

***CONFIDENTIAL***

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**AGENDA**  
for a  
**SPECIAL MEETING**

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**MANGAUNG  
METROPOLITAN  
MUNICIPAL COUNCIL**

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**COUNCIL CHAMBERS  
FIRST FLOOR  
BRAM FISCHER BUILDING  
BLOEMFONTEIN**

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**TUESDAY  
JANUARY 31, 2017  
AT 10:00**

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**MANGAUNG  
METROPOLITAN  
MUNICIPALITY**

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## **MANGAUNG METROPOLITAN MUNICIPALITY**

**Bram Fischer Building  
BLOEMFONTEIN**

**JANURY 24, 2017**

### **ALL MEMBERS OF THE METROPOLITAN MUNICIPAL COUNCIL OF THE MANGAUNG METROPOLITAN MUNICIPALITY**

Ladies and gentlemen

Notice is hereby given in terms of the provisions of  
Section 29(2) of the Local Government:  
Municipal Structures Act, 1998 (Act No 117 of 1998) and  
Rule 5.1 of the Council's Standing Rules and Orders that

### **SPECIAL MEETING OF THE MANGAUNG METROPOLITAN MUNICIPAL COUNCIL**

**will be held in the**

**COUNCIL CHAMBER  
FIRST FLOOR  
BRAM FISCHER BUILDING  
BLOEMFONTEIN**

**On**

**TUESDAY, JANUARY 31, 2017**

**at 10:00**

To consider the items as set out in this agenda.



.....  
**ACTING CITY MANAGER  
ADVOCATE TB MEA**



.....  
**SPEAKER  
COUNCILLOR MA SIYONZANA**

**Note by Secretariat****1. Attendance Register:**

Every member attending a meeting shall sign his/her name in the attendance register kept for this purpose before the commencement of the meeting.

**2. Leave Register:**

In order to streamline administrative processes Councillors are friendly requested to submit applications for leave of absence in the appropriate register kept for this purpose. Members are requested to fill in this register 12 hours before the commencement of the meeting (Rule 22.2) (Yellow Form).

**3. Name-plates:**

Councillors are friendly requested to please take along their name-plates and to display it throughout the meeting.

**4. Apologies during the course of the Council meeting:**

Councillors are friendly requested to complete in full and submit the relevant apology form for this purpose (Yellow Form).

**5. Code of Conduct:**

Councillors are reminded of item 3, Schedule 1 of the Code of Conduct for Councillors which reads as follows, namely:

Attendance at Meetings: A councillor must attend each meeting of the municipal council and of a committee of which that councillor is a member, except when:

- (a) leave of absence is granted in terms of an applicable law or as determined by the rules and orders of the council; or
- (b) that councillor is required in terms of this Code to withdraw from the meeting.

**6. Meeting rules:**

- i. All Councillors must arrive at **least 15 minutes before the commencement** of the Council and all other Committee meetings;
- ii. Cellular phones **must be in silent mode** and **speaking on a cellular phone during the meeting is prohibited**; (Rule 50.2a)
- iii. A Councillor who speaks must **confine his or her speech strictly to the matter under discussion**; (Rule 31)
- iv. Unless expressly otherwise determined, a Councillor **may speak only once on a matter**; (Rule 32)
- v. No speech shall exceed **five (5) minutes** in length without the consent of the Speaker. (Rule 34.1)

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## **AGENDA**

### **(OPEN COUNCIL)**

**9.  
OPENING**

**10.  
NOTICE OF THE MEETING**

**11.  
APPLICATIONS FOR LEAVE OF ABSENCE**

**12.  
ACCEPTANCE OF THE AGENDA**

**13.  
DECLARATION OF INTEREST**

**14.  
ANNOUNCEMENTS**

15

**REPORTS OF THE EXECUTIVE MAYOR****15.1  
ANNUAL REPORT FOR 2015/2016 FINANCIAL YEAR**

Annexure: Report dated January 18, 2017 received from the Acting City Manager and approved by the Executive Mayor.

