

ITEM NUMBER: C 39/01/20

***RECOMMENDATION FROM THE EXECUTIVE MAYOR TOGETHER WITH THE
MAYORAL COMMITTEE: 14 JANUARY 2020***

**MC 14/01/20 REPORTING ON MINOR BREACHES OF PROCUREMENT
PROCESSES APPROVED BY THE SUPPLY CHAIN
MANAGEMENT BID ADJUDICATION COMMITTEE FOR THE
PERIOD 01 OCTOBER TO 30 NOVEMBER 2019**

It is **RECOMMENDED** that the list of minor breaches attached as Annexure 1 to the report on the agenda for the period 1 July to 30 September 2019, as ratified by the Bid Adjudication Committee, be noted.



REPORT TO : Council

DATE : 2020 -01- 14

1. ITEM NUMBER MC 14/01/20

2. SUBJECT

REPORTING ON MINOR BREACHES OF PROCUREMENT PROCESSES
APPROVED BY THE SUPPLY CHAIN MANAGEMENT BID ADJUDICATION
COMMITTEE FOR THE PERIOD 01 OCTOBER TO 30 NOVEMBER 2019

ONDERWERP

VERSLAGDOENINGOORGERINGE VERBREKINGS VAN
VERKRYGINGSPROSESSE GOEDGEKEUR DEUR DIE
BODBEOORDELINGSKOMITEE OOR VOORSIENINGSKANAALBESTUUR VIR
DIE PERIODE 01 OKTOBER TOT 30 NOVEMBER 2019

ISIHLOKO

INGXELO EMALUNGA NEMIBANDELA ENGEPI EFUNA UKUGCITYWA
KWIINKUBO EZINGOKUTHENGWA NOKUTHENGISWA KWEZINTO
EZIPHUNYEZWE YIKOMITI EJONGENE NOLAWULO LOGQATSO
LEZOKUTHENGA NOKUTHENGISWA KWEZINTO UKUSUKA KUMHLA WOKU-
01 EYEDWARHA -30 EYENKANGA 2019

[LSUG0392]

3. DELEGATED AUTHORITY

In terms of delegation

This report is

- ☐ Committee name:
- ☐ The Executive Mayor ito Delegated authority
- ☐ The Executive Mayor together with the Mayoral Committee (MAYCO)
- ☒ Council

4. FOR NOTING BY COUNCIL

- ☒ This report is for noting only/information only.

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☐ This report is for consideration/decision by:

- The Portfolio Committee
- The Executive Mayor
- The Executive Mayor together with the Mayoral Committee
- Council

5. EXECUTIVE SUMMARY

The authority to ratify minor breaches of the procurement process, purely of a technical nature, has been sub delegated by the Accounting Officer to the Chairperson of the Bid Adjudication Committee (BAC). Further Supply Chain Management (SCM) Regulation 36 (2) requires the Accounting Officer to report the ratified breaches to Council and for this reason herewith submitted.

5.1. Sustainability Implications

Does the activity in this report have any sustainability implications for the City?	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
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5.2. Legal Implications

Local Government: Municipal Finance Management Act (56/2003): Municipal
Supply Chain Management Regulations

5.3. Staff Implications

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?

No ☒

Yes ☐

5.4 Other Services Consulted

None

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*JMA*

## 6. DISCUSSION:

Clause 328 of the City's current Supply Chain Management Policy approved by Council 30 May 2019 (C18/05/19) makes provision as follows:

The City Manager may ratify any minor breaches of the procurement process, by an Official or Committee acting in terms of delegated powers or duties, which are purely of a technical nature.

The City Manager is also authorised in terms of the Municipal Supply Chain Management Regulations (Regulation 36) to dispense with the official procurement processes established by the City's Supply Chain Management Policy and to procure any required goods and services through any convenient process. Further also ratify any minor breaches of the procurement processes by an Official or Committee acting in terms of delegated powers. (Section 328 of the Supply Chain Management Policy).

The City Manager has *inter alia* sub-delegated the authority to ratify minor breaches of procurement processes by an Official or Committee acting in terms of delegated powers, to the Chairperson of the Bid Adjudication Committee. Subject to said person acting in consultation with the members of the committee.

For the period 01 October 2019 to 30 November 2019 a number of minor breaches were referred to the Supply Chain Management Bid Adjudication Committee for ratification and these are now herewith detailed in Annexure A to this submission.

- 6.1 ☐ Financial implications ☒ None ☐ Opex ☐ Capex
- ☐ Capex: New Projects
  - ☐ Capex: Existing projects requiring additional funding
  - ☐ Capex: Existing projects with no additional funding requirements
- ☐ Legal Compliance ☐
- ☐ Staff Implications ☐ Yes ☒ No

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*MH*

## 7. RECOMMENDATIONS

For noting by Council:

It is recommended that the report and annexed list of minor breaches for 1 October to 30 November 2019 as ratified by the Bid Adjudication Committee be noted.

