY/CATERING			7	82 230							7	82 230
RENTAL - FIXED PROPERTY							8	27 194			8	27 194
RENTAL - OTHER	3	20 253	8	111 865	1	3 441	1	1 980			13	137 538
RENTAL EXHIBITION SPACE									4	222 144	4	222 144
RENTAL: PORTABLE CHEMICAL TOILETS			2	482							2	482
REPAIRS/SERVICE: MECHANICAL/ELECTRIC	9	7 223									9	7 223
REPAIRS: OTHER (ELECTRONIC/MECH/Etc.)					2	4 888					2	4 888
SABC & OTHER RADIO & TV ADVERTISING							1	5 961			1	5 961
SECURITY SERVICES			6	184 506							6	184 506
SERVICE LEVEL AGREEMENTS			11	65 112	19	293 276			1	150 000	31	508 389
SERVICES - ELECTRICAL							72	2 829 501			72	2 829 501
SERVICES - RATES & TAXES							36	2 556 296			36	2 556 296
SERVICES - REFUSE REMOVAL							46	110 621			46	110 621
SERVICES - SEWERAGE							48	125 722			48	125 722
SERVICES - TELEPHONE							14	4 016 791			14	4 016 791
SERVICES - WATER							57	526 070			57	526 070
SERVICING OF EQUIPMENT BY AGENT					2	68 194					2	68 194
SOFTWARE & SUPPORT					48	390 786			3	2 254	51	393 039
SOFTWARE (SPECIFIC)			2	64 422	5	302 214					7	366 637
STATIONERY - OTHER			1	45 506							1	45 506
SUBSCRIPTIONS - LEGAL					21	140 446					21	140 446
TRAINING (SPECIFIC)			19	636 319							19	636 319
TRANSLATION SERVICES	1	4 800									1	4 800
TRANSPORT/DELIVERIES & STORAGE			1	29 500							1	29 500
TRANSPORT: PUBLIC	38	222 250	33	489 300							71	711 550
POSTAL & PACKAGING SERVICES							2	4 935			2	4 935
SPECIALISED EQUIPMENT			1	24 895							1	24 895
LICENSING - RADIOS							15	32 243			15	32 243
SERVICES - SPECIFIC SUPPLIER							1	7 205			1	7 205
RENTAL - SPECIALISED EQUIPMENT			2	19 551							2	19 551
TOURISM PROJECTS / EXPOS									3	123 110	3	123 110
MEDIA: NEWS PAPERS/MAGAZINES/Etc.							2	112			2	112
VISA FEES FOR INTERNATIONAL TRAVEL					8	12 104					8	12 104
REGISTRATION FEES: SEMINARS/Etc.									5	35 960	5	35 960
<b>Grand Total</b>	<b>93</b>	<b>359 123</b>	<b>228</b>	<b>6 338 358</b>	<b>241</b>	<b>7 373 457</b>	<b>678</b>	<b>14 054 938</b>	<b>39</b>	<b>728 019</b>	<b>1 279</b>	<b>28 853 895</b>

See **Annexure "A1"** for a breakdown of all procurement processes for the year under review.

**(c) Logistics management**

The system of logistics management must ensure the following:

- (i) Monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
- (ii) Setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- (iii) Placing of orders for all acquisitions other than those from petty cash;
- (iv) Before payment is approved, certification by the responsible official that the goods and services has been received or rendered on time and is in accordance with the order, general conditions of contract, specifications applicable and that the price charged is as quoted in terms of a contract;
- (v) Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- (vi) Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

**(d) Disposal management**

The system of disposal management must ensure the following:

- (i) Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
- (ii) movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
- (iii) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
- (iv) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed; and
- (v) Where assets are traded in for other assets, the highest possible trade-in price is negotiated.

The municipality is complying with section 14 of the MFMA which deals with the disposal of capital assets.

**(e) Performance management**

The SCM policy requires that an internal monitoring system be established and implemented in order to determine, on the basis of retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Various assessments by Provincial Treasury's SCM section, of which the latest evaluation was from 9<sup>th</sup> to 11<sup>th</sup> July 2014, and external consultants has indicated that the municipality's processes and procedures are in line with legislative requirements. Specific attention is given to *inter alia*, the following aspects;

- (i) Compliance with chapter 11 of the Municipal Finance Management Act (Act 56 of 2003);
- (ii) Adherence to bid committee structures as stipulated in the Supply Chain Management regulations of 2005 and the Cape Winelands District Municipality's Supply Chain Management Policy;
- (iii) The applicable sections relating to points scoring and the evaluation of bids in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000 and regulations);
- (iv) Compliance with the code of conduct for Supply Chain Practitioners and Bid Committee Members; and
- (v) To propose improvements to the bid committee system and process.

**(f) Other matters****Advertisements in the press**

Advertisement costs of R 372,249.66 were incurred in the procurement process for this financial year in relation to R 362,845.79 in the previous financial year.

**CIDB – Construction Industry Development Board**

Municipalities are required to advertise, register and maintain all contracts of a construction nature in excess of R 200,000 on the CIDB web page.

**AWARDS FOR THIS PERIOD:**

	<b>CONTRACT NUMBER</b>	<b>AWARDED TO</b>	<b>DESCRIPTION</b>	<b>VALUE</b>
1	T2018/010	MEYER ELECTRICAL & CONSTRUCTION	ELECTRICAL INSTALLATION, REPAIR AND MAINTENANCE CONTRACT FOR THE PERIOD 01 SEPTEMBER 2018 TO 30 JUNE 2019	1 130 450.00
2	T2018/011	ZAMIL ENGINEERS AND CONSTRUCTORS	AIR CONDITIONING INSTALLATION, REPAIR, SERVICING AND MAINTENANCE CONTRACT FOR THE PERIOD 01 SEPTEMBER 2018 TO 30 JUNE 2019	581 865.50
3	T2018/012	MEYER ELECTRICAL & CONSTRUCTION	PLUMBING INSTALLATION, REPAIR AND MAINTENANCE CONTRACT FOR THE PERIOD 01 SEPTEMBER 2018 TO 30 JUNE 2019	497 719.50
4	T2018/006	ZABS ENTERPRISES (PTY) LTD	MANUFACTURE AND ERECT STEEL PALISADE FENCE CWDM ROADS DEPOT, ROBERTSON	240 880.00

	<b>CONTRACT NUMBER</b>	<b>AWARDED TO</b>	<b>DESCRIPTION</b>	<b>VALUE</b>
5	T2018/015	ZABS ENTERPRISES (PTY) LTD	MANUFACTURE AND ERECT STEEL ARPORTS AND ACCESS GATE AT THE CWDM'S OFFICES, BIRD STREET, STELLENBOSCH	212 232.10
6	T2018/016	TEMMO'S SHADE PORTS & CLEANING SERVICES	PAVING CWDM OFFICE, WORCESTER	279 484.00
7	T2018/018	MATU CONSTRUCTION & PROJECTS	PAVE YARD: ROBERTSON FIRE FIGHTING SERVICES	359 705.00
8	T2018/020	MG INVESTMENTS CC T/A AIR SELECT	MG INVESTMENTS CC T/A AIR SELECT	315 943.41
9	T2018/042	BEAP CONSTRUCTION CC	CONSTRUCTION / UPGRADING OF ABLUTION FACILITIES AT RURAL SCHOOLS	295 000.00
10	T 2018/017	LINGOMSO SANO (PTY) LTD	PAVING AT CWDM FIRE STATION, WORCESTER	307,741.15
11	T 2018/043	EVERGREEN CONSTRUCTION CC	CONSTRUCTION OF A MULTI-PURPOSE COURT AT PROSPECT PRIMARY SCHOOL, ASHTON	840,908.75
12	T 2018/044	JT MARITZ ELECTRICAL CC	INSTALLATIONS OF FLOODLIGHTS AT RURAL SPORT FACILITIES	340,765.70
<b>TOTAL:</b>				<b>5 402 695.11</b>

### Tenders and quotations evaluated on performance

Suppliers are evaluated on work performed or goods supplied for functionality, quality and performance. To evaluate the supplier a document is prepared and issued, in respect of the previous six months, to the relevant official who initiated the acquisition. The following documents were issued and submitted as indicated.

