



MEMORANDUM TO : Executive Mayor
MEMORANDUM FROM : Municipal Manager
REFERENCE NUMBER : 5/14/5
DATE : 03 January 2017

REPORT ON THE IMPLEMENTATION OF THE MUNICIPALITY'S SUPPLY CHAIN MANAGEMENT POLICY IN TERMS OF REGULATION 6 OF THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS, 2005

PURPOSE OF SUBMISSION

That the Executive Mayor take cognisance of the quarterly report on "The Implementation of the Supply Chain Management Policy" in terms of Regulation 6(3) of the Municipal Supply Chain Management Regulations, 2005 for oversight purposes and that it must be made public in accordance with Section 21A of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (Municipal Systems Act).

BACKGROUND

The Regulation determines that the accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of its Policy, to the mayor of the municipality. Furthermore, the report must also be made public in accordance with Section 21A of the Municipal Systems Act.

COMMENT

**** The intention of regulation 6 is to give an executive overview of the activities of the procurement processes performed for the period. Full detail is provided in other reports that are submitted to the Accounting Officer, Mayco and Council. There is no prescript for the format of the report, or what information it must contain, however, it is envisaged that this report must give information on the activities and effects of the operational matters regarding the supply chain management processes. To comply with this understanding a quarterly report for October to December 2016 is attached as **Annexure "A"**.

All the procurement aspects, quotations and tenders, in the report are in terms of the supply chain management regulations and all the internal- and external reporting for the period were completed within the prescribed timeframes.

2.

RECOMMENDATION

That the Executive Mayor take cognisance of -

- (a) The quarterly report on "The Implementation of the Supply Chain Management Policy" in terms of Regulation 6(3) of the Municipal Supply Chain Management Regulations, 2005 for oversight purposes; and
- (b) That it must be made public in accordance with Section 21A of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (Municipal Systems Act).

QUALITY CERTIFICATE

I, **Michael Mgajo**, in my capacity as municipal manager of the **Cape Winelands District Municipality**, hereby certify that –

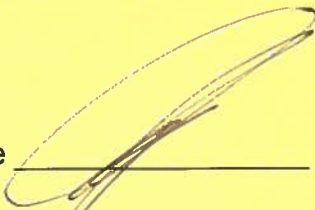
- (a) The report on "The Implementation of the Supply Chain Management Policy" for oversight purposes for the quarter **01 October to 31 December 2016** has been prepared in accordance with Regulation 6(3) of the Municipal Supply Chain Management Regulations, 2005.

AND

- (b) That it will be made public in accordance with Section 21A of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

Michael Mgajo
Municipal Manager of the Cape Winelands District Municipality

Signature



Date

2017-01-04

Cape Winelands District Municipality

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

For the 2nd Quarter - 1st October 2016 to 31st December 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 budget.

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

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
OCTOBER 2016	1	3	1	1
NOVEMBER 2016	1	1	1	1
DECEMBER 2016	1	7	1	1
TOTAL	3	11	3	3

Bid Evaluation Committee	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes
OCTOBER 2016	1	8	1	1
NOVEMBER 2016	1	8	1	1
DECEMBER 2016	1	2	1	1
TOTAL	3	18	3	3

Bid Adjudication Committee	No. of Meetings	No. of Items	No. of Agendas	No. of Minutes
OCTOBER 2016	1	9	1	1
NOVEMBER 2016	1	8	1	1
DECEMBER 2016	1	7	1	1
TOTAL	3	24	3	3

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:

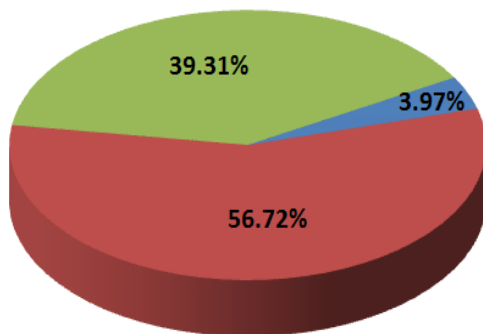
FORMAL WRITTEN PRICE QUOTATIONS: R30,001 - R200,000

Evaluated & Awarded	
OCTOBER 2016	16
NOVEMBER 2016	2
DECEMBER 2016	6
TOTAL	24

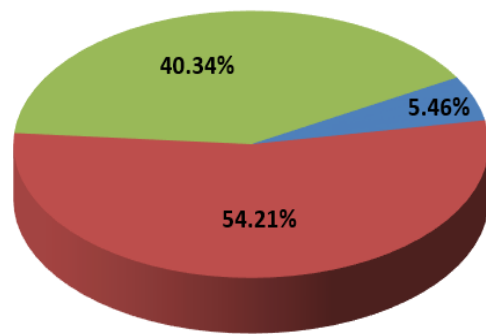
Municipalities must report to National Treasury on all acquisitions in excess of R 100,000 on a monthly basis. Information is captured and approved directly on their CRA System. **Annexure "A2"** is a list of awards made.

