

**Municipal Manager's Report to Council on the Deviation from and ratification of minor breaches from the Procurement processes for August 2015.**

**PURPOSE**

To submit a report to Council on the deviation from procurement processes and ratification of minor breaches from the procurement process for August 2015.

**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 (pp 1-2) please find the instance in August 2015 where the prescribed procurement processes were not followed and the deviation was 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 (pp 1-2) where the official procurement process was dispensed with, for reasons as mentioned in the report, with the approval of the Municipal Manager, for August 2015.

2. that above be included by the Chief Financial Officer as a note to the 2015/2016 annual financial statements.

**Prepared by:**

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**Renell Liebenberg**  
**Manager: SCM**

**Supported by:**

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**Leslie Mahuma**  
**Chief Financial Officer**

**Approved by:**

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**D Mashitisho**  
**Municipal Manager**

**Date**

## DISPENSING WITH CALLING FOR TENDERS FOR AUGUST 2015

## ANNEXURE A

Department	Description	Reason	Approved Company	Amount (including VAT)
Infrastructure Services: Energy Services	Purchase a traffic light controller and LED modules that got damaged during accident that happened at corner Nicolas Smith street & Paardekraal road	<p>Appointment of Automotor Traffic Signal Co (Pty) Ltd as an emergency.</p> <p>On the 15<sup>th</sup> of August a motor vehicle accident happened at the intersection corner Nicolas Smith and Paardekraal road at Monument in Krugersdorp whereby two motor vehicles bumped the traffic light poles, the traffic light heads including the robot controller. This is a busy intersections in the city and it requires attention to be restored to its functional state in order to avoid having more accidents happening while the robot is still not functional.</p> <p>Automotor Traffic Signal Co (Pty) Ltd manufactured all the traffic light controllers around the city. This was done in order to standardize the repair parts and the software to programme the PLC controllers.</p> <p>In order to speed up the procurement process of obtaining these traffic light controllers sooner, the Energy Service Section requests authorization to use the quotation from Automotor Traffic Signal Co (Pty) Ltd to procure the robot controller because this service provider is the manufacturer of the</p>	Automotor Traffic Signal Co (Pty) Ltd	R 99 309.96

		<p>damaged electro mechanical type traffic light controllers.</p> <p>Section 36 (1)(a)(ii) – Sole provider</p>		
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