Relevant Department/Division	Tenders		Quotations	
	2017/2018	2018/2019	2017/2018	2018/2019
COMMUNITY DEVELOPMENTAL SERVICES	11	12	20	8
CORPORATE SERVICES	16	1	10	2
FINANCIAL	2	29	2	6
LOCAL ECONOMIC DEVELOPMENT	2	1	3	5
ENGINEERING	26	89	30	23
GOVERNANCE	0	0	0	0
MUNICIPAL MANAGER	1	0	1	2
RURAL & SOCIAL DEVELOPMENT	2	1	10	6
<b>Grand Total</b>	<b>60</b>	<b>133</b>	<b>76</b>	<b>52</b>

#### By-Annual performance:

The evaluation is objective and based on five performance areas as indicated on page 9;

The contract manger is responsible for the evaluation, but in the event that the supplier is rated lower than 18 points out of a possible of 25 (72%), he/she must be consulted and when agreed on the final rating, sign the evaluation document as proof of consultation.

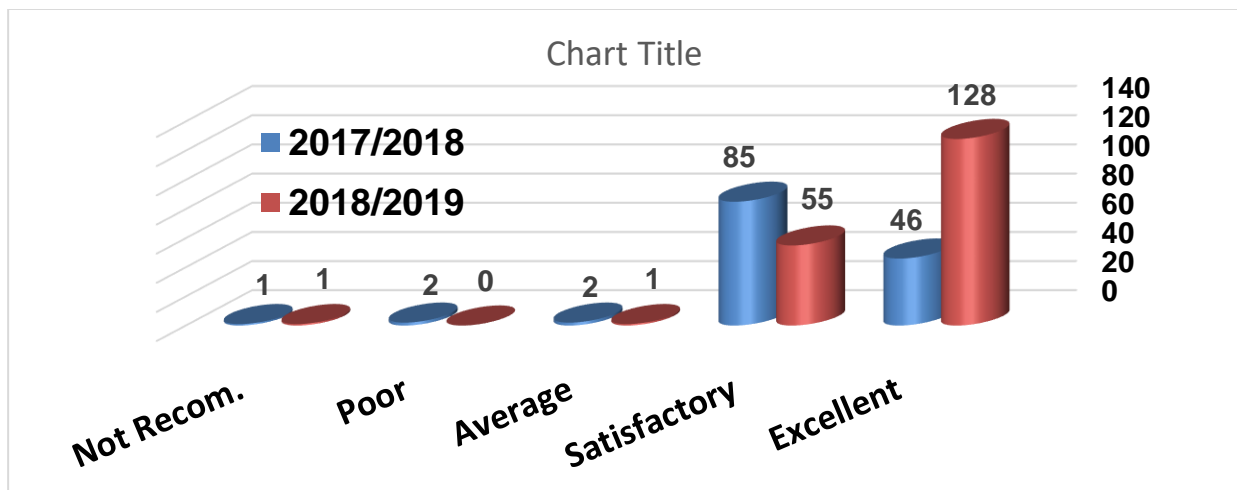


SUPPLIER PERFORMANCE ASSESSMENT					
Performance area	Ranking				
<b>Project management and control</b>	<ul style="list-style-type: none"> <li>➢ Non existent or inadequate project management</li> <li>➢ No evidence of formal controls in place</li> </ul>	<ul style="list-style-type: none"> <li>➢ Project manager identified</li> <li>➢ Simple project plan in place, no evidence of update/use</li> <li>➢ Reliance on individuals rather than process</li> <li>➢ Haphazard controls</li> </ul>	<ul style="list-style-type: none"> <li>➢ Project manager and team identified</li> <li>➢ Project plan in place but limited evidence of update/use</li> <li>➢ Project team managed through meetings – no use of tools</li> <li>➢ Inconsistent change control</li> </ul>	<ul style="list-style-type: none"> <li>➢ Project manager has formal ownership of project and team</li> <li>➢ Single point of accountability for decisions</li> <li>➢ Formal project management processes followed</li> <li>➢ Rigorous change control</li> </ul>	<ul style="list-style-type: none"> <li>➢ Full and accountable project management process</li> <li>➢ Detailed and controlled processes</li> <li>➢ Full visibility of progress, issues and changes</li> </ul>
<b>Score</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Communications</b>	<ul style="list-style-type: none"> <li>➢ Difficult to contact or obtain a response</li> <li>➢ Evidence of poor internal communications</li> <li>➢ Response regularly inadequate</li> </ul>	<ul style="list-style-type: none"> <li>➢ Regular communications but often incomplete</li> <li>➢ Response to queries inconsistent</li> <li>➢ Reactive</li> </ul>	<ul style="list-style-type: none"> <li>➢ Fairly rapid response to queries</li> <li>➢ Generally complete responses, but clarification often required</li> </ul>	<ul style="list-style-type: none"> <li>➢ Effective communications and relationships</li> <li>➢ Generally proactive and complete responses</li> <li>➢ Little clarification required</li> </ul>	<ul style="list-style-type: none"> <li>➢ Excellent, open relationship</li> <li>➢ Complete response to queries</li> <li>➢ Pro-active and anticipates issues</li> </ul>
<b>Score</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Flexibility</b>	<ul style="list-style-type: none"> <li>➢ Inflexible and reliant on contract</li> </ul>	<ul style="list-style-type: none"> <li>➢ Some willingness to be flexible, but only short-term</li> </ul>	<ul style="list-style-type: none"> <li>➢ Willing to be flexible around project demands over medium term</li> </ul>	<ul style="list-style-type: none"> <li>➢ High degree of flexibility around project and contract matters</li> </ul>	<ul style="list-style-type: none"> <li>➢ Completely open and flexible – joint partnering arrangement focused on project</li> </ul>
<b>Score</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Capability</b>	<ul style="list-style-type: none"> <li>➢ Inadequate capability</li> <li>➢ Consistently missing critical deadlines or milestones</li> <li>➢ Multiple design or production errors</li> </ul>	<ul style="list-style-type: none"> <li>➢ Poor capability</li> <li>➢ Some missing of critical deadlines or milestones</li> <li>➢ Design or production errors not satisfactory</li> </ul>	<ul style="list-style-type: none"> <li>➢ Satisfactory capability</li> <li>➢ Almost no missing of critical milestones or deadlines</li> <li>➢ Design or production errors not critical</li> </ul>	<ul style="list-style-type: none"> <li>➢ Good capability</li> <li>➢ No missing of critical milestones or deadlines</li> <li>➢ Virtually no design or production errors</li> </ul>	<ul style="list-style-type: none"> <li>➢ Excellent capability</li> <li>➢ No missing of any project milestones or deadlines</li> <li>➢ No design or production errors</li> </ul>
<b>Score</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Delivery</b>	<ul style="list-style-type: none"> <li>➢ Frequently capacity constrained resulting in significant schedule problems</li> <li>➢ Expediting regularly required</li> </ul>	<ul style="list-style-type: none"> <li>➢ Some capacity constraints with some impact on schedule</li> <li>➢ Some expediting required</li> </ul>	<ul style="list-style-type: none"> <li>➢ Generally unconstrained and able to meet schedule</li> <li>➢ Limited expediting required</li> </ul>	<ul style="list-style-type: none"> <li>➢ Regular deliveries on schedule</li> <li>➢ Limited capacity to reschedule to meet project changes</li> <li>➢ Little or no expediting required</li> </ul>	<ul style="list-style-type: none"> <li>➢ Established track record of deliveries</li> <li>➢ Capacity to reschedule to meet project changes</li> <li>➢ No expediting required</li> </ul>
<b>Score</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

NB: Where the specific category does not apply to the relevant evaluation or supplier, a rating of four (4) must be applied.