Geographical expenditure:

1st Quarter 2016/2017



2nd 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	
		1 st Quarter 2016/2017	2 nd Quarter 2016/2017	1 st Quarter 2016/2017	2 nd Quarter 2016/2017	1 st Quarter 2016/2017	2 nd Quarter 2016/2017
Level 1	10/20	51	69	5 327 766.85	12 259 268.39	25.69%	29.17%
Level 2	9/18	24	16	3 448 506.04	6 939 461.67	16.63%	16.51%
Level 3	8/16	13	15	2 723 751.67	4 405 341.20	13.13%	10.48%
Level 4	5/12	31	37	1 648 022.97	3 670 531.07	7.95%	8.73%
Level 5	4/8	2	3	34 425.12	28 623.24	0.17%	0.07%
Level 6	3/6	1	1	9 462.82	5 146.18	0.05%	0.01%
Level 7	2/4	2	2	51 181.00	94 323.44	0.25%	0.22%
Level 8	1/2	9	9	883 703.19	3 411 537.76	4.26%	8.12%
No Status		174	204	6 613 546.12	11 206 805.78	31.89%	26.67%
Totals		307	356	20 740 365.78	42 021 038.73	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 4 604 484.16 compared to the previous quarter's figure of R 4 288 149.01. This represents an increase of 7.38%. 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 136 286.55 and regulation 17(1)(c) to R 2 410 364.92 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.

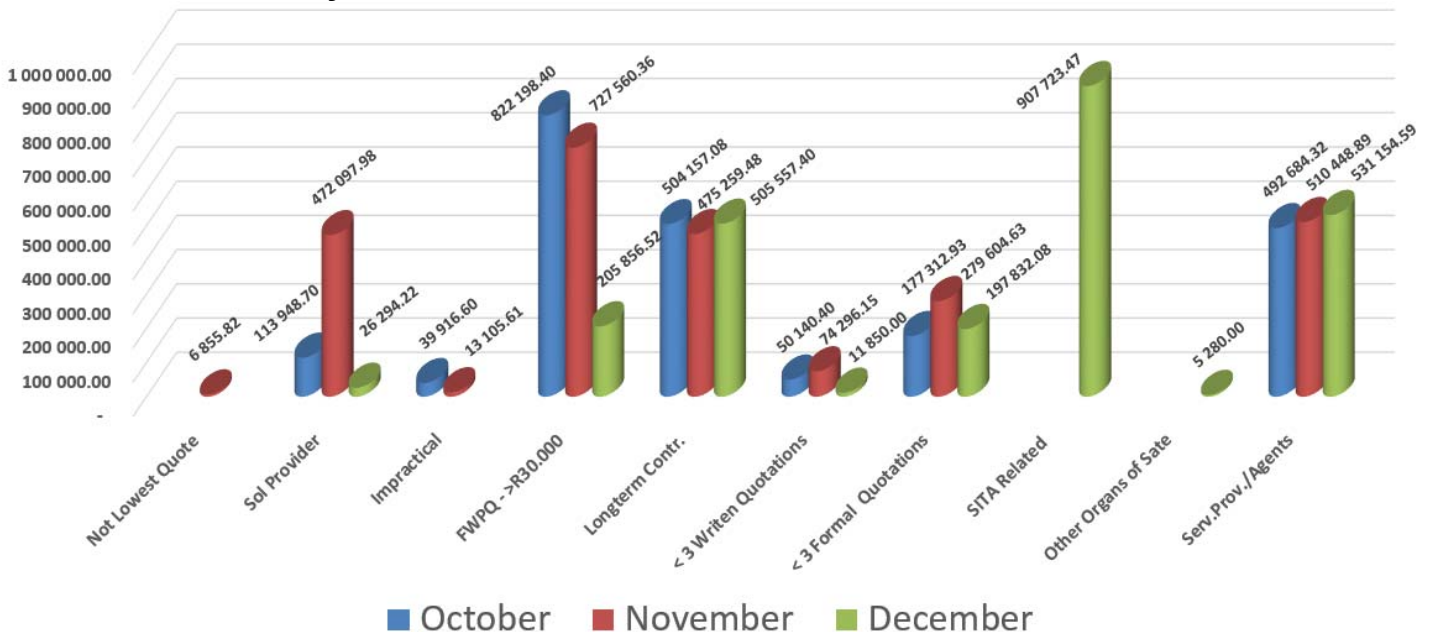
It must be noted that 38.2%, 34 of the 89 instances under review, were advertised on the municipality’s notice boards and webpage. It represents 28.31% of the monetary value.