### AANBEVELINGS

Vir kennisname deur die Raad:

Daar word aanbeveel dat daar kennis geneem word van die verslag en lys van geringe onderbrekings vir 1 Oktober tot 30 November 2019 in die bylae, soos deur die bodbeoordelingskomitee oor voorsieningskanaalbestuur bekragtig.

### IZINDULULO

Isigqibo seseBhunga:

Kundululwe ukuba makuqwalaselwe ingxelo noluhlu oluqhutyoshelweyo olumalunga nemibandela engephi ekufaneleke incityiwe njengoko ilungiswe yiKomiti ejongene noGqatso olungokuthenga nokuthengiswa kwezinto ukusuka kumhla woku 1 EyeDwarha 30 EyeNkanga 2019.

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## ANNEXURES


### ANNEXURE 1: MINOR BREACHES FOR THE PERIOD 01 OCTOBER TO 30 NOVEMBER 2019

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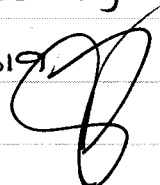
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JMH

**FOR FURTHER DETAILS CONTACT**

|                      |                                                                                   |                |              |
|----------------------|-----------------------------------------------------------------------------------|----------------|--------------|
| NAME                 | Basil Chinasamy-Director                                                          | CONTACT NUMBER | 021 400 4761 |
| E-MAIL ADDRESS       | <u>Basil.Chinasamy@capetown.gov.za</u>                                            |                |              |
| DIRECTORATE          | <u>Finance-SCM</u>                                                                | FILE REF No    |              |
| SIGNATURE : DIRECTOR |  |                |              |

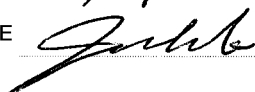
**CHIEF FINANCIAL OFFICER**

|           |                                                                                   |          |
|-----------|-----------------------------------------------------------------------------------|----------|
| NAME      | <u>K. Jacoby</u>                                                                  | COMMENT: |
| DATE      | <u>11.12.2019</u>                                                                 |          |
| SIGNATURE |  |          |

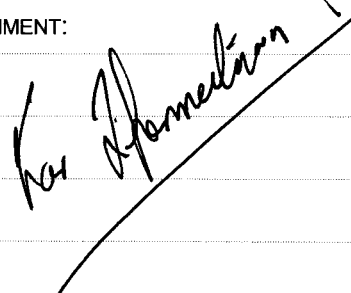
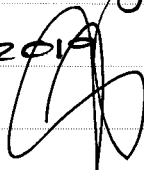
**LEGAL COMPLIANCE**

☐ REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

☐ NON-COMPLIANT

|           |                                                                                     |                              |
|-----------|-------------------------------------------------------------------------------------|------------------------------|
| NAME      | <u>Joan-Mari Holt</u>                                                               | COMMENT:                     |
| DATE      | <u>17/12/2019</u>                                                                   | <u>For information. J.H.</u> |
| SIGNATURE |  |                              |

**CITY MANAGER Acting**

|           |                                                                                     |                                                                                      |
|-----------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| NAME      | <u>Kevin Jacoby</u>                                                                 | COMMENT:                                                                             |
| DATE      | <u>17.12.2019</u>                                                                   |  |
| SIGNATURE |  |                                                                                      |

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| CITY OF CAPE TOWN          |              |                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                      |               |
|----------------------------|--------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| MINOR BREACHES FOR 2019/20 |              |                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                      |               |
| OCT - NOV 2019             |              |                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                      |               |
| No                         | Tender No    | Decision Reference | Description                                                                                                                                                                                                            | Reason for Minor Breach                                                                                                                                                                              | Date of award |
| 1                          | 330G/2018/19 | SCMB 11/10/19      | Tender no. 330G/2018/19: supply, delivery and installation of ICT enterprise servers, storage and associated services                                                                                                  | the minor breach which are purely of a technical nature in relation to the appointment of a primary and alternative service provider                                                                 | 07-Oct-19     |
| 2                          | 11S/2019/20  | SCMB 46/10/19      | Tender no. 11S/2019/20: Renewal of veritas enterprise vault licences and related services                                                                                                                              | the minor breach which are purely of a technical nature in relation to duplication of the item Professional Services in Notice to Tenderers No.1                                                     | 21-Oct-19     |
| 3                          | 304Q/2018/19 | SCMB 74/11/19      | Tender no. 304Q/2018/19: Term tender for the construction of synthetic pitches, multi-purpose courts, athletic tracks and repairs and maintenance to the existing pitches, courts and tracks for the City of Cape Town | the minor breach which are purely of a technical nature in relation to the discrepancy in the unit of measurement for Item B17.01 and C30.04 in the schedule of rates compared to the specifications | 18-Nov-19     |