

**SCMB 105/03/20 PROCUREMENT OF GOODS/SERVICES/CONSTRUCTION
WORKS FROM ANOTHER ORGAN OF STATE: APPROVAL
TO CONCLUDE AN AGREEMENT WITH PRODUCTIVITY SA
CAPE TOWN REGIONAL OFFICE (PSA) TO IMPLEMENT A
SUPPORT PROGRAMME FOR BUSINESSES IN DISTRESS
FROM DATE OF COMMENCEMENT OF CONTRACT UNTIL 30
JUNE 2022**

In response to the queries raised regarding the return on investments, the Acting Manager: Tenders and Contracts informed the meeting that the response from the line department was that a return on investment to the City would be the ability of the business in distress to return to sustainability and to repay outstanding debts, including debts owed to the City. In response to the query regarding the indirect funding, the response was that it is an Enterprise and Investment project assisting businesses in distress, contracting with PSA, an Organ of State, to do an initial assessment of the business. Should the recommendations require any further interventions, the Department of Economic Development and Tourism, and Small Enterprise Development Agencies, as well as National Empowerment Fund and the Small Enterprise financial agencies, etc. will provide support to implement the recommendations.

In response to questions raised whether the MFMA allows for a support programme for businesses in distress. The response was that as the City will contract with another Organ of State, this will be in order. Productivity SA indicated that they have done work of a similar nature and the workload assessment for various Municipalities, etc. and therefor it is in line with the MFMA.

Members of the Committee proposed that a recommendation should be included in respect of the performance measurement of this project and that there should be a review by EMT after one year to measure the success rate.

RESOLVED that:

- (a) for the reasons set out in the report and in accordance with clause 20.1 of SCM Policy, Productivity South Africa (Cape Town Regional Office) be appointed to assist with implementation of the Support Programme for businesses in distress, in an amount not exceeding R50 000 (excl. VAT, per business in distress, from date of commencement of contract until 30 June 2022.



- (b) It be required that a report on the measurement of the performance of Productivity South Africa (Cape Town Regional Office) in respect of this agreement be reported to the City Manager after a period of 12 months to gauge the benefit of proceeding with the contract.

ACTION: R SPARKS, F SEPKINS

This resolution complies with the Supply Chain Management Policy as approved by Council on 30 May 2019.



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ARNO VORSTER EMPLOYEE NO. 10300397
CHAIRPERSON: SUPPLY CHAIN MANAGEMENT
BID ADJUDICATION COMMITTEE

DATE: 2/04/2020