(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		Sec.110(2)(a) Other Organs of State		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 (CWDM)														8	507 397.65	8	507 397.65			
ALIEN PLANT ERADICATION (WFW)														10	149 361.34	10	149 361.34			
BREAKFAST/LUNCH/SUPPER-OTHER													2	9 060.00	3	59 095.00	5	68 155.00		
BUILDINGS - CONSTRUCTION														8	498 330.36	8	498 330.36			
CAMERA: DIGITAL														9	17 188.86	9	17 188.86			
CELL PHONE - SERVICE CHARGES					18	24 076.49										18	24 076.49			
CHEMICALS FOR PORTABLE TOILETS													1	250.00		1	250.00			
CLEANING SERVICES													5	6 281.98	5	6 281.98				
COMMUNICATION CENTRE					6	32 730.10										6	32 730.10			
CONSULTANTS - PROFESSIONAL SERVICES									1	23 256.00				2	145 430.48	3	168 686.48			
EQUIPMENT - ELECTRICAL APPLIANCES														7	32 094.64	7	32 094.64			
EQUIPMENT - ELECTRONIC/RADIO/Etc.														5	157 495.94	5	157 495.94			
EQUIPMENT - OTHER														15	63 553.20	15	63 553.20			
FUEL - DIESEL							1031	1 075 461.86								1031	1 075 461.86			
FUEL - PETROL							1039	458 825.94								1039	458 825.94			
HOTEL BOOKINGS - LOCAL														5	137 520.38	5	137 520.38			
IT RELATED GOODS & SERVICES			15	907 723.47												15	907 723.47			
LEGAL SERVICES														6	10 659.45	6	10 659.45			
MEDIA: NEWS PAPERS/MAGAZINES/Etc.									3	5 728.74						3	5 728.74			
MISCELLANEOUS														3	171 899.20	3	171 899.20			
PHOTOCOPY MACHINES					10	195 805.48			7	321 283.84						17	517 089.32			
POSTAL & PACKAGING SERVICES			8	5 280.00										8	5 740.00		16	11 020.00		
PROTECTIVE CLOTHING														2	12 776.55	1	75 228.60	3	88 005.15	
RENEWAL: SOFTWARE LICENSE									7	186 908.70						7	186 908.70			
RENTAL - CONFERENCE FACILITY/CATERING														1	24 000.00	1	24 000.00			
RENTAL - FIXED PROPERTY					6	20 641.03										6	20 641.03			
RENTAL - OTHER														2	11 790.00	1	10 099.00	3	21 889.00	
RENTAL - SPECIALISED EQUIPMENT														1	26 096.40		1	26 096.40		
RENTAL EXHIBITION SPACE									1	75 163.62						1	75 163.62			
RENTAL: PORTABLE CHEMICAL TOILETS														1	4 560.00		1	4 560.00		
REPAIRS/SERVICE: MECHANICAL/ELECTRIC														1	14 250.00	1	14 250.00			
REPAIRS: OTHER (ELECTRONIC/MECH/Etc.)														1	518.70	1	518.70			
SECURITY SERVICES														23	6 559.65	23	6 559.65			
SERVICES - SECURITY					16	18 970.07										16	18 970.07			
SERVICES - TELEPHONE					3	1 030 723.38										3	1 030 723.38			
SERVICING OF EQUIPMENT BY AGENT														4	21 185.81		4	21 185.81		
SLAs WITH ORGANS OF STATE					3	13 957.02										3	13 957.02			
SOFTWARE & SUPPORT					14	148 070.39										14	148 070.39			
TRAINING (SPECIFIC)														4	261 515.49	4	261 515.49			
TRANSPORT/DELIVERIES & STORAGE														1	28 785.00	1	28 785.00			
TRANSPORT: PUBLIC														19	97 850.00	3	33 100.00	22	130 950.00	
VEHICLE - REPAIRS-MECH./SERVICE	1	6 855.82														1	6 855.82			
Grand Total	1	6 855.82	23	913 003.47	76	1 484 973.96	2070	1 534 287.80	19	612 340.90	13	53 022.21	27	136 286.55	122	2 410 364.92	2351	7 151 135.63		

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 89,759.33 were incurred in the procurement process for this quarter in relation to R 53,627.40 in the 1st quarter. It must be noted that annual tenders for 2016/2017 was advertised in the 4th quarter of 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 website.

