

Cape Winelands District Municipality

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

For the 1st Quarter - 1st July 2016 to 30th September 2016

BACKGROUND

This report is in compliance with Reg.6(3) of the Supply Chain Management Regulations¹ 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 the Executive Mayor's oversight role in the execution thereof. Furthermore, it must be made public in accordance with section 21A of the Municipal Systems Act.

POLICY

The Supply Chain Management Policy was initially adopted on 23 January 2006 and revised to comply with relevant legislation. It is fully compliant with National Treasury's prescripts. It has been advertised numerously and is available on Council's web page.

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 and 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

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

budget. Senior managers are accountable to ensure that the procurement process commences as per the target dates. Information is available in the financial system. Reports, e.g. "Demand Plan" and "Procurement Plan Schedule" are available and are compiled with comments and forwarded to the Accounting Officer on a quarterly basis.

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 is 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 a 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 quarter under review:

TENDERS: > R200,000

Bid Specification Committee	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes
JULY 2016	1	5	1	1
AUGUST 2016	2	15	2	2
SEPTEMBER 2016	2	10	2	2
TOTAL	5	30	5	5

Bid Evaluation Committee	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes
JULY 2016	3	8	3	3
AUGUST 2016	1	6	1	1
SEPTEMBER 2016	0	0	0	0
TOTAL	4	14	4	4

Bid Adjudication Committee	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes
JULY 2016	2	7	2	2
AUGUST 2016	1	2	1	1
SEPTEMBER 2016	1	7	1	1
TOTAL	4	16	4	4

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

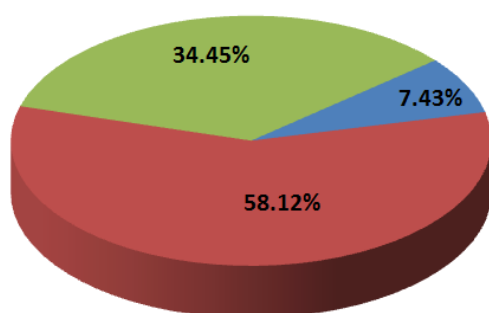
FORMAL WRITTEN PRICE QUOTATIONS: R30,001 - R200,000

Evaluated & Awarded	
JULY 2016	16
AUGUST 2016	4
SEPTEMBER 2016	14
TOTAL	34

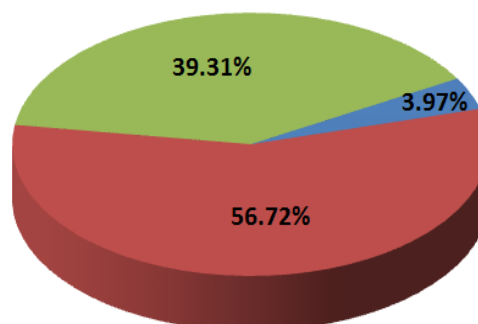
Municipalities must report to National Treasury on all acquisitions in excess of R 100,000 on a monthly basis. Information is captured and approved directly on their CRA System. **Annexure "A2"** is a list of awards made.

Geographical expenditure:

4th Quarter 2015/2016



1ST Quarter 2016/2017



■ National: ■ Provincial: ■ Regional:

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

As from 7 December 2011, the new Preferential Procurement Regulations came into effect. The old preference points system for historically disadvantaged individuals, women, and area based enterprises was replaced by the B-BBEE level of contribution.

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 either an accredited institution or a registered auditor. 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 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 now 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 an affidavit.

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

B-BBEE status: Level & Value		Number of Qualifying Suppliers		Value spent		% of Total	
		4 th Quarter 2015/2016	1 st Quarter 2016/2017	4 th Quarter 2015/2016	1 st Quarter 2016/2017	4 th Quarter 2015/2016	1 st Quarter 2016/2017
Level 1	10/20	46	51	10 725 507.25	5 327 766.85	31.01%	25.69%
Level 2	9/18	22	24	2 128 696.46	3 448 506.04	6.16%	16.63%
Level 3	8/16	31	13	5 698 480.77	2 723 751.67	16.48%	13.13%
Level 4	5/12	36	31	1 785 101.27	1 648 022.97	5.16%	7.95%
Level 5	4/8	2	2	83 691.71	34 425.12	0.24%	0.17%
Level 6	3/6	2	1	6 233.00	9 462.82	0.02%	0.05%
Level 7	2/4	1	2	2 679.00	51 181.00	0.008%	0.25%
Level 8	1/2	8	9	1 881 622.42	883 703.19	5.44%	4.26%
No Status		285	174	12 270 589.56	6 613 546.12	35.48%	31.89%
Totals		433	307	34 582 601.44	20 740 365.78	100.00%	100.00%

Appeals by aggrieved bidders

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

Deviations from normal procurement processes

(i) Regulation 36(1)(a) Deviations (Sole provider, impractical, impossible, etc.)

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 for emergency cases, 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, or the acquisition of animals for zoos.

