

ITEM (10/2012)

Municipal Manager's Report to Council on the Deviation from and ratification of breaches from the Procurement processes for the period 1 July to 30 September 2011

PURPOSE

To submit a report to Council on the deviation from procurement processes for the quarter ending 30 September 2011.

BACKGROUND

In terms of Section 36 of the Supply Chain Management Policy: Deviation from, and ratification of minor breaches of, procurement processes:

- (1) *"The accounting officer may –*
- (a) *dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –*
- (i) *in an emergency;*
 - (ii) *if such goods or services are produced or available from a single provider only;*
 - (iii) *for the acquisition of special works of art or historical objects where specifications are difficult to compile;*
 - (iv) *acquisition of animals for zoos and/or nature and game reserves;*
 - (v) *in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and*
- (b) *ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.*
- (2) *The accounting officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements."*

Attached as Annexure A (pp1) please find the instance for the quarter July to September 2011 where the prescribed procurement processes were not followed but approved in terms of the Municipal Manager's delegated powers.

RECOMMENDED TO MUNICIPAL COUNCIL:

1. that Council takes note of the item as per Annexure A (pp1) where the official procurement processes were dispensed with,
2. for reasons as mentioned in the report, with the approval of the Municipal Manager, for the quarter ending 30 September 2011.
3. that the items in 1 above be included by the Chief Financial Officer as a note to the 2011/2012 annual financial statements.

DISPENSING WITH CALLING FOR TENDERS FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2011

ANNEXURE A

Department	Description	Reason	Approved Company	Amount
Integrated Environmental Management	<p>Unforeseen escape of four buffalos from the Krugersdorp Game Reserve</p> <p>Deviation in terms of section: 36 (1) (a) (i) Emergency</p>	<p>On 29 June 2011 four buffalos escaped from the Game Reserve, which threatened the safety of the community as well as the well-being of the animals. African Bush Adventures was at the time in financial difficulty and could not afford the services of a professional game capturing service. In terms of the lease agreement ABA was responsible for the management and safekeeping of the game and the escape of the animals is a direct breach of the conditions. The Municipality was therefore obliged to urgently ensure the darting, capturing and transporting of the animals considering that African Buffalos are dangerous and will not hesitate to kill a person.</p>	<p>M Prangley Wildlife Services Po Box 934 Thabazimbi</p>	<p>R 109 755.95 This amount is to be recovered from African Bush Adventures.</p>
Infrastructure Services: Water and Sanitation	<p>Assessment of the Waste Water Treatment Works and Sewerage Pump Stations, in order to compile a Maintenance Audit Report and to Capture data on the Municipal Assistant software system.</p> <p>Deviation in terms of section: 36 (1) (a) (ii) Sole Provider</p>	<p>This software module of e-WISA was developed to meet the urgent need for an operational tool to improve the operation and performance of wastewater treatment plants. The module is based on the requirements identified by WISA and is continuously updated according to the requirements of the users of the packages. WAM will be used to populate the asset and maintenance management component, as the components are necessary for the green drop assessment and can be used as a baseline to monitor the appointed maintenance contractor.</p>	<p>WAM Technology cc PO Box 195 Stellenbosch</p>	<p>R 517 400.00 (excluding VAT)</p>

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