AWARDS FOR THIS QUARTER:

CONTRACT NUMBER	AWARDED TO	DESCRIPTION	VALUE
T2016/061	MASANDA TRADING CC	CONSTRUCTION OF CLUBHOUSE AT KROMME RHEE AND GOUDINI GYMKANA CLUB	1 341 780.00
T2016/062A	PROTEA SPORTS COURTS KZN CC	CONSTRUCTION OF TENNIS/NETBALL COURTS AT GROENBERG PRIMARY SCHOOL	571 088.70
T2016/062B	MATAMELA CONSULTING CC	CONSTRUCTION OF TENNIS/NETBALL COURTS AT YOUNG STARS	598 500.00
T2016/081	AMS CIVILS (PTY) LTD	EXTENSION OF EXISTING SIDEWALKS, WELLINGTON – PHASE 2	2 773 972.85

CONTRACT NUMBER	AWARDED TO	DESCRIPTION	VALUE
T2016/082	JVR CONSTRUCTION CC	EXTENSION OF EXISTING SIDEWALKS, ROBERTSON – PHASE 2	2 919 233.34
T2016/084	VITATYPE TRADING 99 CC	DEVELOPMENT OF PUBLIC TRANSPORT INFRASTRUCTURE AT RURAL SCHOOLS	2 070 358.03
T2016/066	MASANDA TRADING CC	UPGRADING OF SCHOOL ABLUTION FACILITIES IN THE RURAL AREA OF CAPE WINELANDS DISTRICT MUNICIPALITY	631 526.94
TOTAL: R			10 906 459.86

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.

NO TENDERS OR QUOTATIONS WERE EVALUATED FOR THE 2ND QUARTER – DETAIL FROM THE PREVIOUS QUARTER'S REPORT IS INCLUDED FOR CONTINUITY:

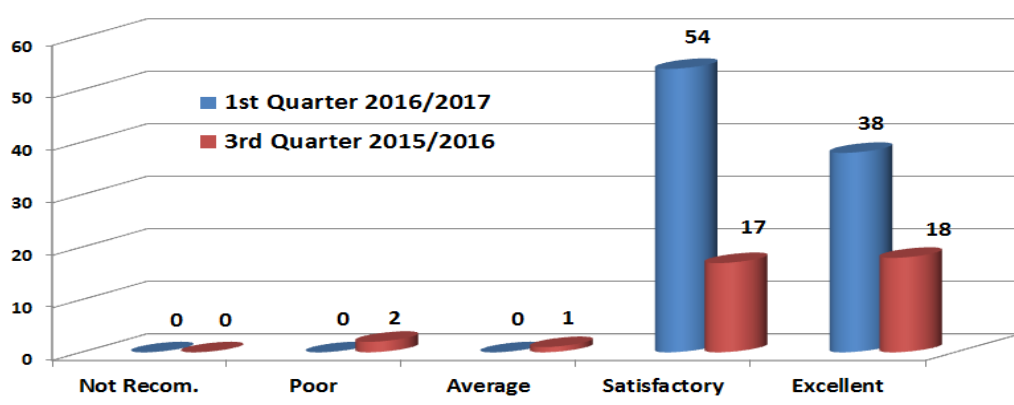
Financial Period:	Tenders		Quotations	
	3 rd Quarter 2015/2016	1 st Quarter 2016/2017	3 rd Quarter 2015/2016	1 st Quarter 2016/2017
COMMUNITY DEVELOPMENTAL SERVICES	0	5	15	4
CORPORATE SERVICES	1	9	0	8
FINANCE	1	4	0	1
LOCAL ECONOMIC DEVELOPMENT	0	0	0	5
ENGINEERING	7	47	14	7
GOVERNANCE	0	0	0	0
MUNICIPAL 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			

Emanating from the prescribed 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.

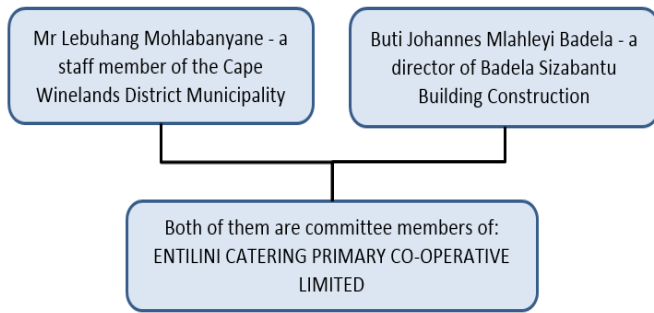
No instances of this nature were detected for the period under review.