**RECOMMENDATION**

- (a) That the Mangaung Metropolitan Municipal Council note the tabled consolidated Annual Report for 2015/2016 financial year;
- (b) That the Mangaung Metropolitan Municipal Council refer the tabled Annual Report to the Municipal Public Accounts Committee that will process the said report within the next 60 days, develop the oversight report and thereon advise the Council accordingly;
- (c) That the Mangaung Metropolitan Municipal Council note that the Auditor General audited reports on the audited financial statements of the City and Messrs Centlec will be presented by the Auditor General on January 31, 2017, where after the said reports will be incorporate in the Annual Performance Report (APR) and
- (d) That the Mangaung Metropolitan Municipal Council note that the Audit Action Plan has been developed and will be further interrogated with the Auditor General and subsequently with the Municipal Accounts Committee.

**15.2  
WRITING-OFF OF HOUSING SELLING SCHEMES AND ERVEN LOANS**

Annexure: Report dated January 20, 2017 received from the Chief Financial Officer, recommended by the Acting City Manager and approved the Executive Mayor. (Pages 50 – 78)

**RECOMMENDATION** that all prescribed and irrecoverable long-term housing selling scheme loans/erven loans mentioned in the report on paragraph 5 and 7, be written-off.

**15.3  
MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): BUDGET AND PERFORMANCE ASSESSMENT REPORT IN TERMS OF THE MFMA, SECTION 72(1) (a), FOR THE SIX (6) MONTHS ENDED 31 DECEMBER 2016**

Annexure: Report dated January 19, 2017 received from the Chief Financial Officer. (Pages 1 – 67)

**RECOMMENDATION**

That, in compliance with Section 52 of the MFMA

- 1. That the Accounting Officer submits to the Executive Mayor this statement reflecting the implementation of the budget and the financial state of affairs of the municipality for the quarter ending December 31, 2016 and

2. That in order to comply with Section 71(4) of the MFMA, the Accounting Officer ensure that this statement be submitted to National Treasury and the Provincial Treasury, in both a signed document format and in electronic format.

**15.4****SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2016/17 SECOND (2<sup>ND</sup>) QUARTER REPORT**

Annexure: Report dated January 20, 2017 received from the Office of the City Manager.  
(Pages B1 – 89)

**RECOMMENDATION** that the 2016/17 second (2<sup>nd</sup>) quarter report for the quarter ending December 31, 2016 be considered and approved by Council.

**15.5****MID YEAR ASSESSMENT REPORT ON SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2016/17 PROGRESS REPORT**

Annexure: Report dated January 20, 2017 received from the Office of the City Manager.  
(Pages C1 – 103)

**RECOMMENDATION**

- (a) That the Mid-Year Assessment Report (July – December 2016) be considered and approved and
- (b) That note be taken that the Mid-Year Assessment Report (July – December 2016) will be submitted to the National Treasury.

**15.6****REPORT ON THE IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY FOR THE QUARTER ENDING DECEMBER 2016**

Annexure: Report dated December 30, 2016 received from the Chief Financial Officer, recommended by the Acting City Manager and approved by the Executive Mayor. (Attached to the agenda) (Pages 1 – 14)

**RECOMMENDATION** that Council take note of the Supply Chain Management report for the second quarter ending December 2016.

**16.****CLOSING OF A SPECIAL COUNCIL MEETING**

MS R MAMATELA  
SECRETARIAT UNIT



**CONFIDENTIAL**

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# **ANNEXURE**

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## **MANGAUNG METROPOLITAN COUNCIL**

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**ITEM 15.6**

**PAGES 1 – 14**

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**TUESDAY  
JANUARY 31, 2017**

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## **MANGAUNG METROPOLITAN MUNICIPALITY**

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Members are kindly requested  
to retain this annexure for use  
with the minutes

Bram Fischer Building  
BLOEMFONTEIN  
JANUARY 26, 2017



**30 DECEMBER 2016**

<p align="center"><b>REPORT ON THE IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY FOR THE QUARTER ENDING DECEMBER 2016</b></p>
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**1. BACKGROUND**

It is the responsibility of each Municipality to have and implement supply chain management policy which gives effect to the legislative mandate.