For the quarter under review, the total deviations approved by the Accounting Officer and or his delegated authority amounted to R 4 288 149.01 compared to the previous quarter's figure of R 4 920 392.75. This represents a decrease of 12.85%. It is noted that deviation values fluctuate during each period and will not necessarily reflect the same patterns. However, long-term contracts are now included in this quarter's totals. The table and chart on page five indicates the volumes and values of instances, per category (emergency, sole supplier/agent and impractical), for this quarter.

(ii) Regulation 16(c) and 17(1)(c) Deviations (< 3 Quotations)

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.

For the quarter under review, regulation 16(c) deviations amounted to R 341 942.22 and regulation 17(1)(c) to R 3 759 567.44 respectively. The table and chart on page five indicates the volumes and values of instances where it was not possible to obtain at least three responsive quotations.

The Auditor-General changed his opinion and no longer perceives that instances of this nature constitutes a regulation 36(1)(a) deviation.

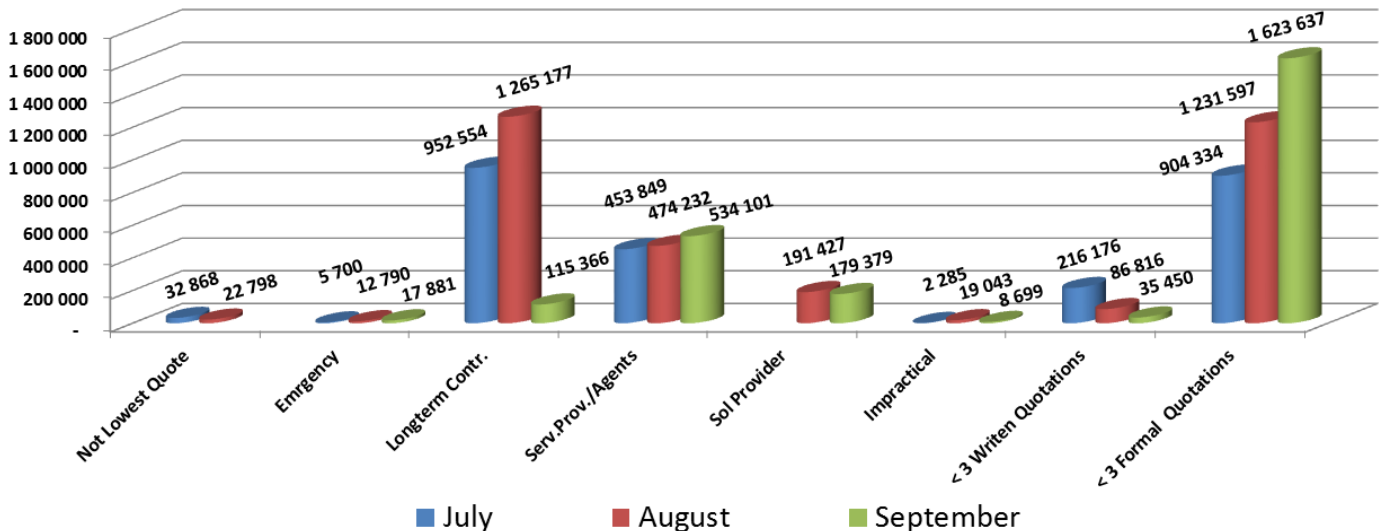
It must be noted that 40%, 20 of the 50 instances under review, were advertised on the municipality’s notice boards and webpage. It represents 56.45% of the monetary value.

(iii) Summary of deviations.

The following deviations occurred in the quarter under review. Full details thereof can be scrutinised in the quarterly report submitted to Council.