**Evaluation Matrix:** 01-05 = NOT RECOMMENDED; 06-10 = POOR; 11-15 = AVERAGE; 16-20 = SATISFACTORY; 21-25 = EXCELLENT

**Performance of suppliers evaluated: Number of evaluations / Performance**



### Performance per category – improvement/deterioration on previous year:

Perf. Level	Category	2017/2018		2018/2019		Movement (Evaluation must be objective per category)	
		# of Evaluations	% of Category	# of Evaluations	% of Category		
1	Not Recom.	1	0,74%	1	0,54%	0,19%	Improvement
2	Poor	2	1,47%	0	0,00%	1,47%	Deterioration
3	Average	2	1,47%	1	0,54%	0,93%	Deterioration
4	Satisfactory	85	62,50%	55	29,73%	32,77%	Deterioration
5	Excellent	46	33,82%	128	69,19%	35,37%	Improvement
Total:		136		185			

Officials must not be encouraged to give higher points just to achieve an artificially high performance level. Therefore, the two top levels should follow a natural cause and attention must be given to the lower three. To achieve better results officials are encouraged to engage with poor performing suppliers to capacitate better performance. Appropriate contract management will reduce unnecessary performance problems.

#### Transactions concluded with - *“People in the Service of the State”*

The Supply Chain Management Regulation 44 prohibits awards to persons in the service of the state and may not make any award to a person;

- (a) who is in the service of the state;
- (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) who is an advisor or consultant contracted with the municipality or municipal entity.

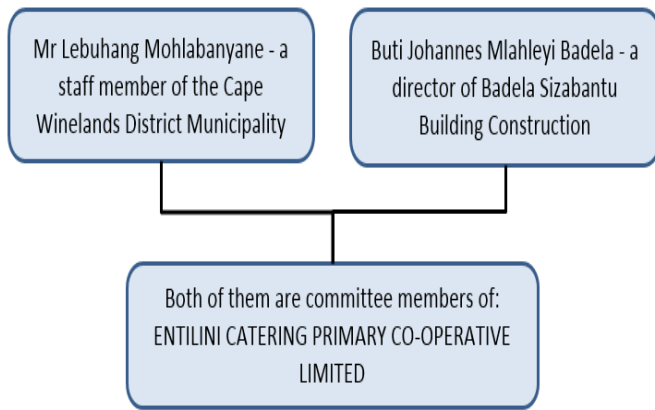
No instances were investigated or recommended to Council, by the Municipal Public Accounts Committee (MPAC) for write-off in the year under review.

#### Transactions concluded with - *“Close family members of persons in the service of the state”*

The Supply Chain Management Regulation 45 does not prohibit awards to persons who have close family members working in the service of the state, but municipalities must disclose all amounts dispensed in excess of R 2,000. See **Annexure “A4”**.

#### Benefits received in terms of the Local Government: Municipal Systems Act 32 of 2000 – Schedule 1 sec 5(2) & Schedule 2 sec 5(1)

In addition to regulation 45, a councillor or staff member of a municipality who, or whose partner or business associate acquired or stands to acquire any direct benefit from a contract concluded with the municipality must declare it. In layman’s terms it can be referred to as an indirect or third party relationship/association. See the illustration on page 11 and **Annexure “A5”** for identified instances.



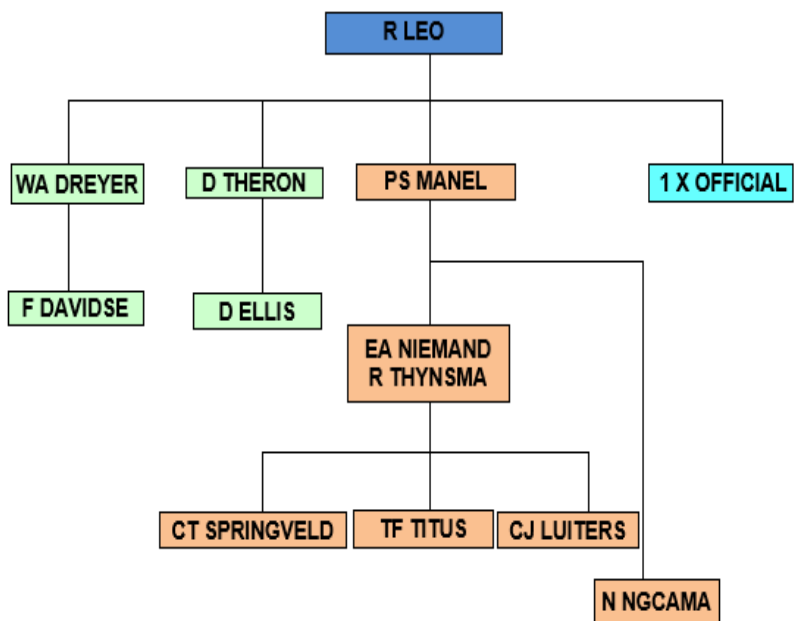
**By association: (External )**

An association is established when two or more individuals are connected through the same common purpose, e.g. committee members. If one of the members is a councillor or official and another member is a supplier of the municipality, an association is established, and must be declared by that councillor or official.

**Staff component**

The following officials are currently directly involved with the Supply Chain Management processes.

POST NAME	EMPLOYEE
Manager: Supply Chain Management	RA Leo
Senior Buyer	PS Manel
Senior Supply Chain Management Officer	R Thuynsma
Principal Clerk: Procurement	CJ Luiters
Procurement Clerk	N Ngcama
Senior Storekeeper/Buyer	D Theron
Storekeeper/Buyer	D Ellis
Senior Storekeeper/Buyer	WA Dreyer
Storekeeper/Buyer	F Davidse
Senior Administrator: Quotations & Tenders	EA Niemand
Chief Clerk: Supplier/Database Administration	CT Springveldt
Chief Clerk: Supplier/Database Administration	TL Titus
Contract Management Officer	Vacant



**Supplier database**

National Treasury’s Web Based Central Supplier Database (CSD) was implemented through Circular No. 81 dated 18 March 2016 came into effect on 1st July 2016. Council adopted this circular as per C.14.6 of 28 April 2016. Provincial Treasury is rolling out the program and facilitates communication with National Treasury.

There are still unresolved compliance issues on which National Treasury must issue instructions; e.g. National and Provincial spheres, on which the CSD was designed, do not apply the same legislation as Local Authorities. For municipalities to comply with its legislation, the following issues must still be addressed. National Treasury indicated in the circular that the following aspects are work-in-progress and further information will be provided once systems have been upgraded after consultation with relevant stakeholders:

- BBBEE Status
- CIDB
- Municipal Account status

For the interim it is therefore the responsibility of the municipality to continue with verification of any listing criteria which are not currently validated by CSD, for instance, proof of municipal accounts.

One aspect that National Treasury did not address in its circular is the “declaration of interest” by owners/partners/members/directors/shareholders which municipalities must obtain. The CSD do record all individuals that are listed on the Companies and Intellectual Property Commission’s (CIPC – Registrar of Companies) database and verify their status in respect of “Restricted Suppliers” and “People in the service of the state”. National treasury collects details of all officials in government departments and municipalities and verifies it against individuals on the CSD. However, not all parastatals may be covered to date.

Currently, the system providers (SAMRAS) in conjunction with National Treasury are busy to develop a “seamless” integration process where data can be updated directly from the CSD into the municipality’s system. Details have not been rolled out. Considering the fact that National Treasury does not take any responsibility for data that they obtain from other parastatals, SARS, CIPC, etc., the municipality should not allow any data to be populated to its Supplier database.