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.



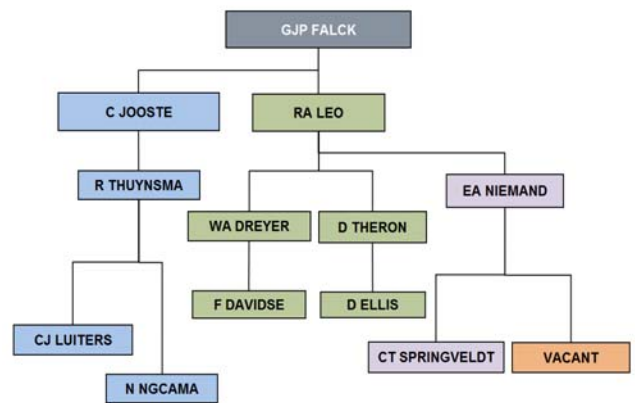
By association: (External)

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-Based 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:

- 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 in 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, are 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 ensure that the municipality complies 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 744 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
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%
2 nd Quart 2016/2017	# of Suppliers	326	177	138	34	3
	Rand Value	40 324 000.48	19 536 560.85	11 386 160.05	1 298 224.20	39 069.04
	% of Total Rand Value	95.96%	46.49%	27.10%	3.09%	0.09%

* 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
1 st Quart 2016/2017	2 nd Quart 2016/2017		1 st Quart 2016/2017	2 nd Quart 2016/2017	
1655	1376	<R2000-NO PROCUREMENT:	910 008.65	667 326.79	Acquisitions less than R 2,000 - no procurement process is followed for small purchases
354	368	3rd PARTY PAYMENT:	15 437 909.39	18 631 405.43	Transactions where procurement plays no role - contribution payments / S&Ts / etc.
121	41	COUNCIL POLICY/SUBSIDY:	1 962 700.00	1 362 778.13	Study Bursaries / Sponsorships / Donations / etc.
3	1	DEV-PPPFA SEC.2(1)(f)	55 666.02	6 855.82	The supplier selected for the contract/tenderer did not score the highest points
0	8	DEV-MFMA SEC. 110(2)(a)	0.00	5 280.00	Goods and /or Services acquired from Other Organs of State/Municipalities. (Not normal municipal service accounts;)
3	0	DEV-REG.36(1)(a)(i) Emergency	36 370.92	0.00	Transactions where no procurement process were followed (Emergencies)
3	19	DEV-REG.36(1)(a)(ii) Sole Provider/Agents	370 805.52	612 340.90	Transactions where no procurement process were followed (Sole Providers/Agents)
1799	2070	DEV-REG.36(1)(a)(ii) Service Provider/Agents	1 462 182.46	1 534 287.80	Fuel replenishment: Various suppliers at strategic locations in whole of the municipal area.
57	76	DEV-REG.36(1)(a)(ii) Long-term Contr.	2 333 097.73	1 484 973.96	Long term Contracts/ service providers - Telkom / Vodacom / Copy machines / etc.
8	13	DEV-REG.36(1)(a)(v) Impractical	30 026.36	53 022.21	Transactions where no procurement process were followed (Impractical to obtain quotations - e.g. Strip & repair))
13	23	DWAF: PRE-PROCURED	219 149.64	355 681.07	DWAF (Closed tender process) Contracts where the CWDM did not do the procurement.
35	45	PETTY CASH:	1 502.65	2 471.40	Mainly small out of pocket refunds
580	350	QUOTATION PROCESS:	4 922 302.73	2 282 063.72	Acquisitions made in terms of a full quotation process up to R 200,000 - minimum three quotes
70	27	REG.16(c) < 3 WQ	341 942.22	136 286.55	Acquisitions where it was not possible to obtain at least three quotations up to R 10,000
165	45	REG.17(1)(c) < 3 FWPQ	3 759 567.44	654 749.64	Acquisitions where it was not possible to obtain at least three quotations between R 10,000 – R 30,000
0	77	REG.17(1)(c) FWPQ - >R30.000	0.00	1 755 615.28	Acquisitions where it was not possible to obtain at least three quotations between R 30,000 – R 200,000 (Process was open on Web Page and Notice Boards)
0	15	REG.31 SITA	0.00	907 723.47	Where SITA assists with acquisitions of IT related goods or services.
28	144	SERVICE ACCOUNTS:	69 541.53	2 731 962.16	Contracts with service providers - Municipal services
43	39	STATUTORY PAYMENTS:	7 187 199.26	9 631 762.40	Prescriptive payments made in terms of legislation - licensing / taxes / membership fees / etc.
9	15	SUBSCRIPTIONS:	75 646.00	115 273.09	Service provider is selected for the specific service and cannot be procured - sole providers
1466	1052	TENDER PROCESS:	54 049 438.27	46 432 649.60	Acquisitions made in terms of a full tender process on amounts above R 200,000
6412	5804	TOTAL:	93 225 056.79	89 364 509.42	

