



**SUPPLY CHAIN  
REPORT  
2021/2022**

**01 JANUARY 2022**

**-**

**31 MARCH 2022**

## **PURPOSE OF REPORT**

In terms of paragraph 1.9 of Council's Supply Chain Management Policy, the Accounting Officer must submit a report on the implementation of the policy to the mayor, within 10 days after the end of each quarter.

To submit a report to council on tenders awarded for the period 01 January 2022 – 31 March 2022

## **BACKGROUND**

The Supply Chain Management Policy was adopted by Council with the aim to increase participation of business from previously disadvantaged groups and locally based businesses in the procurement and disposal of goods and or obtaining of services, as part of Government's plan for economic growth and development. The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business.

### **1. Petty Cash Purchases**

Purchases of up to R2 000 VAT included attached as **Annexure 1.**

### **2. Written or Verbal Quotations**

Purchases of over R2 001 up to R30 000 attached as **Annexure 2.**

### **3. Bids Awarded by the Bid Adjudication Committee**

Attached please find as **Annexure 3** the report for the period 01 January 2022 – 31 March 2022

### **4. Regulation 18 Procurement (R30 000 – R200 000)**

Attached please find as **Annexure 4** the report for the period 01 January 2022 – 31 March 2022

### **5. Awards to Close Family Members of Persons in the Service of the State**

In terms of the Municipal Supply Chain Management Regulations, Paragraph 45, awards given to close family members of persons in the service of the State, above R2 000 should be disclosed in notes to the Annual Financial Statements.

➤ **None**

## **6. Quarterly Report on Deviations and minor Breaches**

The Supply Chain Management Policy states in Paragraph 284: “The accounting officer may dispense with the official procurement processes established by this policy and may procure any required goods or services through any convenient process, which may include direct negotiations, but only:

- (b) if such goods or services are produced or available from a single provider only.
- (d) in any other exceptional case where it is impractical or impossible to follow the official procurement processes”

Attached please find a schedule of Deviations and Minor Breaches approved by the Accounting Officer as **Annexure 6**

In terms of Section 21(a) of the Systems Act the report must also be advertised in the local media and placed on Council’s notice boards and website.

## **7. Finance Leases for Maquassi Hills Local Municipality – 2021/2022**

Please find as **Annexure 5** the report on Municipal leases which some of them date back from the previous financial year to the current financial year 2021/2022.

We attach them as they are still **Active/Running**, and we believe they will provide a background report on the financial activities of the municipality.

## **8. Summary of Awards for the Quarter**

| <b>Threshold</b>     | <b>Rand Value of the Awards</b> |
|----------------------|---------------------------------|
| 0 – R 2 000          | R 2 965.80                      |
| R 2 001 – R 30 000   | R 310 868.91                    |
| R 30 001 – R 200 000 | R 235 000.00                    |
| R 2 00 001 Above     | R 172 499.97                    |
| Deviations           | R 175 649.67                    |