Commodity Description July to September	DEV- PPPFA SEC.2(1)(f) Lowest Quote not selected		DEV- REG.36(1) (a)(i) Emergency		DEV- REG.36(1) (a)(ii) Longterm Contracts		DEV- REG.36(1) (a)(ii) Serves Prov./Agents		DEV- REG.36(1) (a)(ii) Sole Supplier		DEV- REG.36(1) (a)(v) Impractical		REG.16(c) < 3 Written Quotations		REG.17(1)(c) < 3 Written Quotations		TOTALS	
	#	Value	#	Value	#	Value	#	Value	#	Value	#	Value	#	Value	#	Value	#	Value
ALIEN PLANT ERADICATION	3	55 666.02											1	9 697.99			4	65 364.01
ALIEN PLANT ERADICATION (CWDM)															5	271 459.10	5	271 459.10
ALIEN PLANT ERADICATION (WFW)															10	169 361.49	10	169 361.49
BREAKFAST/LUNCH/SUPPER-OTHER													4	29 844.00	6	188 876.00	10	218 720.00
BUILDINGS - CONSTRUCTION															5	417 719.94	5	417 719.94
CELL PHONE - SERVICE CHARGES					11	11 633.77											11	11 633.77
CLEANING SERVICES															3	29 640.00	3	29 640.00
COMMUNICATION CENTRE					4	18 429.96											4	18 429.96
CONSULTANTS - PROFESSIONAL SERVICES					12	394 804.80									3	323 364.00	15	718 168.80
EDUCATIONAL/SOCIAL/RECREATION													1	7 011.35			1	7 011.35
EMERGENCY: FIRE FIGHTING SERVICES			1	12 790.02													1	12 790.02
EQUIPMENT - ELECTRONIC/RADIO/Etc.															3	250 851.40	3	250 851.40
EQUIPMENT - OTHER															3	301 507.08	3	301 507.08
FUEL - DIESEL							951	1 058 816.84									951	1 058 816.84
FUEL - PETROL							848	403 365.62									848	403 365.62
HOTEL BOOKINGS - LOCAL										1	2 285.00				6	152 425.00	7	154 710.00
IT RELATED GOODS & SERVICES															3	190 466.38	3	190 466.38
LEGAL SERVICES															9	24 515.41	9	24 515.41
MEDICAL: TREATMENT														5	17 591.00		5	17 591.00
MISCELLANEOUS													1	3 467.88	3	138 635.00	4	142 102.88
PHOTOCOPY MACHINES					6	14 307.34											6	14 307.34
PRINTERS - NEW															3	24 582.96	3	24 582.96
PRINTING & PUBLICATIONS															11	26 989.26	11	26 989.26
RENEWAL: SOFTWARE LICENSE															1	43 890.00	1	43 890.00
RENTAL - CONFERENCE FACILITY/CATERING															1	29 773.00	1	29 773.00
RENTAL - FIXED PROPERTY					2	6 880.34											2	6 880.34
RENTAL - OTHER											6	19 042.56	4	12 050.00	2	35 750.00	12	66 842.56
RENTAL - SPECIALISED EQUIPMENT										1	8 698.80						1	8 698.80
RENTAL EXHIBITION SPACE									2	191 426.52							2	191 426.52
REPAIR TRAFFIC LIGHTS			2	23 580.90													2	23 580.90
REPAIRS/SERVICE: MECHANICAL/ELECTRIC															2	117 712.44	2	117 712.44
SECURITY SERVICES															56	112 265.83	56	112 265.83
SERVICES - SECURITY					5	6 940.48											5	6 940.48
SERVICES - TELEPHONE					1	338 413.61											1	338 413.61
SLAs WITH ORGANS OF STATE					2	65 132.76											2	65 132.76
SOFTWARE & SUPPORT					13	1 476 406.47											13	1 476 406.47
SOFTWARE (SPECIFIC)					1	148.20				1	179 379.00						3	238 928.15
TRAINING (SPECIFIC)																	3	155 525.00
TRANSPORT: PUBLIC													54	262 280.00	23	489 680.00	77	751 960.00
VEHICLE - PARTS															1	25 650.00	1	25 650.00
Grand Total	3	55 666.02	3	36 370.92	57	2 333 097.73	1799	1 462 182.46	3	370 805.52	8	30 026.36	70	341 942.22	165	3 759 567.44	2108	8 389 658.67

Value of monthly transactions.



(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 officer that the goods and services has been received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where 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) Monitor and review of the supplier/vendor performance to ensure compliance with specifications and contract conditions for particular goods or services. (See page 8)

(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 last evaluation was from 9th to 11th 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**

Advertising costs of R 53,627.40 were incurred in the procurement process for this quarter in relation to R 160,804.62 in the 4th quarter of the previous financial year. It must be noted that annual tenders for 2016/2017 was advertised in the previous quarter.

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 website.

AWARDS FOR THIS QUARTER:

CONTRACT NUMBER	AWARDED TO	DESCRIPTION	VALUE
T 2016/051	NDG CONSTRUCTION CC	ASPHALT ROAD SURFACES - FIRE STATION STELLENBOSCH	1 771 428.90
TOTAL: R			1 771 428.90

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.

TENDERS AND QUOTATIONS EVALUATED FOR THE 3rd QUARTER 2015/2016 AND 1st QUARTER 2016/2017:

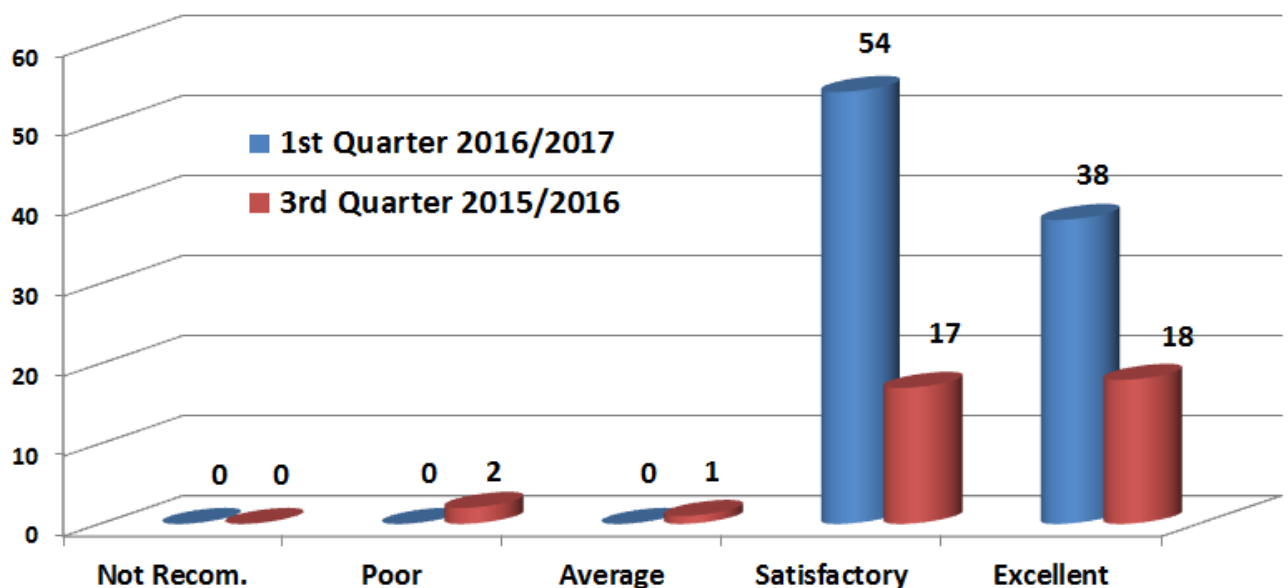
Financial Period:	Tenders		Quotations	
	3 rd Quarter 2015/2016	1 st Quarter 2016/2017	3 rd Quarter 2015/2016	1 st Quarter 2016/2017
COMMUNITY DEVELOPMENTAL SERVICES	0	5	15	4
CORPORATE SERVICES	1	9	0	8
FINANCE	1	4	0	1
LOCAL ECONOMIC DEVELOPMENT	0	0	0	5
ENGINEERING	7	47	14	7
GOVERNANCE	0	0	0	0
MUNICIPAL MANAGER OFFICE	0	0	0	0
RURAL & SOCIAL DEVELOPMENT	0	0	0	2
Grand Total	9	65	29	27

Bi-Annual performance evaluations:

The evaluation is objective and based on five performance areas as indicated in the evaluation matrix on page nine.

The contract manager 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. At this point any corrective measures are attended to.

Number and performance of suppliers evaluated:



Performance per category – improvement/deterioration on previous quarter:

Perf. Level	Category	3 rd Quarter 2015/2016		1 st Quarter 2016/2017		Movement (Evaluation must be objective per category in relation to the total)	
		# of Evaluations	% of Category	# of Evaluations	% of Category		
1	Not Recom.	0	0.00%	0	0.00%	0%	
2	Poor	2	5.26%	0	0.00%	-5.26%	Improvement
3	Average	1	2.63%	0	0.00%	-2.63%	Improvement
4	Satisfactory	17	44.74%	54	58.70%	13.95%	Improvement
5	Excellent	18	47.37%	38	41.30%	-6.06%	Deterioration
Total:		38		92			

Because of the procurement process, the municipality does not work with the same suppliers every year. Although there may be repetition of some, new suppliers are constantly entering into the process. Therefore, performance comparisons are measured on percentage per performance category rather than on the individual supplier. The two top levels should follow a natural cause and attention must be focused on the lower three.

EVALUATION MATRIX:

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

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

Improvement and/or deterioration of supplier performance.

Officials must not be encouraged to give higher points just to achieve an artificial high performance level and thereby avoid confrontation with the underperforming supplier. To achieve better results officials are encouraged to engage with poor performing suppliers, also during the execution of the contract, to capacitate better performance. Proper contract management will reduce unnecessary performance problems.

If it is found that a specific supplier does not meet the municipality's standard of service expectations, corrective measures must be taken, preferably while the project is in process, to guarantee a positive outcome.

Suppliers who do not meet the level of performance are given the opportunity to improve on their capacity, systems and procedures and, after a period of exclusion from the procurement process, can demonstrate that they indeed improved and are capable to deliver on the expected performance levels.

Disclosures

1. 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.

Awards made to such entities must be investigated, and recommended to Council, by the Municipal Public Accounts Committee (MPAC) for further action as it may find applicable.

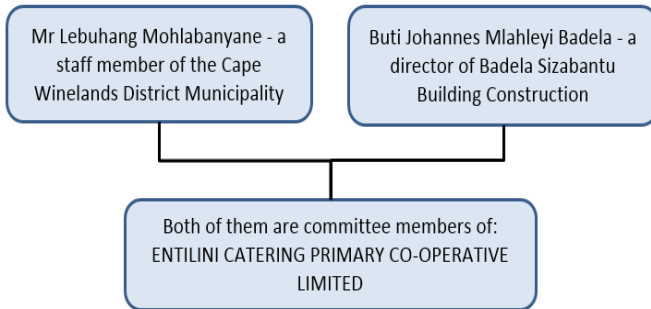
No instances of this nature were detected for the period under review.

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

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 "A3"**.