The Accounting Officer of the Municipality must at the end of the quarter submit the report to the Mayor and annually to the Council on the implementation of the Municipal supply chain management policy.

This report covers the period of October to December 2016 and was prepared in line with the Municipal supply chain management policy as well as Municipal Finance Management Act No. 56 of 2003, in relation to the implementation of Municipal supply chain management policy.

**2. PURPOSE**

The purpose of this report is to assist Council to maintain oversight over the implementation of its supply chain management policy in line with regulation six (6) of the Municipal Supply Chain Management Regulations.

**3. ESTABLISHMENT OF SUPPLY CHAIN MANAGEMENT UNIT**

The Municipality has established supply chain management unit in line with its supply chain management policy, Municipal supply Chain management regulations and Municipal Finance Management Act No. 56 of 2003.

Based on the approved staff establishment, the unit is having 80 positions, currently 49 (61%) positions are filled, of which 31 (39%) positions are vacant.

The supply chain management unit is fully functional and delivering its statutory mandate as prescribed by the National Treasury. In addition to the current human capital, three (3) unemployed graduates are currently designated at SCM unit to gain experiential training.

**4. TRAINING OF SUPPLY CHAIN MANAGEMENT OFFICIALS**

Thirty (30) supply chain management officials were enrolled with the training provider in order for them to meet minimum competency level in line with the minimum competency regulations as issued by the National Treasury, which was completed on 30 April 2016. Thirteen (13) remaining officials will be enrolled in the second round of the training.

**5. LIST OF ACCREDITED PROSPECTIVE SERVICE PROVIDERS**

An advertisement was placed in newspapers circulated both locally and nationally on the 04 May 2016, inviting prospective service provider to apply for listing into the Municipal Supply Chain Management database of prospective service providers / suppliers and is updated on daily basis.

**6. PROCUREMENT PLANS**

All Municipal Departments submitted demand plans and such plans were consolidated into an annual procurement plan and approved by the Accounting Officer.

**A: DEMAND & ACQUISITION MANAGEMENT**

**1. ADVERTISED BIDS DURING THE MONTH OF OCTOBER-DECEMBER 2016**

**October 2016**

The following were advertised bids during the month of October 2016.

**BID BULLETIN**

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
There were no advertised bids during the month of October 2016				

**November 2016**

The following were advertised bids during the month of November 2016

**BID BULLETIN 97 & 98**

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/BID 386: 2016/2017	Request for proposals: appointment of a service provider for alternative payment methods and collection systems for the period of two (02) years.	R 600.00	Date: 22 December 2016 Time: 11:30
2.	MMM/BID 387: 2016/2017	Supply and delivery of refuse plastic bags for period of two (02) years.	R 600.00	Date: 22 December 2016 Time: 11:30
3.	MMM/BID 388: 2016/2017	Provisioning of event management services for period of two (02) years.	R 600.00	Date: 23 December 2016 Time: 11:30
4.	MMM/BID 389: 2016/2017	Provision of catering services for period of two (02) years.	R 600.00	Date: 23 December 2016 Time: 11:30
5.	MMM/BID 390: 2016/2017	Mangaung wildlife sanctuary: Relocation of Bloemfontein Zoo- render- for the civil and electrical services for the entrance buildings.	R 1 180.00	Date: 29 December 2016 Time: 11:30
6.	MMM/BID 391: 2016/2017	Supply and delivery of fleet under 3 years finance lease for period of three (03) years.	R 7 195.00	Date: 29 December 2016 Time: 11:30
7.	MMM/BID 392: 2016/2017	Provision of professional engineering service for period of two (02) years.	R 600.00	Date: 30 December 2016 Time: 11:30

## December 2016

The following were advertised bids during the month of December 2016

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
There were no advertised bids during the month of December 2016				

## 2. ADVERTISED FORMAL QUOTATIONS DURING THE MONTH OF OCTOBER-DECEMBER 2016

### October 2016

The following were the advertised formal quotations during the month of October 2016