National Treasury rolled out this CSD as a “ONE-AND-ONLY” database for the whole of the country. It confuses suppliers because municipalities still require documents to do its own accreditation.

A very important point to take notice of is that National Treasury made registration on the CSD mandatory with the following clause in its circular:

*“With effect from 1 July 2016, Municipalities and Municipal Entities must use the CSD supplier number starting with (MAAA) which is auto generated by the Central Database System after successful registration and validation of the prospective provider 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”.*

It implies that the municipality must still maintain a Supplier Database and accredit its suppliers. No SOP (Standardised Operating Procedure) has been issued to give more clarity on the issue and it can therefore be argued that the municipality only needs to obtain the CSD registration number to comply, and then its business as usual.

Notwithstanding all the discrepancies, the municipality adopted the circular and must manage all requirements of the current legislation. The Supply Chain Management Policy has been amended in terms of Council Resolution C.14.6 of 28 April 2016. No other Financial Policies are affected by the implementation of the circular.

Suppliers are now aware of the CSD and its procedures and enquiries form, and assistance to suppliers, has reduced dramatically. To date 1,387 CSD registration numbers have been recorded on the municipality’s supplier database.

National Treasury also rolled out eTENDER which is a central portal where all spheres of government must advertise its tenders. This also brings its own challenges but is managed.

## B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Although the preference for SMMEs, HDIs, Woman, Youth and Disability has fallen away with the implementation of the new scorecards (B-BBEE), the information are still captured for statistical purposes and reported on as far as possible.

Awards made to these groups: (The rand value and percentage is the portion of the shareholding of the category in relation to the total procurement – see page 4).

	GROUP:	(i) SMMEs	(ii) BEEs	(iii) WOMEN	(iv) YOUTH	(v) DISABLED
2017/2018	# of Suppliers	451	260	198	54	2
	Proportional Value	137 330 233	65 576 126	46 517 169	12 973 366	32 076
	% of Total Rand Value	93.24%	44.52%	31.58%	8.81%	0.02%
2018/2019	# of Suppliers	436	243	186	44	1
	Proportional Value	135 040 698	68 660 377	43 114 862	11 299 366	1 484
	% of Total Rand Value	94.81%	48.20%	30.27%	0.001%	7.93%

\* When looking at amounts and percentages it must be remembered that SMMEs may also be BEEs/woman/etc.

- (i) Small, Medium and Micro Enterprises
- (ii) Black Economic Empowerment
- (iii) Woman Empowerment
- (iv) Youth Empowerment
- (v) Disabled Individuals

## EXPENDITURE PER PROCUREMENT CATEGORY

A report on total expenditure per department is submitted to the Accounting Officer by the 3<sup>rd</sup> of the month on the previous month's activities. Total acquisitions, per procurement category for the year under review are illustrated below: (Full detail is available on request)

Number of Transactions		Type of Procurement	Amount		Description
2017/2018	2018/2019		2017/2018	2018/2019	
4175	3788	<R2000-NO PROCUREMENT:	2 288 505.71	2 157 024,29	Acquisitions less than R 2,000 - no procurement process is followed for small purchases
1501	1275	3rd PARTY PAYMENT:	69 419 828.98	71 825 022,72	Transactions where procurement plays no role - contribution payments / S&Ts / etc.
284	239	COUNCIL POLICY/SUBSIDY:	7 293 494.99	6 568 833,00	Study Bursaries / Sponsorships / Donations / etc.
12	0	DEV-PPPFA SEC.2(1)(f)	191 017.60	0.00	The supplier selected for the contract/tenderer did not score the highest points
663	679	SEC.110(2)(a) OTHER ORGAN OF STATE	22 600 520.51	14 055 388,03	Goods and /or Services acquired from Other Organs of State/Municipalities. (Not normal municipal service accounts; )
181	39	DEV-REG.36(1)(a)(ii) Sole Prov./Agents	6 544 783.97	728 019.32	Transactions where no procurement process were followed (Sole Providers/Agents)
0	0	DEV-REG.36(1)(a)(ii) Service Provider/Agents	0.00	0.00	Fuel replenishment: Various suppliers at strategic locations in whole of the municipal area.
5	0	REG.36(1)(b) Minor breaches	571 263.17	0.00	Minor breaches to procurement processes which are purely of a technical nature.
60	0	DEV-REG.36(1)(a)(ii) Long-term Contr.	1 609 090.38	0.00	Long term Contracts/ service providers - Telkom / Vodacom / Copy machines / etc.
79	241	DEV-REG.36(1)(a)(v) Impractical	1 163 033.22	7 373 456.95	No procurement process were followed (Impractical to obtain quotations - e.g. Strip & repair))
21	0	DWAF: PRE-PROCURED	282 207.90	0.00	DWAF (Closed tender process) Contracts where the CWDM did not do the procurement.
0	0	PAWC: PRE-PROCURED	0.00	0.00	PAWC (Per instruction by Principal) Contracts where the CWDM did not do the procurement.
202	37	PETTY CASH:	9 404.80	1 858.00	Mainly small out of pocket refunds
1243	1224	QUOTATION PROCESS:	11 379 547.84	14 467 909.18	Acquisitions made in terms of a full quotation process up to R 200,000 - minimum three quotes
130	93	REG.16(c) < 3 WQ	734 141.91	359 122.57	Acquisitions where it was not possible to obtain at least three quotations up to R 10,000
214	71	REG.17(1)(c) < 3 FWPQ	6 537 419.81	1 114 263.94	Acquisitions where it was not possible to obtain at least three quotations between R 10,000 - R 200,000
0	0	REG.31 SITA	0.00	0.00	Where SITA assists with acquisitions of IT related goods or services.
0	0	SERVICE ACCOUNTS:	0.00	0.00	Contracts with service providers - Municipal services
151	144	STATUTORY PAYMENTS:	28 997 037.29	37 089 337.97	Prescriptive payments made in terms of legislation - licensing / taxes / membership fees / etc.
3	0	SUBSCRIPTIONS:	11 480.00	0.00	Service provider is selected for the specific service and cannot be procured - sole providers
13773	14038	TENDER PROCESS:	168 351 081.58	167 941 084.92	Acquisitions made in terms of a full tender process on amounts above R 200,000
<b>22697</b>	<b>21868</b>	<b>TOTAL:</b>	<b>327 983 859.66</b>	<b>323 681 320.89</b>	

**NATIONAL TREASURY****ANNEXURE "A3"**

Municipalities must report to National Treasury on all acquisitions in excess of R 100,000 on a monthly basis. Information is populated directly into their system.

The following quotations and tenders were reported for the period. A total cumulative amount of **R 51,352,108.84** was awarded. However, it must be noted that some "availability tenders" are shared between suppliers. The total of the tender is listed for each because it is not known upfront what amount will actually be procured from individual suppliers. The premium paid for the period was R 66 224.49.