3. 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 below and **Annexure "A4"** for identified instances.



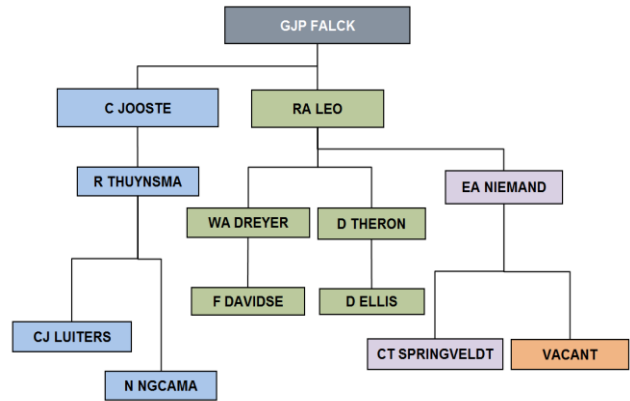
By association: (External)

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
Deputy Director: SCM	GJP Falck
Senior Buyer	C Jooste
Senior Supply Chain Management Officer	R Thuynsma
Principal Clerk: Procurement	CJ Luiters
Procurement Clerk	N Ngcama
Manager: Supply Chain Management	RA Leo
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	Vacant: 27/06/2014



Supplier database

National Treasury’s Web Base Central Supplier Database (CSD) was implemented through Circular No. 81 dated 18 March 2016 which 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.

As this report is written there are still unresolved issues on which National Treasury must issue instructions as to compliancy. E.g. National and Provincial spheres do not apply the same legislation on which the CSD was designed. For municipalities to comply with its legislation, some 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:

- BBEE 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 through the CSD system, 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”. However, not all parastatals are covered. Only PERSAL and BASS, the government’s payroll systems, is scrutinised.

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 into 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 providers 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.

To gear the municipality for the 1st of July 2016 and thereafter, the following actions have been taken and/or are on-going:

- Training has been provided to all relevant officials;
- Suppliers was informed by e-mail and paper post of the requirements in January 2016 and repeated in April 2016;
- Notice has been circulated in three languages in the 2015/2016 third quarter of the Grapevine;
- All out going SCM correspondence includes a notice to this effect;
- Suppliers are requested to submit the mandatory CSD registration number when submitting bids;
- CSD registration numbers are recorded on the municipality’s supplier database as prescribed; and

- Other avenues of promotion are continually investigated. (e.g. sms notifications)

To date 625 CSD registration numbers have been recorded and the Supply Chain Management Unit is confident that it is able to manage and comply with the requirements.

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.

Statistics

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

Awards made to these groups:

	GROUP:	(i) SMMEs	(ii) BEEs	(iii) WOMEN	(iv) YOUTH	(v) DISABLED
4 th Quart 2015/2016	# of Suppliers	374	181	147	36	2
	Rand Value	31 690 677.41	18 656 467.67	8 013 243.88	3 329 439.42	101 380.65
	% of Total Rand Value	91.64%	53.95%	23.17%	9.63%	0.29%
1 st Quart 2016/2017	# of Suppliers	275	143	112	26	1
	Rand Value	19 779 009.83	10 779 317.58	4 647 991.35	868 015.77	9.39
	% of Total Rand Value	95.36%	51.97%	22.41%	4.19%	0.00005%

* 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 within five days of the end of each month on that month's activities. Total acquisitions, per procurement category for the last quarter, are illustrated: (Full detail is available on request)