**Annexure 1****Petty Cash:** Value threshold R 0.00 to R2 000.00

| <b>DATE</b> | <b>NAME</b>                | <b>ITEM</b>                   | <b>LOCALITY</b> | <b>AMOUNT</b>    |
|-------------|----------------------------|-------------------------------|-----------------|------------------|
| 2021-01-07  | ELECTRONICS REPAIRS        | REPAIRS OF LOUDHAILER         | 100%            | R300,00          |
| 2021-12-14  | MADIBA HARDWARE            | ULTRA LOCK L/STAD OFFICE      | 100%            | R250,00          |
| 2021-12-14  | MADIBA HARDWARE            | ULTRA LOCK L/STAD OFFICE      | 100%            | R125,00          |
| 2021-12-14  | WONKE BUILD IT             | LOCK CHROME PLATE             | 100%            | R142,00          |
| 2021-12-14  | FAST BUILD HARDWARE        | THINNERS & SANDPAPER          | 100%            | R170,00          |
| 2022-01-07  | MAQUASSI HILLS TRAFFIC DEP | VEHICLE TESTING               | 100%            | R222,00          |
| 2021-12-14  | MAQUASSI HILLS TRAFFIC DEP | VEHICLE TESTING               | 100%            | R222,00          |
| 2021-12-15  | MAQUASSI HILLS TRAFFIC DEP | VEHICLE TESTING               | 100%            | R210,00          |
| 2021-12-14  | ELECTRONICS REPAIRS        | REPAIRS OF LOUDHAILER         | 100%            | R300,00          |
| 2021-12-14  | WOLMARANSSTAD MIDAS        | FUEL FILTER                   | 100%            | R144,60          |
| 2021-12-14  | WONKE BUILD IT             | FITTINGS FOR SEWER CONNECTION | 100%            | R219,60          |
| 2021-12-14  | WONKE BUILD IT             | PVC PIPE                      | 100%            | R119,70          |
| 2022-01-14  | LOMBAY DRUKKERS - WOLLIES  | PRINTING OF SUMMON BOOKS      | 100%            | R300,00          |
| 2022-01-12  | TYRE MART                  | FLAT TYRE                     | 100%            | R175,00          |
| 2022-01-20  | HINTERLAND HOLDINGS        | ELBOW COMPRESS                | 100%            | R65,90           |
|             |                            |                               |                 |                  |
|             | <b>TOTAL</b>               |                               |                 | <b>R2 965,80</b> |

**Annexure 2**

**Quotations accepted:** Value threshold R 2 000.00 to R 30 000.00

| Date     | Voucher No | Description  | Company                  | Local % | Amount      | Any Deviation |   | Status |
|----------|------------|--|--------------------------|---------|-------------|---------------|---|--------|
|          |            |  |                          |         |             | Y             | N |        |
| 20220107 | ELE 4732   | Travelling by Isuzu Agent from Klerksdorp to MHLM to train Municipal Officials on how to Operate New Refuse Trucks bought.   | Westvaal Motor Holdings  | 0%      | R 1 245.34  | N             |   | Done   |
| 20220107 | ELE 4733   | HP 87A Black Laserjet Cartridge QTY 2<br>HP 59 Black toner Cartridge QTY 3<br>HP 37A Black Original Laser Jet Toner Cartridge QTY 2<br>Samsung Black Toner 205L QTY 3                | @Office World Stationery | 0%      | R 24 407.17 | N             |   | Done   |
| 20220107 | ELE 4734   | Sheet H.R. 2.0mm 2450x1225mm QTY 2   | Wonke Supplies Pty Ltd   | 100%    | R 2 780.01  | N             |   | Done   |
| 20220112 | ELE 4740   | Pine Gel 25KG QTY 3<br>Sunlight Liquid 25ltr QTY 4<br>Black Dip 25ltr QTY 1<br>Handy Andy 25ltr QTY 3<br>Air Freshener 400ml QTY 20<br>2Ply Toilet Paper QTY 10<br>Doom 300ml QTY 15 | Conquest Chemicals       | 0%      | R 10 447.50 | N             |   | Done   |