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value	Premium Paid %
1	Q2017/117	REVIEW AND UPDATE OF THE ICT STRATEGIC PLAN	27/07/2018	Secure ICT (Pty) Ltd	1	80	20	172 500.00	-
2	Q2017/120	AUDIT INVESTIGATIVE SERVICE PROVIDERS	19/07/2018	BDO Cape Advisory (Pty) Ltd	1	80	0	101 000.00	-
3	Q2018/043	MONTH-TO-MONTH WIRELESS WIDE AREA NETWORK SUPPORT AND MAINTENANCE	13/07/2018	Avalon Technology Group	4	80	0	200 000.00	-
4	Q2018/045	SECURITY AND PATROL SERVICES ON A MONTH-TO-MONTH BASIS AT WORKING FOR WATER, LA MOTTE	16/07/2018	Tyte Security Services CC	1	80	20	200 000.00	-
5	T2018/054A	TRAINING PROGRAMMES FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	02/08/2018	G and D Guesthouse CC	1	80	20	600 000.00	-
6	T2018/054B	TRAINING PROGRAMMES FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	02/08/2018	He and She Driving Training Centre	4	80	12	200 000.00	-
7	T2018/041	SUPPLY, DELIVERY AND INSTALLATION OF VIP TOILET SYSTEMS IN THE RURAL AREA OF CWDM	02/08/2018	Akwerke CC t/a DA Construction	0	80	0	474 100.00	-
8	T2018/056A	COMMUNITY RADIO SERVICES FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	02/08/2018	Radio KC	0	80	0	150 000.00	-
9	T2018/056B	COMMUNITY RADIO SERVICES FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	02/08/2018	Worcester FM (Pty) Ltd	0	80	0	150 000.00	-

	<b>Contract Number</b>	<b>Type of goods/service acquired</b>	<b>Contract Date</b>	<b>Supplier</b>	<b>B-BBEE contribution</b>	<b>PRICE Points (90/80)</b>	<b>B-BBEE Points (20/10)</b>	<b>Contract Value</b>	<b>Premium Paid %</b>
10	T2018/062	DELIVER AND INSTALLATION OF PRE-FABRICATED BUS SHELTERS IN THE RURAL AREA OF CAPE WINELANDS DISTRICT MUNICIPALITY	02/08/2018	Lookor Beleggings CC	4	80	12	638 020.00	-
11	T2018/035A	SUPPLY AND DELIVERY OF ONE MAJOR 4X4 DOUBLE CAB FIRE FIGHTING VEHICLE	02/08/2018	Marce Projects	2	80	18	4 118 254.13	-
12	T2018/035B	SUPPLY AND DELIVERY OF ONE MAJOR 4X4 SINGLE CAB FIRE FIGHTING VEHICLE AND ONE LIGHT 4 X 4 FIRE FIGHTING VEHICLE	02/08/2018	RAMCOM Trucks & Load Bodies (Pty) Ltd	2	80	18	3 998 111.70	-
13	T2018/035C	SUPPLY AND DELIVERY OF ONE (1) 4X4 DOUBLE CAB BAKKIE	02/08/2018	Barloworld Toyota Stellenbosch	3	80	14	478 629.48	-
14	T2018/036	SUPPLY, ASSEMBLE AND MOUNT OF SKID UNITS AND ACCESSORIES TO LIGHT FIRE FIGHTING VEHICLES	02/08/2018	RAMCOM Trucks & Load Bodies (Pty) Ltd	2	80	18	959 537.25	-
15	T2018/061A	SUPPLY AND DELIVERY OF FIRE EXTINGUISHING MATERIAL AND EQUIPMENT FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	02/08/2018	Firewire System Solutions (Pty) Ltd	1	80	20	101 000.00	-
16	T2018/061B	SUPPLY AND DELIVERY OF FIRE EXTINGUISHING MATERIAL AND EQUIPMENT FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	02/08/2018	Alles Feuer CC	1	80	20	892 950.00	-
17	T2018/027	SUPPLY AND DELIVERY OF COFFEE, TEA, COFFEE CREAMER, SUGAR, SWEETENER AND LONG-LIFE MILK FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2021	02/08/2018	Western Cape Stationers	1	80	20	2 270 659.60	-
18	T2018/030	SUPPLY AND DELIVERY OF A4 AND A3 80 GSM PAPER FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2021	02/08/2018	Western Cape Stationers	1	80	20	1 758 659.80	-
19	T2018/031	SUPPLY AND DELIVERY OF TOILET PAPER, BARREL TOWELS, AND FOLDED, TISSUE PAPERS FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2021	02/08/2018	Bidvest Office (Pty) Ltd T/a Bidvest Waltons	2	80	18	516 541.38	-
20	T2018/059	SUPPLY AND DELIVERY OF PRINTER CARTRIDGES FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2021	02/08/2018	Shosho Industrial Supplies CC	1	80	20	2 315 652.00	-
21	T2018/060	SUPPLY AND DELIVERY OF CLEANING PRODUCTS FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2021	02/08/2018	Caprichem Saccs (Pty) Ltd	2	80	18	635 370.90	-
22	Q2018/037	SUPPLY AND DELIVERY OF BOTTLED WATER FOR THE PERIOD 01 AUGUST 2018 TO 30 JUNE 2019	01/08/2018	Qondani Manxele Holdings	1	80	20	200 000.00	-
23	Q2018/035	VENUE AND CATERING SERVICES FOR THE TOURISM MONTH LAUNCH, MAYORAL TOURISM AWARD GALA EVENT AND MAYORAL TOURISM AWARDS MEDIA LAUNCH	22/08/2018	Camel Rock (Pty) Ltd	0	80	0	165 800.00	-



	<b>Contract Number</b>	<b>Type of goods/service acquired</b>	<b>Contract Date</b>	<b>Supplier</b>	<b>B-BBEE contribution</b>	<b>PRICE Points (90/80)</b>	<b>B-BBEE Points (20/10)</b>	<b>Contract Value</b>	<b>Premium Paid %</b>
24	T2018/010	ELECTRICAL INSTALLATION, REPAIR AND MAINTENANCE CONTRACT FOR THE PERIOD 01 SEPTEMBER 2018 TO 30 JUNE 2019	05/09/2018	Meyer Electrical & Construction	1	80	20	1 130 450.00	-
25	T2018/011	AIR CONDITIONING INSTALLATION, REPAIR, SERVICING AND MAINTENANCE CONTRACT FOR THE PERIOD 01 SEPTEMBER 2018 TO 30 JUNE 2019	05/09/2018	Zamil Engineers and Constructors	2	80	18	581 865.50	-
26	T2018/012	PLUMBING INSTALLATION, REPAIR AND MAINTENANCE CONTRACT FOR THE PERIOD 01 SEPTEMBER 2018 TO 30 JUNE 2019	05/09/2018	Meyer Electrical & Construction	1	80	20	497 719.50	-
27	Q2018/009	MANUFACTURE AND INSTALL STEEL PALISADE FENCE AND AUTOMATED SLIDING GATE CWDM ROADS DEPOT CERES	06/09/2018	Jonty Engineering and Trading SA CC	1	80	20	130 640.00	-
28	Q2018/021	UPGRADE LADY'S TOILET CWDM STELLENBOSCH	06/09/2018	Meyer Electrical & Construction	1	80	20	104 554.55	-
29	Q2018/044	SUPPLY AND INSTALL AUTOMATED STEEL ROLLER SHUTTER DOORS CWDM ROADS DEPOTS	06/09/2018	Meyer Electrical & Construction	1	80	20	137 505.00	-
30	Q2018/047	UPGRADE OF MEN'S TOILET CWDM STELLENBOSCH	06/09/2018	Meyer Electrical & Construction	1	80	20	108 707.20	-
31	Q2018/052	SUBSTANCE ABUSE REHABILITATION INTERVENTION	03/09/2018	Toevlug Centre	0	80	0	180 000.00	-
32	Q2018/054	APPOINTMENT OF A SPECIALIST SERVICE PROVIDER TO IMPLEMENT AND MANAGE A HOLISTIC EMPLOYEE WELLNESS PROGRAM TO THE CAPE WINELANDS DISTRICT MUNICIPALITY FOR A 12 MONTH PERIOD	05/09/2018	NBC Holdings (Pty) Ltd	0	80	0	200 000.00	-
33	Q2018/056	SUPPLY AND DELIVERY OF BRANDED ROAD SAFETY EDUCATIONAL MATERIAL – ROYAL BLUE, KNITTED BEANIE	07/11/2018	LYNNE STOKES CC T/A LYNNE STOKES PROMOTIONS	4	80	12	199 996.50	-
34	Q2018/060	REPLACE CARPORT AT CWDM ROAD DEPOT, ROBERTSON	25/10/2018	IBHUNGA CLEANING & BRICKS PAVING & PAINTING (PTY) LTD	1	80	20	179 198.75	-
35	Q2018/062	SUPPORT AND MAINTAIN CWDM'S WIRELESS WIDE AREA NETWORK (WAN) FOR THE PERIOD 01 NOVEMBER 2018 TO 31 MARCH 2019	16/10/2018	BRANDWACHT IT CC	4	80	12	181 361.25	-
36	T2018/006	MANUFACTURE AND ERECT STEEL PALISADE FENCE CWDM ROADS DEPOT, ROBERTSON	16/10/2018	ZABS ENTERPRISES (PTY) LTD	1	80	20	240 880.00	-
37	T2018/008	SUPPLY NEW STEEL CARGO SHIPPING CONTAINERS, ROADS DEPOT ROBERTSON	16/10/2018	BFECT (PTY) LTD	1	80	20	496 800.00	-