Number of Transactions		Type of Procurement	Amount		Description
4 th Quart 2015/2016	1 st Quart 2016/2017		4 th Quart 2015/2016	1 st Quart 2016/2017	
1513	1655	<R2000-NO PROCUREMENT:	737 907.07	910 008.65	Acquisitions less than R 2,000 - no procurement process is followed for small purchases
388	354	3rd PARTY PAYMENT:	16 081 886.92	15 437 909.39	Transactions where procurement plays no role - contribution payments / S&Ts / etc.
93	121	COUNCIL POLICY:	1 847 962.21	1 962 700.00	Study Bursaries / Sponsorships / Donations / etc.
1	3	DEV-PPFA SEC.2(1)(f)	16 510.03	55 666.02	The supplier selected for the contract/tenderer did not score the highest points
1	3	DEV-REG.36(1)(a)(i) Emergency	27 963.80	36 370.92	Transactions where no procurement process were followed (Emergencies)
34	3	DEV-REG.36(1)(a)(ii) Sole Provider/Agents	753 042.19	370 805.52	Transactions where no procurement process were followed (Sole Providers/Agents)
2036	1799	DEV-REG.36(1)(a)(ii) Service Provider/Agents	1 654 313.93	1 462 182.46	Fuel replenishment: Various suppliers at strategic locations in whole of the municipal area.
134	57	DEV-REG.36(1)(a)(ii) Long-term Contr.	2 274 024.68	2 333 097.73	Long term Contracts/ service providers - Telkom / Vodacom / Copy machines / etc.
19	8	DEV-REG.36(1)(a)(v) Impractical	194 538.12	30 026.36	Transactions where no procurement process were followed (Impractical to obtain quotations - e.g. Strip & repair)
7	13	DWAF: PRE-PROCURED	127 206.80	219 149.64	DWAF (Closed tender process) Contracts where the CWDM did not do the procurement.
1	0	PAWC: PRE-PROCURED	3 851.35	0.00	PAWC (Per instruction by Principal) Contracts where the CWDM did not do the procurement.
82	35	PETTY CASH:	3 224.30	1 502.65	Mainly small out of pocket refunds
205	580	QUOTATION PROCESS:	1 800 458.43	4 922 302.73	Acquisitions made in terms of a full quotation process up to R 200,000 - minimum three quotes
19	70	REG.16(c) < 3 WQ	69 227.16	341 942.22	Acquisitions where it was not possible to obtain at least three quotations up to R 10,000
32	165	REG.17(1)(c) < 3 FWPQ	879 029.60	3 759 567.44	Acquisitions where it was not possible to obtain at least three quotations between R 10,000 - R 200,000
213	28	SERVICE ACCOUNTS:	1 248 150.02	69 541.53	Contracts with service providers - Municipal services
3	0	SERVICE PROVIDERS:	2 483.60	0.00	Payments made in terms of contracts/agreements with long-term service providers – SAMRAS/VIP/etc.
53	43	STATUTORY PAYMENTS:	8 596 992.97	7 187 199.26	Prescriptive payments made in terms of legislation - licensing / taxes / membership fees / etc.
12	9	SUBSCRIPTIONS:	77 488.93	75 646.00	Service provider is selected for the specific service and cannot be procured - sole providers
7	0	SUBSIDY:	504 564.00	0.00	Mainly seed funding for small farmers / SMMEs / PDIs per pre-qualification
1066	1466	TENDER PROCESS:	17 081 898.24	54 049 438.27	Acquisitions made in terms of a full tender process on amounts above R 200,000
5919	6412	TOTAL:	53 982 724.35	93 225 056.79	

NATIONAL TREASURY

ANNEXURE "A2"

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 19,521,482.54 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.