### QUOTATIONS BULLETIN 113, 114 & 115

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/FQ 459 (A): 2016/2017	Provision for firearm competency training for estimated number of learners traffic trainees.	R135.00	Date:21 October 2016 Time: 11:00
2.	MMM/FQ 459 (AA): 2016/2017	Provision for firearm competency training for estimated number of learners traffic trainees.	R135.00	Date:04 November 2016 Time: 11:00
3.	MMM/FQ 460 (A): 2016/2017	Supply and delivery of hand controlled fire nozzles.	R135.00	Date:04 November 2016 Time: 11:00
4.	MMM/FQ 461 (A): 2016/2017	Supply and delivery of skid unit (veld fire-fighting skid unit).	R135.00	Date:04 November 2016 Time: 11:00
5.	MMM/FQ 463: 2016/2017	Supply and delivery of floating pumps.	R135.00	Date:10 October 2016 Time: 11:00
6.	MMM/FQ 464: 2016/2017	Supply and delivery of coal: a grade peas.	R135.00	Date:10 October 2016 Time: 11:00
7.	MMM/FQ 465: 2016/2017	Supply and delivery of 1, 1m/3 all steel sprico refuse bins.	R135.00	Date:21 October 2016 Time: 11:00
8.	MMM/FQ 466: 2016/2017	Supply and maintenance of ups (uninterrupted power supply).	R135.00	Date:21 October 2016 Time: 11:00
9.	MMM/FQ 467: 2016/2017	Supply and maintenance of two way radios and related equipment.	R135.00	Date:21 October 2016 Time: 11:00
10.	MMM/FQ 468: 2016/2017	Supply and delivery of yellow suction hoses, female and male couplings and various materials.	R135.00	Date:21 October 2016 Time: 11:00
11.	MMM/FQ 469: 2016/2017	Supply and delivery of camera and equipment for mmm communications unit.	R135.00	Date:04 November 2016 Time: 11:00

## November 2016

The following were formal quotation advertised during the month of November 2016

### QUOTATIONS BULLETIN 116, 117 & 118

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
1.	MMM/FQ 453(A): 2016/17	Supply and delivery of clothing for solid waste management cleansing inspectors.	R 135.00	Date: 02 December 2016 Time: 11:00
2.	MMM/FQ 463(A): 2016/2017	Supply and delivery of floating pumps.	R 135.00	Date: 18 November 2016 Time: 11:00
3.	MMM/FQ 466(A): 2016/2017	Supply and maintenance of ups (uninterrupted power supply).	R 135.00	Date: 11 November 2016 Time: 11:00
4.	MMM/FQ 470: 2016/2017	Supply and delivery of stationery.	R 135.00	Date: 11 November 2016 Time: 11:00
5.	MMM/FQ 471: 2016/2017	Supply and delivery of pneumatic rescue set.	R 135.00	Date: 11 November 2016 Time: 11:00
6.	MMM/FQ 472: 2016/2017	Hiring, supply, delivery and servicing of chemical flushable toilets.	R 135.00	Date: 11 November 2016 Time: 11:00
7.	MMM/FQ 473: 2016/2017	Conversion of training props at ehrlich park fire station to liquefied petroleum gas.	R 135.00	Date: 18 November 2016 Time: 11:00
8.	MMM/FQ 474: 2016/2017	Supply and delivery of nose masks, gloves, protective hat.	R 135.00	Date: 18 November 2016 Time: 11:00
9.	MMM/FQ 475: 2016/2017	Supply and delivery of cleaning machinery.	R 135.00	Date: 18 November 2016 Time: 11:00
10.	MMM/FQ 476: 2016/2017	Supply and delivery of movable fences for landfill sites.	R 135.00	Date: 02 December 2016 Time: 11:00
11.	MMM/FQ 477: 2016/2017	Supply and delivery of grade 'a' eragrostis teff and lucerne.	R 135.00	Date: 02 December 2016 Time: 11:00