	<b>Contract Number</b>	<b>Type of goods/service acquired</b>	<b>Contract Date</b>	<b>Supplier</b>	<b>B-BBEE contribution</b>	<b>PRICE Points (90/80)</b>	<b>B-BBEE Points (20/10)</b>	<b>Contract Value</b>	<b>Premium Paid %</b>
38	T2018/014	RE-THATCH ROOF, BANQUET HALL, 46 ALEXANDER STREET, STELLENBOSCH	16/10/2018	THATCHSCAPES CC	4	80	12	316 114.30	-
39	T2018/015	MANUFACTURE AND ERECT STEEL CARPORTS AND ACCESS GATE AT THE CWDM'S OFFICES, BIRD STREET, STELLENBOSCH	16/10/2018	ZABS ENTERPRISES (PTY) LTD	1	80	20	212 232.10	-
40	T2018/016	PAVING CWDM OFFICE, WORCESTER	16/10/2018	TEMMO'S SHADE PORTS & CLEANING SERVICES	1	80	20	279 484.00	-
41	T2018/018	PAVE YARD: ROBERTSON FIRE FIGHTING SERVICES	14/12/2018	MATU CONSTRUCTION & PROJECTS	1	80	20	359 705.00	-
42	T2018/020	REPLACE AIR CONDITIONERS	14/12/2018	MG INVESTMENTS CC T/A AIR SELECT	0	80	20	315 943.41	-
43	T2018/022	ROAD SAFETY BRANDED PROMOTIONAL ITEMS	14/12/2018	TIGER EYE TRADING CC	1	80	20	288 000.00	-
44	T2018/033A	SUPPLY AND DELIVERY OF A SINGLE CAB LWB 4X4 BAKKIE	16/10/2018	BARRY'S HANDEL (PTY) LTD T/A JAFFE'S FORD	0	80	0	406 680.79	-
45	T2018/033B	SUPPLY AND DELIVERY OF FOUR SEDAN MOTOR VEHICLES	16/10/2018	BELMO TRANS CC T/A PROTEA TOYOTA	4	80	12	981 630.80	-
46	T2018/034	SUPPLY AND DELIVERY OF HEAVY-DUTY FLAT BAG AIRBAG LIFTING KIT FOR THE FIRE SERVICES	16/10/2018	QUENCH ATLANTIC (PTY) LTD T/A VANGUARD FIRE & SAFETY - CAPE	0	80	0	300 000.00	-
47	T2018/042	CONSTRUCTION / UPGRADING OF ABLUTION FACILITIES AT RURAL SCHOOLS	14/12/2018	BEAP CONSTRUCTION CC	0	80	20	295 000.00	-
48	T2018/045	SUPPLY AND DELIVER PRE-MANUFACTURED PAVILIONS IN RURAL AREA OF CAPE WINELANDS DISTRICT MUNICIPALITY	16/10/2018	SICELO AND SONS TRADING (PTY) LTD	1	80	20	951 360.00	-
49	T2018/047A	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: CERES	16/10/2018	FLANDO CONSTRUCTION	1	80	20	296 771.24	-
50	T2018/047B	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: STELLENBOSCH	16/10/2018	F DREYER T/A FATIS WOODPECKERS	1	80	20	174 199.34	-
51	T2018/047C	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: DRAKENSTEIN	16/10/2018	F DREYER T/A FATIS WOODPECKERS	1	80	20	223 645.66	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value	Premium Paid %
52	T2018/047D	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: WORCESTER	16/10/2018	NIKKYS CARTAGE (PTY) LTD	1	80	20	350 740.14	-
53	T2018/049A	SUPPLY AND DELIVERY OF LAPTOPS	26/11/2018	DATACENTRIX (PTY) LTD	1	80	20	723 055.56	-
54	T2018/049B	SUPPLY AND DELIVERY OF DESKTOP COMPUTERS AND TABLETS	26/11/2018	19 HUNDRED TRADING T/A BOX DROPPERS	1	80	20	1 098 302.00	-
55	T2018/050	SOPHOS FIREWALL UPGRADE AND LICENSE EXTENSION TO 36 MONTHS	26/11/2018	MANTELLA IT SUPPORT SERVICES (PTY) LTD	1	80	20	290 539.43	-
56	T2018/067	PROVIDE AND MAINTAIN CHEMICAL TOILETS AT SANDHILLS INFORMAL SETTLEMENT, DE DOORNS FOR THE PERIOD 01 NOVEMBER 2018 TO 31 OCTOBER 2021	26/11/2018	SANITECH A DIV OF WACO AFRICA (PTY) LTD	3	80	14	700 000.00	-
57	T2018/069	APPOINTMENT OF A SPECIALIST TRANSPORT PLANNING SERVICE PROVIDER: DEVELOPMENT OF A BUSINESS PLAN FOR A TRANSPORT SERVICE FOR PERSONS WITH DISABILITIES IN DRAKENSTEIN	26/11/2018	GIBB (PTY) LTD	4	80	12	1 707 750.00	-
58	T2018/082	THREE YEAR MICROSOFT LICENSING AGREEMENT	19/12/2018	MICROSOFT IRELAND OPERATIONS LTD	0	80	20	1 412 109.52	-
59	T2018/044	INSTALLATIONS OF FLOODLIGHTS AT RURAL SPORT FACILITIES	2019/02/08	JT MARITZ ELECTRICAL CC	3	80	14	340 765.70	-
60	Q2018/063	RECRUITMENT OF WARD BASED RISK ASSESSMENT FACILITATORS AND FIELDWORKERS	2019/01/17	AW MANAGEMENT CONSULTING (PTY) LTD	0	80	0	196 500,00	-
61	Q2018/075	SUPPLY AND DELIVERY OF MATH SETS AND SCIENTIFIC CALCULATORS	2019/02/11	BIDVEST OFFICE (PTY) LTD T/A BIDVEST WALTONS	2	80	18	61 780,60	-
62	T 2018/070	SUPPLY, DELIVERY, INSTALLATION, SUPPORT AND MAINTENANCE OF CORE SWITCHES AND NETAPP STORAGE SYSTEM	2019/02/08	BYTES SYSTEMS INTERGRATION A DIV. OF ALTRON TMT (PTY) LTD	2	80	18	485 804,85	-
63	Q2018/080	PRODUCTION SUPPORT COVERAGE VMWARE VSPHERE 6 STANDARD FOR 1 PROCESSOR – RENEWAL AND REINSTATING	2019/02/19	DATA TEGRA (PTY) LTD	2	80	18	35 495,57	-
64	T 2018/043	CONSTRUCTION OF A MULTI-PURPOSE COURT AT PROSPECT PRIMARY SCHOOL, ASHTON	2019/02/08	EVERGREEN CONSTRUCTION CC	4	74	12	840 908,75	59 045,48
65	Q2018/017	CWDM WATER STORAGE TANK INSTALLATIONS	2019/01/25	IBHUNGA CLEANING & BRICK PAVING & PAINTING (PTY) LTD	1	80	20	143 409,26	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value	Premium Paid %
66	T 2018/017	PAVING AT CWDM FIRE STATION, WORCESTER	2019/02/08	LINGOMSO SANO (PTY) LTD	1	80	20	307 741,15	-
67	Q2018/067	DESIGN, PRINTING AND DELIVERING OF INVESTMENT / TOURISM EVENTS Z-CARD	2019/01/17	LYNNE STOKES PROMOTIONS	2	80	18	42 090,00	-
68	Q2018/076	RENEWAL OF ADOPE CLOUD ALL APPS	2019/02/11	MANTELLA IT SUPPORT SERVICES (PTY) LTD	1	79	20	65 665,00	588,43
69	Q2018/020	UPGRADE KITCHEN AT CWDM OFFICES, DU TOIT STREET, STELLENBOSCH	2019/01/23	MEYER ELECTRICAL AND CONSTRUCTION	1	80	20	69 365,70	-
70	Q2018/011	BUILDING REPAIR WORK TO STORE EBP WORCESTER	2019/02/13	MEYER ELECTRICAL AND CONSTRUCTION	1	80	20	111 904,20	-
71	T 2018/072	A MENTORSHIP DEVELOPMENT PROGRAMME FOR THE CAPE WINELANDS DISTRICT MUNICIPALITY'S ENTREPRENEURIAL SEED FUND AND SMALL SCALE FARMER SUPPORT PROGRAMMES BENEFICIARIES	2019/02/08	NLT INVESTMENT (PTY) LTD	1	80	20	549 936,00	-
72	Q2018/065	SUPPLY AN DELIVERY OF HAZARDOUS (HAZMAT) MATERIALS EQUIPMENT	2019/02/11	QUENCH ATLANTIC (PTY) LTD T/A VANGUARD FIRE AND SAFETY CAPE	0	80	0	195 672,50	-
73	Q2018/072	HIRING OF PORTABLE TOILETS FOR THE PERIOD 01 FEBRUARY 2019 TO 30 JUNE 2019	2019/02/13	SANITECH A DIV OF WACO AFRICA (PTY) LTD	2	80	18	4 320,00	-
74	Q2018/018	MANUFACTURING AND ERECTION OF CAR SHADE PORTS AT THE CWDM OFFICE IN BIRD STREET, STELLENBOSCH	2019/01/23	TEMMO'S SHADE PORTS AND CLEANING SERVICES	1	80	20	61 250,00	-
75	Q2018/082	STEEL TRUCK PORT CWDM FIRE STATION, WORCESTER	2019/02/19	ZABS ENTERPRISES (PTY) LTD	1	80	20	111 680,00	-
76	T2018/075B	INTERNAL TRAINING INTERVENTIONS FOR CAPE WINELANDS OFFICALS FOR A THREE (3) YEAR PERIOD	2019-04-03	ACS Training	2	80	20	80 780,00	-
77	T2018/075A	INTERNAL TRAINING INTERVENTIONS FOR CAPE WINELANDS OFFICALS FOR A THREE (3) YEAR PERIOD	2019-04-03	Poplar Trading 116CC T/A Tariq Jamodien & Associates	1	80	20	12 635,00	-
78	T2018/077	APPOINTMENT OF A SPECIALIST TRANSPORT PLANNING SERVICE PROVIDER: THE ASSESSMENT OF THE FUNCTIONALITY OF THE EXISTING REGISTERED MINIBUS TAXI ROUTES IN DRAKENSTEIN MUNICIPAL AREA AND THE SUBSEQUENT RE-STRUCTURING AND RATIONALISATION OF THESE ROUTES	2019-04-03	SMEC South Africa (Pty) Ltd	1	80	20	1 154 749,50	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value	Premium Paid %
79	Q2018/078	K53 DRIVERS LICENCE TRAINING INTERVENTION (12 MONTHS) (PRICE PER LEARNER)	03-04-2019	Rabe Bestuurskool	4	80	12	5 520,00	-
80	Q2018/083A	SUPPLY AND DELIVERY OF FIRE FIGHTING PUMPS:Portable Single Stage Fire Pump	03-04-2019	Fire Stuff 365 CC t/a Fire 24/7	4	80	12	21 941,04	-
81	Q2018/083B	SUPPLY AND DELIVERY OF FIRE FIGHTING PUMPS:Portable 2 Stage Fire Pump	03-04-2019	Umqondo Projects (Pty) Ltd	1	80	20	59 861,31	2 376.35
82	Q2018/083C	SUPPLY AND DELIVERY OF FIRE FIGHTING PUMPS:Portable 3 Stage Fire Pump	03-04-2019	Umqondo Projects (Pty) Ltd	1	80	20	69 581,68	4 214.23
83	Q2018/083D	SUPPLY AND DELIVERY OF FIRE FIGHTING PUMPS:Twin stage wide impeller pump	03-04-2019	Umqondo Projects (Pty) Ltd	1	80	20	19 620,60	-
84	Q2018/083E	SUPPLY AND DELIVERY OF FIRE FIGHTING PUMPS:Floating pump	03-04-2019	Marce Projects	2	80	18	23 575,00	-
85	Q2018/085	SUPPLY, PACKAGING AND DELIVERY OF PRE-PACKED CATERING FOR THE GOLDEN GAMES EVENT, WORCESTER	03-04-2019	Mvambane Trading CC	1	80	20	107 700,00	-
86	T2018/080	PROVISION OF PASSIVE MONITORING EQUIPMENT AND THE ANALYSIS OF PASSIVE AIR SAMPLES FOR THE PERIOD 01 MAY 2019 TO 30 APRIL 2022	15-05-2019	Chemtech Laboratory Services CC	4	80	12	100 000,00	-
87	T2018/081A	SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF THREE (3) DIGITAL COLOUR COPIER/MULTIFUNCTIONAL DEVICES	15-05-2019	Konica Minolta SA a div of Bidvest Office (Pty) Ltd	3	80	14	1 120 759,82	-
88	T2018/081B	SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF THREE (3) DIGITAL COLOUR COPIER/MULTIFUNCTIONAL DEVICES	15-05-2019	Mantella IT Support Services	1	80	20	281 124,92	-
89	T2018/084	SUPPLY AND DELIVERY OF DESKTOP COMPUTERS	15-05-2019	Virtualize (Pty) Ltd	1	80	20	930 218,40	-
90	T2019/001	REVIEW OF AND TECHNICAL SUPPORT FOR GRAP FINANCIAL STATEMENTS, ACCOUNTING SERVICES AND ANNUAL PERFORMANCE REPORT (APR) FOR THE PERIOD 01 JULY 2019 TO 30 JUNE 2022	15-05-2019	Ernst and Young Advisory Services (Pty) Ltd	1	80	20	9 800,00	-
91	T2018/087	SUPPLY, DELIVERY AND INSTALLATION OF A LARGE FORMAT PRINTER	21-05-2019	Madge Computers (Pty) Ltd	2	80	18	320 770,89	-
92	T2018/086A	SUPPLY AND DELIVERY OF LAPTOPS AND TABLETS	21-05-2019	Mantella IT Support Services	1	80	20	482 994,05	-