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value ZAR	Premium Paid
1	T2016/005/01	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	BARLOWORLD SOUTH AFRICA (PTY) LTD	2	80	0	101 000.00	-
2	T2016/005/02	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	BATTERY CENTRE WORCESTER BK	4	80	0	101 000.00	-
3	T2016/005/03	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	BELL EQUIPMENT SALES SA LIMITED	0	80	0	101 000.00	-
4	T2016/005/04	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	BREDE VALLEY HYDRAULICS T/A BOLAND HYDRAULICS	4	80	0	101 000.00	-
5	T2016/005/05	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	COMPACTION AND INDUSTRIAL EQUIPMENT SALES AND SERVICES CC	8	80	0	101 000.00	-
6	T2016/005/06	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	ELB EQUIPMENT HOLDINGS (PTY) LTD	5	80	0	101 000.00	-
7	T2016/005/07	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	F & R CATAI TRANSPORT SOLUTIONS (PTY) LTD	0	80	0	101 000.00	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value ZAR	Premium Paid
8	T2016/005/08	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	TRI-TORQ FRICTION T/A FEROBRAKE	0	80	0	101 000.00	-
9	T2016/005/09	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	FIRE RAIDERS (PTY) LTD	2	80	0	101 000.00	-
10	T2016/005/10	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	GEARBOX REPAIR CENTRE (PTY) LTD	0	80	0	101 000.00	-
11	T2016/005/11	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	HBC SYSTEM (PTY) LTD	4	80	0	101 000.00	-
12	T2016/005/12	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	HENNING PANEELKLOPPERS	0	80	0	101 000.00	-
13	T2016/005/13	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	HIGH POWER EQUIPMENT AFRICA (PTY) LTD	4	80	0	101 000.00	-
14	T2016/005/14	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	HYDRABERG HYDRAULICS CC	7	80	0	101 000.00	-
15	T2016/005/15	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	HYDRENCO (PTY) LTD	2	80	0	101 000.00	-
16	T2016/005/16	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	KEMACH EQUIPMENT (PTY) LTD	0	80	0	101 000.00	-
17	T2016/005/17	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016	22/07/2016	LEREKO MOTORS (PTY) LTD T/A HINO PAROW	0	80	0	101 000.00	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value ZAR	Premium Paid
		TO 30 JUNE 2019							
18	T2016/005/18	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	M & N BAKWERKE CC	3	80	0	101 000.00	-
19	T2016/005/19	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	MARCE PROJECTS	1	80	0	101 000.00	-
20	T2016/005/20	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	NOLAN TRUCK CPT (PTY) LTD	0	80	0	101 000.00	-
21	T2016/005/21	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	NORTHERN MOTORS ENGINEERS	2	80	0	101 000.00	-
22	T2016/005/22	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	NTT VOLKSWAGEN STELLENBOSCH	8	80	0	101 000.00	-
23	T2016/005/23	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	NUPOWER AUTOMOTIVE ENGINEERING	4	80	0	101 000.00	-
24	T2016/005/24	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	REFLECT ALL COMPRESSORS CC	0	80	0	101 000.00	-
25	T2016/005/25	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	SAXONBURG FLEET MAINTENANCE CC	1	80	0	101 000.00	-
26	T2016/005/26	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	JU STEYN T/A STEYN MOTORS	0	80	0	101 000.00	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value ZAR	Premium Paid
27	T2016/005/27	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	SUPER FIT SILENCERS SHOCK ABSORBERS AND TOW BARS CC	4	80	0	101 000.00	-
28	T2016/005/28	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	VAAL CAPE TRANSMISSION CC	4	80	0	101 000.00	-
29	T2016/005/29	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	WORCESTER GEARBOX CENTRE CC	4	80	0	101 000.00	-
30	T2016/005/30	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	REPO WILD 34 (PTY) LTD T/A WORCESTER NISSAN	0	80	0	101 000.00	-
31	T2016/005/31	SPARE PARTS AND SERVICE / REPLACEMENT OF COMPONENTS FOR THE PERIOD 08 AUGUST 2016 TO 30 JUNE 2019	22/07/2016	WORLD WIDE SPARES (PTY) LTD	4	80	0	101 000.00	-
32	T2016/017A	SUPPLY AND DELIVERY CONCRETE PIPES AND CULVERTS	22/07/2016	AVENG INFRASET	0	90	0	1 500 000.00	-
33	T2016/017B	SUPPLY AND DELIVERY CONCRETE PIPES AND CULVERTS	22/07/2016	ITHUBA INDUSTRIES	1	90	0	1 500 000.00	-
34	T2016/038A	CHEMICAL ANALYSIS OF WATER SAMPLES	22/07/2016	AL ABBOTT & ASSOCIATES (PTY) LTD	4	80	0	200 000.00	-
35	T2016/038B	CHEMICAL ANALYSIS OF WATER SAMPLES	22/07/2016	CSIR STELLENBOSCH ENVIRONMENTAL LABORATORY	0	80	0	200 000.00	-
36	Q2016/023	SUPPLY AND DELIVERY OF PRE-PACKED CATERING	26/07/2016	KINGS CATERING	1	80	0	102 600.00	-
37	Q2016/014	LEAK DETECTION: CERES, NDULI AND BELLA VISTA	26/07/2016	BOSCH MUNITECH (PTY) LTD	2	80	18	199 791.75	-
38	Q2016/011	BUILDING WORK LAUNDRY ROOM FIRE STATION STELLENBOSCH	20/07/2016	MEYER ELECTRICAL & CONSTRUCTION	1	80	0	161 844.66	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value ZAR	Premium Paid
39	Q2016/010	BUILDING WORK GUARD HOUSE FIRE STATION STELLENBOSCH	20/07/2016	MEYER ELECTRICAL & CONSTRUCTION	1	80	0	170 512.08	-
40	Q2016/005	SUPPLY AND INSTALL AIR CONDITIONERS CWDM STELLENBOSCH	21/07/2016	MASANDA TRADING CC	1	80	20	189 582.00	-
41	T 2016/004	MEDICAL CERTIFICATE OF FITNESS FOR AFFECTED ROAD MAINTENANCE, ROAD CONSTRUCTION AND WORKSHOP EMPLOYEES FOR THE PERIOD 01 JULY 2016 TO 30 JUNE	01/08/2016	HEALTHY WORKER CLINIC (PTY) LTD	4	80	0	450 000.00	-
42	T 2016/051	ASPHALT ROAD SURFACES - FIRE STATION STELLENBOSCH	01/08/2016	NDG CONSTRUCTION CC	1	90	0	1 771 428.90	-
43	Q 2015/123	HOLISTIC EMPLOYEE ASSISTANCE PROGRAMME	01/08/2016	NBC HOLDINGS	0	80	0	200 000.00	-
44	Q2016/067	DEVELOPMENT OF 1 (CWDM) TOURISM MOBILE APPLICATION	22/08/2016	INDIGO NEW MEDIA (PTY) LTD	0	80	0	199 500.00	-
45	Q2016/007	SUPPLY AND DELIVERY OF RESCUE EQUIPMENT	23/08/2016	MARCE PROJECTS (PTY) LTD	1	80	0	152 423.70	-
46	T2016/055	TOURISM TRAINING FOR THE PERIOD 1 OCTOBER 2016 TO 30 JUNE 2017	08/09/2016	G & D GUESTHOUSE CC	0	80	0	566 000.00	-
47	T2016/044	SUPPLY AND DELIVERY OF SOFTWARE FOR ACS SERVER	08/09/2016	MANTELLA IT SUPPORT SERVICES	1	80	20	135 071.67	-
48	T2016/046	SUPPLY AND DELIVERY OF CISCO OR EQUIVALENT SWITCHES AND ROUTERS	08/09/2016	MANTELLA IT SUPPORT SERVICES	1	90	10	1 984 239.48	-
49	T2016/042A	SUPPLY AND DELIVERY OF LAPTOPS	08/09/2016	KAM COMPUTING CC	1	87.9	10	641 880.99	11 719.81
50	T2016/042B	SUPPLY AND DELIVERY OF COMPLETE DESKTOP COMPUTERS	08/09/2016	MADGE COMPUTERS	1	90	10	1 042 600.00	-
51	T2016/070A	SUPPLY AND DELIVERY OF (1) LIGHT 4X4 FIRE FIGHTING VEHICLE	08/09/2016	MARCE PROJECTS (PTY) LTD	1	90	10	1 289 849.18	-