## December 2016

The following were formal quotation advertised during the month of December 2016



## QUOTATIONS BULLETIN

NO.	NUMBER	DESCRIPTION	DOCUMENT AMOUNT	CLOSING DATE & TIME
There were no Formal Quotations advertised during the month of December 2016				

### 3. BIDS AND QUOTATIONS DOCUMENT SALES

Sale of bid documents from October-December 2016

BANKING	AMOUNT
BIDS	R446 960.00
QUOTATIONS	R 41 850.00
<b>GRAND TOTAL</b>	<b>R488 810.00</b>

### 4. AWARDED BIDS DURING THE MONTH OF OCTOBER-DECEMBER 2016 (BIDS ABOVE R200 000.00)

#### October 2016

The following were the awarded bids during the month of October 2016 (ABOVE R200 000)

NO.	BID NUMBER	CONTRACT DESCRIPTION	NAME OF CONTRACTOR	TOTAL POINTS SCORED	WOMEN	YOUTH	HDI YES, NO	LOCALLY BASED MANGAUNG YES/NO	TOTAL CONTRACT PRICE	PERIOD
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There were no awarded Bids for the month of October 2016

#### November 2016

The following were awarded bids during the month of November 2016 (ABOVE R200 000)

NO.	BID NUMBER	CONTRACT DESCRIPTION	NAME OF CONTRACTOR	TOTAL POINTS SCORED	WOMEN	YOUTH	HDI YES, NO	LOCALLY BASED MANGAUNG YES/NO	TOTAL CONTRACT PRICE	PERIOD
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There were no awarded Bids for the month of November 2016

#### December 2016

The following were awarded bids during the month of December 2016 (ABOVE R200 000)

NO.	BID NUMBER	CONTRACT DESCRIPTION	NAME OF CONTRACTOR	TOTAL POINTS SCORED	WOMEN	YOUTH	HDI YES, NO	LOCALLY BASED MANGAUNG YES/NO	TOTAL CONTRACT PRICE	PERIOD
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There were no awarded Bids for the month of December 2016

#### 5. AWARDED FORMAL QUOTATIONS DURING THE MONTH OF OCTOBER-DECEMBER 2016 [R30 001 – R200 000,00]

##### October 2016

The following were the formal quotation awarded during the month of October 2016

NO.	QUOTATION NUMBER	DESCRIPTION	NAME OF CONTRACTOR	AMOUNT	TOTAL POINTS SCORED	DURATION
1.	MMM/FQ:441 2016/2017	Supply and delivery of meter reading protective clothing.	Nthamolo Projects and Construction (Pty) Ltd	R138 259.81	100.00	Once-Off
2.	MMM/FQ:445(A) 2016/2017	Appointment of HR consultant for compilation of job descriptions in line with task system.	Brian Sighn Consulting CC	R153 500.00	80.00	Once-Off
3.	MMM/FQ:451(A) 2016/2017	Supply, delivery and servicing of mobile toilet (Non-flushable)	Yard Equipment and Tool Rental (Pty) Ltd	R867.36 per day per toilet	89.83	As and when required and limited to R200 000.00
4.	MMM/FQ:462 2016/2017	Supply and delivery of stores requisition and external purchase requisition books	Khanya Lesedi Trading	R94.10 per book	100.00	As and when required and limited to R200 000.00
5.	MMM/FQ:464 2016/2017	Supply and delivery of coal: a grade peas.	Hi-Tech Engineering	R114 750.00	96.00	Once-Off
6.	MMM/FQ 468: 2016/2017	Supply and delivery of yellow suction hoses, female and male couplings and various materials.	LTL Solutions (Pty) Ltd	R139 926.00	100.00	Once-Off