	<b>Contract Number</b>	<b>Type of goods/service acquired</b>	<b>Contract Date</b>	<b>Supplier</b>	<b>B-BBEE contribution</b>	<b>PRICE Points (90/80)</b>	<b>B-BBEE Points (20/10)</b>	<b>Contract Value</b>	<b>Premium Paid %</b>
93	T2018/086B	SUPPLY AND DELIVERY OF LAPTOPS AND TABLETS	21-05-2019	Ikando (Pty) Ltd t/a IT Master	1	80	20	124 840,32	-
94	T2018/085	MUNICIPAL MAINTENANCE MATURITY ASSESSMENT	24-05-2019	Aurecon South Africa (Pty) Ltd	1	80	20	983 340,80	-
95	Q2018/094	DELIVERING GOODS AND SERVICES FOR A MALL ACTIVATION EXPO	22-05-2019	J COOKSON H/A LANGE BERG BESTUURSKOOL	1	80	20	178 250,00	-
96	T2019/017	GROUP LIFE INSURANCE SCHEME FOR THE PERIOD FROM 01 JULY 2019 UNTIL 30 JUNE 2022	13-06-2019	Verso Financial Services (Pty) Ltd	2	80	18	1 528 681,24	-
97	T2019/012	T 2019/012: XHOSA TRANSLATION SERVICES FOR THE PERIOD 01 JULY 2019 TO 30 JUNE 2022	20-06-2019	Masiqhame Trading 77 CC	1	80	20	500 000,00	-
98	T2019/013	T 2019/013: AFRIKAANS AND ENGLISH TRANSLATION SERVICES FOR THE PERIOD 01 JULY 2019 TO 30 JUNE 2022	20-06-2019	Arina Wilson	4	80	12	500 000,00	-
99	T2019/010	T 2019/010: FOOD AND WATER MICROBIOLOGICAL SAMPLE ANALYSES FOR THE PERIOD ENDING TO 30 JUNE 2020	25-06-2019	Swift Siliker (Pty) Ltd T/a Merieux Nutrisciences	8	80	2	1 630 000,00	-
100	Q2018/100	SUPPLY AND DELIVERY OF FIRE PAINT	11-06-2019	MATU CONSTRUCTION AND PROJECTS	1	80	20	196 548,00	-
101	Q2018/101A	ACCESS CONTROL SERVICES AND SECURITY AND PATROL SERVICES FOR THE PERIOD FROM 01 JULY 2019 TO 31 JULY 2019	28-06-2019	LTS SECURITY PTY LTD	2	80	18	196 548,00	-
102	Q2018/101B	ACCESS CONTROL SERVICES AND SECURITY AND PATROL SERVICES FOR THE PERIOD FROM 01 JULY 2019 TO 31 JULY 2019	28-06-2019	FARMGUARD SECURITY SERVICES	1	80	20	79 016,91	-