	Contract Number	Type of goods/service acquired	Contract Date	Supplier	B-BBEE contribution	PRICE Points (90/80)	B-BBEE Points (20/10)	Contract Value ZAR	Premium Paid
52	T2016/070B	SUPPLY AND DELIVERY OF (1) MAJOR 4X4 FIRE FIGHTING VEHICLE	08/09/2016	MARCE PROJECTS (PTY) LTD	1	90	10	2 924 805.23	-
53	T2016/083	SUPPLY AND DELIVERY OF ONE (1) PASSENGER SERVICE VEHICLE	08/09/2016	BARLOWORLD TOYOTA STELLENBOSCH	4	80	0	453 647.50	-
54	Q2016/031	SUPPLY, DELIVER, DEMONSTRATION, ON-GOING TRAINING AND SERVICES SUPPORT FOR (5) FIVE (GSI) OR EQUIVALENT HEARING SCREENING AUDIOMETERS	26/09/2016	STANYER ELECTROSERVE	1	75.14	20	130 000.00	7 450.00
55	Q2016/051	SUPPLY, DELIVERY AND INSTALLATION OF MULTI MEDIA EQUIPMENT	26/09/2016	QUESTEK ADVANCED TECHNOLOGIES (PTY) LTD	0	80	0	120 851.40	-
56	Q2016/080	LIFT SERVICE, MAINTENANCE AND REPAIR CONTRACT	26/09/2016	VISION ELEVATORS (PTY) LTD	0	80	0	103 854.00	-

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	4 th Quarter 2015/2016	1 st Quarter 2016/2017
AJEE CONSULTANCY CC	SPOUSE	HUSBAND IS IN SA POLICE FORCE	-	6 320.00
AMERICA BUSDIENS	CHILD	VH AMERICA - CWDW WORKSHOP		35 330.00
ASTRA CATERING	CHILD	LENACHE BURGER-HEALTH PRACT	49 972.00	67 524.00
AURECON SOUTH AFRICA (PTY) LTD	SPOUSE	VARIOUS RELATIONS TO OWNERS	249 505.54	-
BK ENTERPRISES	SPOUSE	MRS KRUGER - DEPT. AGRICULTURE	4 200.00	1 400.00
C E MINNAAR T/A EXQUISITE HIGH TEA	SON/DAUGHTER-IN-LAW	CLINT ROLAND - BUDGET OFFICE	24 222.00	37 940.00
J WALTERS T/A J C TRAVEL	SPOUSE	TEACHER: WCED	2 500.00	23 500.00
LUMBER & LAWN (PTY) LTD	SPOUSE	WIFE: TEACHER LOCHNERHOF PRIM	4 126.49	2 284.28
M & N BAKWERKE CC	BROTHER/SISTER	E NIEMAND - SCM STELLENBOSCH	21 301.42	-
MASIQHAME TRADING 77 CC	CHILD	DEPT. OF AGRICULT. & FORISTRY	-	15 778.80
MORESON GRONDVERSKUIWERS BK	CHILD	DAUGHTER OF J & N DU PREEZ	-	544 881.81
PISTON POWER CHEMICALS CC	SPOUSE	WORK FOR DEPT. OF EDUCATION	68 242.11	89 786.40
SMEC SOUTH AFRICA (PTY) LTD	SPOUSE	YVONNE PHOSA - MEC: ECON.DEV.	-	729 759.60
T B VAN DER MERWE H/A VDM BUSDIENS	CHILD	SON IS WORKING FOR SAPS	19 000.00	-
THE BUSINESS ZONE 932 CC T/A JLM24 SERVICE	SPOUSE	TEACHER: WCED	15 094.00	23 297.00
VALLEI AUTO HERSTELWERKE (PTY) LTD	CHILD	C MOSTERT - PROV. TRAFFIC	10 126.93	8 164.74
VALLEY FUNERALS	SPOUSE	WIFE - DEPT.OF EDUCATION	3 000.00	-
			R 471 290.49	1 585 966.63

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:

Beneficiary's Name	Relationship	Associate	4th Quarter 2015/2016	1st Quarter 2016/2017
MEYER ELECTRICAL AND CONSTRUCTION	BUSINESS ASSOCIATE	CLR. P MARRAN - BREEDE VALLEY	532 142.96	303 039.68
			R 532 142.96	303 039.68