##### November 2016

The following were awarded formal quotations during the month of November 2016

NO.	QUOTATION NUMBER	DESCRIPTION NAME OF CONTRACTOR	NAME OF CONTRACTOR	AMOUNT	TOTAL POINTS SCORED	DURATION
1.	MMM/FQ460 (A): 2016/17	Supply and delivery of hand controlled fire nozzles.	Marce Projects (Pty) Ltd	R 46 320.00	98.00	Once-off
2.	MMM/FQ461 (A): 2016/17	Supply and delivery of skid unit (veld firefighting skid unit).	Marce Projects (Pty) Ltd	R 76 356.00	98.00	Once-off
3.	MMM/FQ465: 2016/17	Supply and delivery of 1, 1m/3 all steel sprico refuse bins.	Remcorp Consulting	R 15 500.00 per bin	96.00	As and when required and limited to R200 000.00
4.	MMM/FQ467: 2016/17	Supply and maintenance of two way radios and related equipment.	Mainserve Africa (Pty) Ltd	Itemised with available budget of R500 000.00	96.00	As and when required and limited to R200 000.00
5.	MMM/FQ469: 2016/17	Supply and delivery of camera and equipment for MMM communications unit.	Tokoloho Project and Construction (Pty) Ltd	R 83 003.70	100.00	Once-off
6.	MMM/FQ471: 2016/17	Supply and delivery of pneumatic rescue set.	Marce Projects (Pty) Ltd	R 169 431.00	98.00	Once-off
7.	MMM/FQ474: 2016/17	Supply and delivery of nose masks, gloves, protective hat.	Domoney Bros	R 32 350.00	84.00	Once-off

#### December 2016

The following were awarded formal quotations during the month of December 2016

NO.	QUOTATION NUMBER	DESCRIPTION NAME OF CONTRACTOR	NAME OF CONTRACTOR	AMOUNT	TOTAL POINTS SCORED	DURATION
1.	MMM/FQ/463 (A): 2016/2017	Supply and delivery of floating pumps.	Marce Projects (Pty) Ltd	R99 180.00	98.00	Once-off
2.	MMM/FQ/470: 2016/2017	Supply and delivery of stationery.	Tiget Chemicals (Pty) Ltd	R107 719.50	80.00	Once-off

## Supply Chain Management

3.	MMM/FQ/472: 2016/2017	Hiring, supply, delivery and servicing of chemicals flushable toilets.	Ntsu Trading 638	Itemised with available budget of R427 737.00	80.00	As and when required Limited to R200.000.00
4.	MMM/FQ/476: 2016/2017	Supply and delivery of movable fences for landfill sites.	Tiget Chemicals (Pty) Ltd	R53 502.00	80.00	Once-off
5.	MMM/FQ/477: 2016/2017	Supply and delivery of grade 'a' cragrostis teff and Lucerne.	Tshimo Eteng Farming	Itemised with available budget of R535 867.07	96.00	As and when required Limited to R200.000.00

#### 6. DEVIATIONS FROM NORMAL SCM PROCESSES AND PROCEDURES DURING THE MONTH OF OCTOBER-DECEMBER 2016

The following are the deviations recorded during the third quarter as required by Supply Chain Management Regulations and Section 16.3.1 of Mangaung Metro Municipality SCM policy. Suppliers listed below have existing contracts or have been used before:

##### October 2016

The following were the deviations recorded during the month of October 2016

NO.	NAME OF SUPPLIER	SERVICE	MONTH	VALUE (R)	DIRECTORATE	REASONS PROVIDED BY USERS
1.	N.C.C	Domain Host Service - bloemfontein.co.za; mangaung.co.za; fs172.co.za	October	R1 296.00	CORPORATE SERVICES	Impractical to follow normal SCM process as N.C.C is the current provider of the Email facility to MMM
2.	DRAGER SOUTH AFRICA	Self-Contained Breathing Apparatus	October	R138 950.00	SOCIAL SERVICES	Single Provider of the Dragger SCBA Breathing Apparatus in South Africa
3.	ELECTRIC MOTOR SYSTEMS	Emergency Call Out - Dan Pienaar Control System	October	R179 152.00	ENGINEERING SERVICES	Emergency Situation, a Need to Avert Emergency Water Shortage that could lead to a Community Crisis in Mangaung
4.	BCX	MSCOA Implementation and Consulting	October	R116 781.51	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
5.	BCX	MSCOA Implementation and Consulting	October	R349 587.61	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
6.	BCX	MSCOA Implementation and Consulting	October	R217 859.17	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System