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 17,387,966.98 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	T2016/059	INTERACTIVE THEATRE ENVIRONMENTAL AWARENESS	14/10/2016	KAMBRO DIGGERS PRIMARY CO-OP LTD	0	80	0	390 000.00	0.00
2	T2016/071A	BASIC BAKING AND HAIRDRESSING SKILLS TRAINING - 1 NOVEMBER 2016 TO 30 JUNE 2017	14/10/2016	G & D GUESTHOUSE	1	80	0	101 000.00	0.00
3	T2016/071B	K53 DRIVERS LICENSE TRAINING INTERVENTION - 1 NOVEMBER 2016 TO 30 JUNE 2017	14/10/2016	RABE BESTUURSKOOL	4	80	12	101 000.00	0.00
4	T2016/063	REHABILITATION OF SPORT FIELD AT HEX VALLEY SECONDARY SCHOOL	14/10/2016	C BAR LANDSCAPING	2	80	0	169 489.38	0.00
5	T2016/064A	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: CERES	14/10/2016	JF GEORGE TRADING	0	90	0	290 720.09	0.00
6	T2016/064B	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: DRAKENSTEIN & STELLENBOSCH	14/10/2016	IMPENTHANA PROJECTS AND MAINTENANCE	1	90	10	353 834.30	0.00
7	T2016/064C	LABOUR INTENSIVE CLEANING AND GRASS CUTTING OF PROVINCIAL ROADS: WORCESTER / ROBERTSON	14/10/2016	WESSFRAN CONSTRUCTION	1	86.69	10	373 332.89	13 250.09
8	T2016/069	APPOINTMENT OF SERVICE PROVIDER: SIDEWALKS AND EMBAYMENT'S - VARIOUS URBAN SCHOOLS IN THE CAPE WINELANDS DISTRICT	14/10/2016	NADESON CONSULTING SERVICES	0	90	0	839 800.00	0.00

	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
9	T2016/080	REPAIRS AND SERVICING OF ALUMINIUM WINDOWS CWDM STELLENBOSCH	14/10/2016	L AND L PROJECT MANAGERS	1	80	0	170 400.00	0.00
10	Q2016/016	SUPPLY AND DELIVERY OF TREES AND SCRUBS TO WORCESTER, ROBERTSON, PAARL, STELLENBOSCH AND CERES FOR THE PERIOD 01 OCTOBER 2016 TO 30 JUNE 2017	25/10/2016	TULBAGH KWEKERY 3 BK	0	80	0	200 000.00	0.00
11	Q2016/030	SUPPLY, PACKAGING AND DELIVERY OF HEARING AIDS	25/10/2016	OTICON SA (PTY) LTD	0	80	0	200 000.00	0.00
12	T2016/086A	TRAINING PROGRAMS FOR THE PERIOD 01 NOVEMBER 2016 TO 30 JUNE 2017	21/11/2016	BREËRIVIER TRAINING DEVELOPMENT CC	4	80	0	101 000.00	0.00
13	T2016/086B	TRAINING PROGRAMS FOR THE PERIOD 01 NOVEMBER 2016 TO 30 JUNE 2017	21/11/2016	IDI TECHNOLOGY SOLUTIONS (PTY) LTD	2	80	0	101 000.00	0.00
14	T2016/086C	TRAINING PROGRAMS FOR THE PERIOD 01 NOVEMBER 2016 TO 30 JUNE 2017	21/11/2016	NELSON MANDELA METROPOLITAN UNIVERSITY	0	80	0	101 000.00	0.00
15	T2016/086D	TRAINING PROGRAMS FOR THE PERIOD 01 NOVEMBER 2016 TO 30 JUNE 2017	21/11/2016	LIONIZE GROUP	1	80	0	101 000.00	0.00
16	T2016/086E	TRAINING PROGRAMS FOR THE PERIOD 01 NOVEMBER 2016 TO 30 JUNE 2017	21/11/2016	ACADEMY FOR CONSTRUCTION SKILLS	2	80	0	101 000.00	0.00
17	T2016/061	CONSTRUCTION OF CLUBHOUSE AT KROMME RHEE AND GOUDINI GYMKANA CLUB	21/11/2016	MASANDA TRADING CC	1	90	10	1 341 780.00	0.00
18	T2016/062A	CONSTRUCTION OF TENNIS/NETBALL COURTS AT GROENBERG PRIMARY SCHOOL	21/11/2016	PROTEA SPORTS COURTS KZN CC	0	90	0	571 088.70	0.00
19	T2016/062B	CONSTRUCTION OF TENNIS/NETBALL COURTS AT YOUNG STARS	21/11/2016	MATAMELA CONSULTING CC	0	90	0	598 500.00	0.00
20	T2016/081	EXTENSION OF EXISTING SIDEWALKS, WELLINGTON – PHASE 2	21/11/2016	AMS CIVILS (PTY) LTD	1	84.56	10	2 773 972.85	0.00