**Transactions concluded with - "Close family members of persons in the service of the state"**

Disclosures: In terms of Regulation 45 awards to close family members of persons in the service of the state must be included in the notes to the annual financial statements of a municipality or municipal entity if more than R2 000, to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months.

Supplier's Name	Relationship	Capacity	2017/2018	2018/2019
AE HUMAN T/A ASTRA CATERING	CHILD	LENACHE BURGER-HEALTH PRACT	315 210.00	5 445.00
AE HUMAN TRADING (PTY) LTD	CHILD	L BURGER-EHP CWDM/HUSBAND BVM	-	208,601.00
AJEE CONSULTANCY CC	SPOUSE	HUSBAND IS IN SA POLICE FORCE	19 425.00	65 495.00
AMERICA BUSDIENS	CHILD	VH AMERICA - CWDM WORKSHOP	25 850.00	15 850.00
AURECON SOUTH AFRICA (PTY) LTD	SPOUSE	VARIOUS RELATIONS TO OWNERS	-	88 300.63
C BAR LANDSCAPING CC	COUSIN	E NIEMAND CWDM COUSIN OF JAH	398 016.64	30 000.00
FAURE AND FAURE INCORPORATED	SPOUSE	LW FORTUIN- JUSTICE DEPARTMENT	4 560.00	4 560.00
GIBB (PTY) LTD	OTHER FAMILY	VARIOUS FAMILY MEMBERS	-	363 400.00
GRYDE ENTERPRISES (PTY) LTD	CHILD	G BRANDON - DEPT. CORRECTIONAL	1 000.00	-
J WALTERS T/A J C TRAVEL	SPOUSE	TEACHER: WCED	41 100.00	27 300.00
JAH GUIDE DAVIDS AGRICULTURE (PTY) LTD	SPOUSE	SAPS - WIFE OF DIRECTOR	603 159.34	1 034 159.92
LADYBUGS INNOVATIVE MARKETING (PTY) LTD	SPOUSE	POOLE HUSBAND WORK DEPT CORREC	-	164 437.53
M & N BAKWERKE CC	BROTHER/SISTER	E NIEMAND - SCM STELLENBOSCH	71 961.22	30 653.72
MASIQHAME TRADING 77 CC	CHILD	DEPT. OF AGRICULT. & FORISTRY	93 562.05	103 057.95
MORESON GRONDVERSKUIWERS BK	CHILD	WORK FOR DEPT. OF HEALTH	-	-
NCC ENVIRONMENTAL SERVICES (PTY) LTD	SPOUSE	WIFE WORK AT CITY OF CAPE TOWN	702 988.70	779 268.75
PIETERSEN AND BURNS INVESTMENTS (PTY) LTD T/A	SPOUSE	DEPT OF HEALTH	-	18 490.85
PISTON POWER CHEMICALS CC	SPOUSE	WORK FOR DEPT. OF EDUCATION	319 634.90	344 459.50
PRICE CATERING AND CLEANING (PTY) LTD	CHILD	C PRICE - CAPE WINELANDS DM	38 810.00	204 320.0
ROBERTSON SHELL TRUST	SPOUSE	WCED- MR DB AUGUSTYN	92 675.60	80 847.72
S PIETERSEN T/A SP HEALTH AND SANITATION	PARENT	A ALLOM - CLLR. DRAKENSTEIN	89 999.90	-
SMEC SOUTH AFRICA (PTY) LTD	SPOUSE	YVONNE PHOSA - MEC: ECON.DEV.	2 892 570.70	1 829 027.68
SMS ICT CHOICE (PTY) LTD	SPOUSE	N MAQUA - DEPT OF HUMAN SETTTL	166 068.28	167 525.02
TEMMO'S SHADE PORTS AND CLEANING SERVICES (PT	BROTHER/SISTER	T LEBESANA - TRANSNET	-	318 441.00
THE BUSINESS ZONE 932 CC T/A JLM24 SERVICE	SPOUSE	TEACHER: WCED	-	5 450.00
			<b>5 876 592.33</b>	<b>5 889 091.27</b>

**DISCLOSURE OF BENEFITS IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 32 of 2000**

In terms of **Schedule 1. 5(2)** A councillor who, or whose spouse, partner, business associate or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality, must disclose full particulars of the benefit of which the councillor is aware at the first meeting of the municipal council at which it is possible for the councillor to make the disclosure; and

In terms of **Schedule 2. 5(1)** A staff member of a municipality who, or whose spouse, partner, business associate or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality, must disclose in writing full particulars of the benefit to the council.

**IN ADDITION TO REGULATION 45 ABOVE - THE FOLLOWING PAYMENTS WERE IDENTIFIED:**

<b>Beneficiary's Name</b>	<b>Relationship</b>	<b>Associate</b>	<b>Third party that connects them</b>	<b>Year to Date Payments 2016/2017</b>	<b>Year to Date Payments 2017/2018</b>
No instances of this nature could be identified				0.00	0.00
				<b>R 0.00</b>	<b>R 0.00</b>

Necessary internal controls are implemented to consider the possibility, and to assess the likelihood, that a relationship between the key management and councillors of the Municipality and related parties of suppliers with whom the Municipality does business with would be able to influence a contract concluded by the Municipality in their mutual dealings, as envisaged in Schedules 1 par.5(2) and 2 par. 5(1) of the Municipal Systems Act.