Supply Chain Management

						System
7.	BCX	MSCOA Implementation and Consulting	October	R91 825.82	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
8.	BCX	MSCOA Implementation and Consulting	October	R229 460.66	FINANCE	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System

**November 2016**

The following were deviations recorded during the month of November 2016

NO.	NAME OF SUPPLIER	SERVICE	MONTH	VALUE (R)	DIRECTORATE	REASONS PROVIDED BY USERS
1.	Defensor (Req no.12721)	Safeguarding the Water Services Infrastructure	November	R34 485.00	Engineering services	Impractical to Follow normal SCM procedures. Defensor is the current Service Provider of Electronic Security Systems for MMM Water Services Infrastructure
2.	Defensor (Req no.12722)	Safeguarding the Water Services Infrastructure	November	R34 485.00	Engineering services	Impractical to Follow normal SCM procedures. Defensor is the current Service Provider of Electronic Security Systems for MMM Water Services Infrastructure
3.	Defensor (Req no.31009)	Safeguarding the Water Services Infrastructure	November	R34 578.00	Engineering services	Impractical to Follow normal SCM procedures. Defensor is the current Service Provider of Electronic Security Systems for MMM Water Services Infrastructure
4.	Defensor (Req no.31011)	Safeguarding the Water Services Infrastructure	November	R34 578.00	Engineering services	Impractical to Follow normal SCM procedures. Defensor is the current Service Provider of Electronic Security Systems for MMM Water Services Infrastructure
5.	Defensor (Req no.12720)	Safeguarding the Water Services Infrastructure	November	R241 395.00	Engineering services	Impractical to Follow normal SCM procedures. Defensor is the current Service Provider of Electronic Security Systems for MMM Water Services Infrastructure

Supply Chain Management

6.	BCX (Req no. 10111)	SCOA Implementation	November	R4 263.71	Finance	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
7.	BCX (Req no. 10110)	Expenditure Support and SCOA Implementation	November	R187 479.17	Finance	Single Provider for the Upgrading of Venus Financial System to Solar Financial Management System
8.	Sabinet	Renewal of Current Subscription with Sabinet	November	R280 053.72	Social services	Single Provider of the RDA Toolkit Institutional Subscription

**December 2016**

The following were deviations recorded during the month of December 2016

NO.	NAME OF SUPPLIER	SERVICE	MONTH	VALUE (R)	DIRECTORATE	REASONS PROVIDED BY USERS
1.	N.C.C	Internet Services and Connectivity (June 2016 - May 2017)	December	R 34 086.00	Engineering Services	Impractical to follow SCM process as N.C.C is the current provider of the email facility to MMM
2.	DEFENSOR (Req. MM12738)	Safeguarding the Water Services Infrastructure	December	R 34 485.00	Engineering Services	Impractical to Follow normal SCM procedures. Defensor is the current Service Provider of Electronic Security Systems for MMM Water Services Infrastructure

**B. LOGISTICS MANAGEMENT**

**7. STOCK TAKING DURING THE MONTH OF OCTOBER - DECEMBER 2016**

**7.1 MONTHLY STOCK TAKING AS AT 31<sup>ST</sup> OCTOBER 2016**

STORE	STOCK VALUE
Maintenance Store	R 6 140 596.06
Mechanical Store	R 718 913.48
Consumable Store	R 975 423.00
Stationery Store	R 473 301.49
<b>TOTAL</b>	<b>R 8 308 234.03</b>

7.2 MONTHLY STOCK TAKING AS AT 30<sup>TH</sup> NOVEMBER 2016

STORE	STOCK VALUE
Maintenance Store	R 5 723 550.32
Mechanical Store	R892 548.64
Consumable Store	R 1 116 975.25
Stationery Store	R 417 583.41
<b>TOTAL</b>	<b>R8 150 657.62</b>