	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
21	T2016/082	EXTENSION OF EXISTING SIDEWALKS, ROBERTSON – PHASE 2	21/11/2016	JVR CONSTRUCTION CC	0	90	0	2 919 233.34	0.00
22	T2016/084	DEVELOPMENT OF PUBLIC TRANSPORT INFRASTRUCTURE AT RURAL SCHOOLS	21/11/2016	VITATYPE TRADING 99 CC	0	90	0	2 070 358.03	0.00
23	T2016/089	COMPILATION OF A STORM WATER MASTERPLAN FOR WITZENBERG MUNICIPALITY (PA HAMLET	21/11/2016	GIBB (PTY) LTD	2	80	18	263 340.00	0.00
24	Q2016/079	ACL SOFTWARE TRAINING PROGRAMME (FUNCTIONS AND FOUNDATION COURSE)	24/11/2016	CQS GRC SOLUTIONS (PTY) LTD	2	80	0	114 000.03	0.00
25	Q2016/103	PROVISION OF VENUE, DÉCOR, SOUND AND CATERING FOR THE DISTRICT SPORTS AWARDS CEREMONY	06/12/2016	CUMBERLAND CATERERS (PTY) LTD	0	80	0	115 040.00	0.00
26	Q2016/107	SUPPLY AND DELIVERY OF ANALOG DESKTOP PHONES	12/12/2016	GET SMART MOBILE CC	4	80	12	101 000.00	0.00
27	Q2016/093	OCCUPATIONAL HEALTH AND SAFETY SKILLS TRAINING PROGRAMME	12/12/2016	DYNAMIKOS TRAINING NETWORK	4	80	12	101 000.00	0.00
28	Q2016/026	SUPPLY AND DELIVERY OF LEARNER PEAK CAPS	13/12/2016	TIGER EYE TRADING CC	1	80	20	101 000.00	0.00
29	Q2016/027	DEVELOPMENT, MANUFACTURE, SUPPLY AND DELIVERY OF LEARNER BACK-PACKS	13/12/2016	TIGER EYE TRADING CC	1	80	20	101 000.00	0.00
30	T2016/072A	DELIVERY, INSTALLATION AND COMMISSIONING OF TWO (2) DIGITAL COLOUR COPIER/MULTIFUNCTIONAL DEVICES	15/12/2016	KONICA MINOLTA SA	3	80	16	404 776.32	0.00
31	T2016/072B	DELIVERY, INSTALLATION AND COMMISSIONING OF ONE (1) DIGITAL COLOUR COPIER/MULTIFUNCTIONAL DEVICES	15/12/2016	KOPANO SOLUTIONS COMPANY (PTY) LTD	2	80	18	140 784.11	0.00
32	T2016/066	UPGRADING OF SCHOOL ABLUTION FACILITIES IN THE RURAL AREA OF CAPE WINELANDS DISTRICT MUNICIPALITY	15/12/2016	MASANDA TRADING CC	1	80	20	631 526.94	0.00