|          |          |  |                                |      |             |   |      |
|----------|----------|--|--------------------------------|------|-------------|---|------|
|          |          | Furniture Polish 400ml QTY 20<br>Blue Death 100GR QTY 10   |                                |      |             |   |      |
| 20220112 | ELE 4741 | Road marking paint rollers 100mm x 30<br>5x20 litre white road marking paint<br>1x20 litre red road marking paint                | Conquerer Yaweh Enterprise     | 0%   | R 28 700.00 | N | Done |
| 20220119 | ELE 4751 | Accommodation for 7 Councillors and 2<br>Officials for 1 night to attend Provincial<br>Salga Conference                          | Protea Hotel Mafikeng          | 0%   | R 12 633.68 | N | Done |
| 20220119 | ELE 4753 | Accommodation for 5 delegates to Attend<br>Provincial Salga Conference   | Sikelo Guest House             | 0%   | R 6 420.00  | N | Done |
| 20220119 | ELE 4755 | Supply and Fit New Motor (for Roller<br>Doors) QTY 1   | Workshop Electronics CC        | 0%   | R 19 923.75 | N | Done |
| 20220209 | ELE 4763 | Accommodation for 3 MPAC Councillors<br>attending MPAC Induction Programme in<br>Mafikeng<br>Clr Maleho, Clr Rampai, Clr Leshomo | Scotts Manor Guesthouse        | 0%   | R 13 320.00 | N | Done |
| 20220301 | ELE 4796 | Accommodation for Masibi T, Moletsane<br>M, Nkatlo S, Monewa S, Feliti M<br>attending National Salga Conference in<br>Cape Town. | Southern Sun the Cullinan      | 0%   | R 25 725.00 | N | Done |
| 20220303 | ELE 4795 | Accommodation for Phemelo Boys –<br>EPWP Coordinators Meeting in<br>Rustenburg   | Orion Hotels & Resorts Pty Ltd | 0%   | R 1 375.00  | N | Done |
| 20220304 | ELE 4798 | Accommodation for J Leseisane, J<br>Molutsi, P Galeboe, T Somenze<br>attending record management training                        | Rustenburg Boutique Hotel      | 0%   | R 9 960.00  | N | Done |
| 20220310 | ELE 4799 | Safety Boots QTY 19<br>Silicone Gloves QTY 4   | Ellaton Mining Supplies        | 0%   | R 5 750.00  | N | Done |
| 20220310 | ELE 4800 | Supply and Installation of Burglar Doors   | Pula Projects                  | 100% | R 27 900.00 | N | Done |

|          |          |  |                            |      |   |           |        |
|----------|----------|--|----------------------------|------|---|-----------|--------|
|          |          | and Windows  |                            |      |   |           |        |
| 20220316 | ELE 4803 | Catering for District Library Forum for 25 people  | Legodu Catering Developers | 100% | R | 7 561.00  | N Done |
| 20220318 | ELE 4830 | Sewage Pump 18000L 12m   | East Dune Trading Pty Ltd  | 0%   | R | 3 865.00  | N Done |
| 20220318 | ELE 4832 | Hiring of PA System and supply of 500ml Water QTY 250  | Teboho Trading Enterprise  | 100% | R | 11 900.00 | N Done |
| 20220323 | ELE 4835 | Catering (Breakfast and Lunch) for MIG Engagements Fourth Quarter for 22 people  | Blaze SA Unique Programme  | 100% | R | 8 900.00  | N Done |
| 20220323 | ELE 4837 | Welding fork 76x76 fitting ultra-lock lights fitting welding sheet 2.0mm high butterfly steel painting of above items (labour)   | Motshabi Enterprise        | 100% | R | 16 000.00 | N Done |
| 20220323 | ELE 4838 | Hiring of Tent Qty 1<br>Chairs Qty 300<br>Podium Qty 1   | Motshwaro Pty Ltd          | 100% | R | 9 300.00  | N Done |
| 20220323 | ELE 4840 | Self-Adhesive Neon Notes Qty 4<br>Sign Here Flags Indexer Qty 4<br>Block Holder for Paper-PVC Qty 4<br>Memo Cube and Refills Qty 4<br>3 Tier Letter Tray Qty 4<br>Paper clips 50mm Gint Qty 4<br>Orange Handle Scissors Qty 4<br>Staple Remover Qty 4<br>Staple Standard Qty 4 | Ronmar Office Equipment    | 0%   | R | 1 100.60  | N Done |
| 20220323 | ELE 4841 | Mutton Clothes 400g Rolls Qty 20<br>Gloves PVC Rough Short Qty 200<br>Gloves PVC Rough Long Qty 200  | Ryamic Mining Supplies     | 0%   | R | 13 276.75 | N Done |