7.3 MONTHLY STOCK TAKING AS AT 31<sup>ST</sup> DECEMBER 2016

STORE	STOCK VALUE
Maintenance store	R 5 798 778.39
Mechanical Store	R674 339.22
Consumable Store	R 974 729.79
Stationery Store	R 412 832.88
<b>TOTAL</b>	<b>R 7 860 680.28</b>

8. STORES BALANCING AT 31<sup>ST</sup> DECEMBER 2016

GL VOTE NUMBER	STORE NAME	GENERAL LEDGER CLOSING BALANCE	STOCK LIST CLOSING BALANCE	DIFFERENCE
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GL VOTE NUMBER	STORE NAME	GENERAL LEDGER CLOSING BALANCE	STOCK LIST CLOSING BALANCE	DIFFERENCE
9000055011030	Consumable Store	R 5 798 778.39	R 5 798 778.39	R0.00
9000055011001	General Store	R674 339.22	R674 339.22	R0.00
9000055011002	Mechanical Store	R 974 729.79	R 974 729.79	R0.00
9000055011008	Stationery Store	R 412 832.88	R 412 832.88	R0.00
<b>TOTAL</b>		<b>R 7 860 680.28</b>	<b>R 7 860 680.28</b>	<b>R0.00</b>

9. SUMMARY OF STOCK VARIANCE REPORT:

9.1 The following are shortages/surplus and damages noted during the month of October 2016.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no shortages/surplus and damages noted during this stocktaking.

9.2 The following are shortages/surplus and damages noted during the month of November 2016.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no shortages/surplus and damages noted during this stocktaking.

9.3 The following are shortage/surpluses and damages noted during the month of December 2016

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS
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There were no shortage/ surpluses and damages noted during stocktaking

9.4.1 SUMMARY OF STOCK VARIANCE REPORT:



The following are obsolete and redundant noted during the month of October 2016.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no obsolete and redundant noted during this stocktaking.

9.4.2 The following are obsolete/ redundant and damages noted during the month of November 2016.

NO.	ITEM NO	ITEM DESCRIPTION	QTY	UNIT PRICE	AMOUNT	REASONS	RETURN NO	RETURN DATE
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There were no obsolete and redundant noted during this stocktaking.

9.4.3 The following are obsolete / redundant noted during the month of December 2016.

NO.	DATE LAST ISSUED	ITEM DESCRIPTION	ITEM NO	QTY IN STOCK	UNIT PRICE	AMOUNT	REASONS
1	Sept 2012	Alternator 12V Universal Type 60AMP BOSCH	10025790	1	R351.00	R351.00	Item is no longer needed.
2	Sept 2012	Arc Welding Rods 3.15 Low Hydrogen 7018-1	10025716	16	R 68.91	R1102.61	Item is no longer needed.
3	Sept 2012	Filter Gud ADG603A	10017025	2	R129.01	R258.01	Item is no longer needed.
4	Sept 2012	Filter Bell Fuel 220048 (Bell) filter only) Z75	10016204	2	R23.80	R47.60	Item is no longer needed.
5	Sept 2012	Switch Stoplight Plastic Echlin SC 171	10025156	5	R36.68	R183.39	Item is no longer needed.
6	Sept 2012	Oil sender Unit Toyota (Electro part OP6075-1)	10023624	2	R31.95	R63.90	Item is no longer needed.
7	Sept 2012	Paint Luxcoat AD Yellow 1000ml	10006780	10	R68.11	R681.10	Item is no longer needed.
8	Sept 2012	Regulator Univ Motorola	10022379	2	R19.43	R38.86	Item is no longer needed.
<b>TOTALS</b>						<b>R2726.49</b>	

### 3. RECOMMENDATION:

3.1 That Council take note of the Supply Chain Management report for the second quarter ending December 2016.


Submitted by:

Recommended by:

Approved by:



Mr M. E. Mohlahlo  
Chief Financial Officer



Adv. T. B. Mera  
Acting City Manager



Cllr O. Mlamleli  
Executive Mayor