	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
33	T2016/093	APPOINTMENT OF SPECIALIST SERVICE PROVIDER: TRAFFIC STUDY AT PRE-DETERMINED INTERSECTIONS IN WORCESTER: BREEDE VALLEY MUNICIPALITY	15/12/2016	ELEMENT CONSULTING ENGINEER (PTY) LTD	2	80	18	612 180.00	0.00
34	T2016/045	MAINTENANCE AND SUPPORT OF THE CAPE WINELANDS DISTRICT MUNICIPALITY'S WIRELESS WIDE NETWORK FOR THE PERIOD 03 JANUARY 2017 TO 30 NOVEMBER 2017	15/12/2016	BRANDWACHT IT	4	80	12	227 810.00	0.00
35	T2016/085A	SUPPLY AND DELIVERY OF UNIFORM AND PERSONAL PROTECTIVE EQUIPMENT FOR THE PERIOD 03 JANUARY 2016 TO 30 JUNE 2019	15/12/2016	FG UNIFORMS CC	1	90	10	101 000.00	0.00
36	T2016/085B	SUPPLY AND DELIVERY OF UNIFORM AND PERSONAL PROTECTIVE EQUIPMENT FOR THE PERIOD 03 JANUARY 2016 TO 30 JUNE 2019	15/12/2016	KTP PROCUREMENT AND LOGISTICS CC	1	90	10	101 000.00	0.00
37	T2016/085C	SUPPLY AND DELIVERY OF UNIFORM AND PERSONAL PROTECTIVE EQUIPMENT FOR THE PERIOD 03 JANUARY 2016 TO 30 JUNE 2019	15/12/2016	STEVEN RIDGE CC	4	90	5	101 000.00	0.00
38	T2016/085D	SUPPLY AND DELIVERY OF UNIFORM AND PERSONAL PROTECTIVE EQUIPMENT FOR THE PERIOD 03 JANUARY 2016 TO 30 JUNE 2019	15/12/2016	SPARKS & ELLIS (PTY) LTD	0	90	0	101 000.00	0.00
39	T2016/085E	SUPPLY AND DELIVERY OF UNIFORM AND PERSONAL PROTECTIVE EQUIPMENT FOR THE PERIOD 03 JANUARY 2016 TO 30 JUNE 2019	15/12/2016	MARCE PROJECTS	1	90	10	101 000.00	0.00

ANNEXURE "A3"

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	1 st Quarter 2016/2017	2 nd Quarter 2016/2017
AJEE CONSULTANCY CC	SPOUSE	HUSBAND IS IN SA POLICE FORCE	6 320.00	67 595.00
AMERICA BUSDIENS	CHILD	VH AMERICA - CWDM WORKSHOP	35 330.00	74 630.00
ASTRA CATERING	CHILD	LENACHE BURGER-HEALTH PRACT	67 524.00	197 620.00
AURECON SOUTH AFRICA (PTY) LTD	SPOUSE	VARIOUS RELATIONS TO OWNERS	-	4 389.00
BERLIN CONSTRUCTION & LOGISTICS (PTY) LTD	CHILD	WORK FOR DEPARTMENT OF HEALTH	-	6 282.20
BK ENTERPRISES	SPOUSE	MRS KRUGER - DEPT. AGRICULTURE	1 400.00	1 400.00
C E MINNAAR T/A EXQUISITE HIGH TEA	SON/DAUGHTER-IN-LAW	CLINT ROLAND - BUDGET OFFICE	37 940.00	114 676.50
J WALTERS T/A J C TRAVEL	SPOUSE	TEACHER: WCED	23 500.00	70 000.00
JAH GUIDE DAVIDS AGRICULTURE (PTY) LTD	SPOUSE	SAPS - WIFE OF DIRECTOR	-	211 952.40
LUMBER & LAWN (PTY) LTD	SPOUSE	WIFE: TEACHER LOCHNERHOF PRIM	2 284.28	3 007.61
MASIQHAME TRADING 77 CC	CHILD	DEPT. OF AGRICULT. & FORISTRY	15 778.80	48 828.50
MORESON GRONDVERSKUIWERS BK	CHILD	DAUGHTER OF J & N DU PREEZ	544 881.81	3 384 974.06
NCC ENVIRONMENTAL SERVICES (PTY) LTD	SPOUSE	WIFE WORK AT CITY OF CAPE TOWN	-	131 081.76
PISTON POWER CHEMICALS CC	SPOUSE	WORK FOR DEPT. OF EDUCATION	89 786.40	198 952.80
SMEC SOUTH AFRICA (PTY) LTD	SPOUSE	YVONNE PHOSA - MEC: ECON.DEV.	729 759.60	1 427 307.36
THE BUSINESS ZONE 932 CC T/A JLM24 SERVICE	SPOUSE	TEACHER: WCED	23 297.00	35 995.00
VALLEI AUTO HERSTELWERKE (PTY) LTD	CHILD	C MOSTERT - PROV. TRAFFIC	8 164.74	17 911.45
VALLEY FUNERALS	SPOUSE	WIFE - DEPT.OF EDUCATION	-	4 500.00

R 1 585 966.63 6 001 103.64

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	1st Quarter 2016/2017	2nd Quarter 2016/2017
MEYER ELECTRICAL AND CONSTRUCTION	BUSINESS ASSOCIATE	CLR. P MARRAN - BREEDE VALLEY	303 039.68	1 338 760.83
			R 303 039.68	1 338 760.83