|          |          |  |                                  |      |             |   |      |
|----------|----------|--|----------------------------------|------|-------------|---|------|
| 20220323 | ELE 4842 | Catering for 50 Officials at MHLM<br>Breakfast and Lunch   | Blaze SA Unique Programme        | 100% | R 6 000.00  | N | Done |
| 20220324 | ELE 4891 | Flight Tickets for Masibi T, Moletsane M,<br>Nkatlo S, Monewa S, Feliti N attending<br>Salga Conference in Cape Town | Mary Reynolds Agency<br>Services | 0%   | R 1 535.00  | N | Done |
| 20220330 | ELE 4924 | Treeline Leather Board A4 Pack/50 Black<br>Qty 5<br>Argyle Binding Covers 150 MIC PVC<br>CMA290 Qty 5                | @Office World Klerksdorp         | 0%   | R 919.37    | N | Done |
| 20220330 | ELE 4925 | Supply and Delivery of 500ml still water<br>Qty 500 For the Premiers Visit on World<br>TB Day                        | Ramatsoele Trading &<br>Projects | 100% | R 8 000.00  | N | Done |
| 20220330 | ELE 4926 | Maquassi Hills Received Stamp (Date<br>Stamp) Qty 6  | Shield Safety Products CC        | 0%   | R 2 039.99  | N | Done |
| 20220330 | ELE 4927 | Bush Cutter Petrol Machine Heavy Duty<br>(68cc) Qty 4<br>Delivery to MHLM  | SJ Lebakeng                      | 100% | R 28 000.00 | N | Done |
| 20220331 | ELE 4940 | Charger for Acer TM215 Qty 1<br>Charger for Acer 19V 3.42A Qty 1<br>Charger for Asus Laptop Qty 1<br>Courier Costs   | Victory Technologies             | 0%   | R 1 983.75  | N | Done |

**Total**

**R 310 868.91**



**Annexure 3**

**Competitive Bidding Awarded - Value Threshold R 200 001 and above**

| Tender Number         | Description  | Company                              | Local % | BBBE level status contributor | Amount                              | Any Deviation |   | Status |
|-----------------------|--|--------------------------------------|---------|-------------------------------|-------------------------------------|---------------|---|--------|
|                       |  |                                      |         |                               |                                     | Y             | N |        |
| MHLM/SCM/13/2021/2022 | Appointment for the Supply, Installation, and commissioning of Traffic Contraventions system in MHLM for 36 Months | Dunamis Emporium Services Pty Ltd    | 0%      | 1                             | R 172 499.97 Monthly                | N             |   | Active |
| MHLM/SCM/12/2021/2022 | Appointment for VAT Review/Recovery and Calculation of Value Added Tax for 36 Months                               | Direct Precision Management Services | 0%      | 1                             | On Rate Basis of 9.9% including Vat | N             |   | Active |

**TOTAL**

**R172 499.97**

**Annexure 4**

**Request for formal written quotations (RFQ): Value threshold: R 30 001 to R 200 000.00**

| Description  | Company                         | Local % | BBBE level status contributor | Amount       | Any Deviation |   | Status    |
|--|---------------------------------|---------|-------------------------------|--------------|---------------|---|-----------|
|  |                                 |         |                               |              | Y             | N |           |
| Supply and Delivery of Promotional Material for MHLM Library<br>SCM/14/2021/2022   | Mosegedi Mashoko                | 100%    | 1                             | R 90 000.00  | N             |   | Completed |
| Appointment for the Renovation of Leeudoringstad Service Point<br>SCM/09/2021/2022 | Ebenezer Enterprise Development | 100%    | 1                             | R 145 000.00 | N             |   | Completed |

**TOTAL**

**R 235 000.00**

**Annexure 5****CURRENT RENTAL LEASES FOR MAQUASSI HILLS LOCAL MUNICIPALITY – 2020/2021**

| <b>NO</b> | <b>Contractor Name</b>   | <b>Commence Date</b> | <b>Expiry Date</b>                     | <b>Services</b>                                      | <b>Status</b>  | <b>Payment to date<br/>1 JULY - 31<br/>MARCH 2022</b> |
|-----------|--------------------------|----------------------|--|--|--|---|
| 1         | Blaq M / Epic 3          | 01.07.2021           | 30.06.2024                             | Municipal Assets insurance                           | Appointed for three (3) years ending June 2024                       | R 729 935.28  |
| 2         | Absa Fleet Card services | 17.10.2011           | Linked to term of office of the Mayor. | Petrol cards for Municipal vehicles including Mayors | CURRENT  | R 2 411 104.91  |
| 3         | Absa Cash Division       | 01.11.2017           |  | Drop down safes at Finance and Traffic Offices       | Ongoing  | R 381 586.34  |
| 4         | Indlela Data             | 01.07.2017           | 30.06.2021                             | IT Support and Upgrading                             | Extended on month-to-Month starting 1 July 2021 to 31 December 2021. | R 599 265.39  |
| 5         | Absa Business Integrator | July 2007            | To date                                | EFT Payment System                                   | Ongoing  | R 68 338.58   |
| 6         | Payday Software          | July 2007            | To date                                | Salary system  | Ongoing  | R 19 578.75   |
| 7         | Indlela Data             | 01.04.2020           | 31.03.2023                             | Rental of Photocopiers for a Period of 36 months     | Ongoing  | R 2 324 203.28  |
| 8         | Indlela Data             | 01.04.2021           | 31.03.2024                             | Rental of PBX telephone System                       | Ongoing  | R 946 133.73  |
| 9         | Tracker                  | 01.08.2020           |  | Tracker for Municipal Vehicles                       | Ongoing  | R 29 327.86   |
| 10        | Konica Minolta           |                      |  | Fax machines   | Ongoing  | R 22 757.43   |

**Annexure 6****Deviations**

| <b>NO</b> | <b>DATE</b> | <b>VOUCHER NO</b> | <b>NAME OF SERVICE PROVIDER</b> | <b>DESCRIPTION</b>                    | <b>REASON FOR DEVIATION</b>  | <b>MOTIVATION FOR DEVIATION</b>  | <b>APPROVED</b> | <b>RAND VALUE OF THE AWARDS</b> |
|-----------|-------------|-------------------|---------------------------------|---------------------------------------|--|--|-----------------|---------------------------------|
| 1.        | 20220121    | 4760              | NTT Nissan Klerkdorp            | Repairs and Maintenance of vehicles a | Vehicles still under service plan and a rod stabiliser that is not covered by the plan needed to be repaired   | Exceptional case where it is impractical or impossible to follow SCM processes | Yes             | R 2 392.24                      |
| 2.        | 20220316    | 4804              | NTT Nissan                      | Repairs and Maintenance of a Vehicle  | Vehicles still under service plan and the disc and front brakes had to be replaced and they are not covered by the plan needed to be repaired  | Exceptional case where it is impractical or impossible to follow SCM processes | Yes             | R 5 556.58                      |
| 3         | 20220316    | 4805              | Orange Toyota Klerksdorp        | Service of HRG 188 NW                 | The Vehicle was Taken to Toyota for Diagnosis and since they are its Manufactures and in view of the Additional cost of strip and quote and the need for it to be Urgently Repaired for Service Disconnections to be executed, the Municipality continued with them for repairs. | Exceptional case where it is impractical or impossible to follow SCM processes | Yes             | R 14 051.29                     |

|    |          |                 |                         |  |   |  |     |             |
|----|----------|-----------------|-------------------------|--|---|--|-----|-------------|
| 4  | 20220316 | 4806            | Westvaal Klerkdorp      | Wiring on Isuzu Refuse Compactor Truck   | New Purchased Trucks still under warranty and the wiring is not part of the plan                          | Exceptional case where it is impractical or impossible to follow SCM processes | Yes | R 1 086.75  |
| 1  | 20220324 | ELE 4876 - 4887 | Klerksdorp Rekord       | Placing of Adverts for Alienation of Property, Invitation to Bid, notice for the Inspection of Supplementary Valuation Roll and Call for Nominations for Persons to be Appointed as a Member to the Municipal Tribunal | Only Newspaper circulating locally at District level. MSC Regulation 22(1)                                | Exceptional case where it is impractical or impossible to follow SCM processes | Yes | R 94 890.41 |
| 13 | 20220318 | ELE 4828 & 4792 | Wonke Supplies Pty Ltd  | Renovation of Makwassie Municipal Office due to storm  | Conditions might be worse if we were to wait for seven days to advertise for quotations to repair damages | Emergency  | Yes | R 41 452.40 |
| 14 | 20220318 | ELE 4834        | Rand Data Forms Pty Ltd | Section 56 Summons books Qty 20  | Traffic Fines Books   | Sole Provider  | Yes | R 7 820.00  |

**TOTAL**

**R 175 649.67**