

D/Sm 19/24

DEVIATION: Provision Of Traffic Law Enforcement Equipment, Back office System And .Related Services

CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON CSD DATABASE		
LETTER - SOLE SUPPLIER if applicable.		
QUOTE/INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASHFLOW		
SIGNATURES		



MEMORANDUM

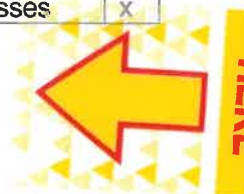
Community and Protection Services

To : MUNICIPAL MANAGER
From : AYANDA ROYI
Job Title: DEPUTY CHIEF: TRAFFIC ADMINISTRATION
Date : 06th of JUNE 2024
Re : DEVIATION: PROVISION OF TRAFFIC LAW ENFORCEMENT EQUIPMENT, BACKOFFICE SYSTEM AND RELATED SERVICES BSM No 03/22

1. PURPOSE:

To obtain approval to deviate from the official procurement process in terms of section 36 (v) of the Municipal Supply Chain Management Regulations.

REASON FOR DEVIATION: (Mark with x where applicable)		
1.	Emergency. "Emergency dispensation" means emergency as referred to in paragraph 36(1)(a)(i) of this policy under which one or more of the following is in existence that warrants an emergency dispensation;	
a	The possibility of human injury or death;	
b	The prevalence of human suffering or deprivation of rights;	
c	The possibility of damage to property, or suffering and death of livestock and animals;	
d	The interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;	
e	The possibility of serious damage occurring to the natural environment;	
f	The possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;	
g	The possibility that the security of the state could be compromised; or	
h	The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal procurement process. Emergency dispensation shall not be granted in respect of circumstances other than those contemplated above.	
2.	Goods or services are produced or available from a single provider	
3.	Acquisition of special works of art or historical objects where specifications are difficult to compile.	
4.	Acquisition of animals for zoos and /or nature and game reserves	
5.	Exceptional case and it is impractical or impossible to follow the official procurement processes	x



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2. SUBSTANTIATE WHY SCM PROCESS COULD NOT BE FOLLOWED (TO BE REPORT TO COUNCIL)

The municipality received notification from RTIA in September 2023 that AARTO will be implemented on the 1st February 2024. This would have impacted on the existing tender and the department had to see what changes it brought about to amend the new tender it was in process of drafting. The municipality was also informed of Service level agreements which had to be entered into with the South African Post office and Government Printers. The municipality has made submissions and have not received any feedback to date. In April 2024 the department received official notification communication from the Western Cape Provincial AARTO steering committee, that AARTO will not be introduced within the municipality as yet, and that we should await further communication. To date no communication has reached the municipality. The Department went ahead and finalised the tender with a rider that as and when AARTO is implemented, that the successful tenderer and the department will have to meet and amend the tender accordingly to accommodate for AARTO changes. The tender has been advertised and closes the 18th June 2024. The department then must evaluate and consider time frames if any appeals should be submitted, which will take us into the new financial year.

3. BACKGROUND

The BSC has approved the advertisement of specifications for tender number: B/SM 67/24 and the closing date is 18 June 2024. This tender will come into operation in the new financial year that commences with effect as from 01 July 2024. Any successful bidder that will be awarded as per this tender number, won't be able to commence with the actual work as from 01 July 2024. Observing that there is a period for evaluation of the Tender specifications submitted and appeal processes that need to be complied with before commencement of the Tender.

4. DISCUSSION

Noting that the current Tender expires at 30 June 2024 (six months legacy period inclusive), It is clear that the new tender will not be able to be in place as from 01 July 2024, due to SCM prescribed processes that are inclusive of time frames and challenges the department faced beyond our control. In light of this challenge, It was found fair to request a deviation on the current tender B/SM 03/22, and for the current service provider to be appointed on a month to month basis for a period not exceeding 3 months effective as from 01 July 2024. Such appointment to be exclusively explained that it caters for the period that a new successful bidder may not be able to start with the function awarded due to reasons beyond control.

Should the AARTO Act come into operation at any given time while this agreement is in place, parties that are signatories to the agreement should agree that the current terms have to be re-negotiated in order to be in line with AARTO requirements and noting that revenue will be affected as the municipality has to share revenue with other Government Structures.

KC

5. FINANCIAL IMPLICATIONS

If the deviation is not approved, there will be a loss of revenue to the Municipality, as no fines will be able to be issued, offences will not be captured and vehicle drivers cannot be prosecuted for any offences committed, as no contravention system will be available and circumstances of such nature cannot be allowed and afforded.

The current Income and expenditure on this contract can be explained in the form of monthly Traffic Fines Revenue consisting of Income and Expenditure.

Revenue collections for the past six months was recorded as follows:

November 2023	Traffic Fines Income	R 3 186 180.00
	Traffic Fines Expenditure	R 1 359 526.66
December 2023	Traffic Fines Income	R 2 948,010.00
	Traffic Fines Expenditure	R 1 272,375.55
January 2024	Traffic Fines Income	R 1 939,800.00
	Traffic Fines Expenditure	R 813 326.93
February 2024	Traffic Fines Income	R 2 553,780.00
	Traffic Fines Expenditure	R 1 036,877.03
March 2024	Traffic Fines Income	R 4 561,100.00
	Traffic Fines Expenditure	R 1 732,424.49
April 2024	Traffic Fines Income	R 3 494,160.00
	Traffic Fines Expenditure	R 1 469,065.58

Total Income Revenue for the period of six months:	= R 18 683,030.00
Total expenditure for the same period	= R 7 683 596.24
Total Income revenue to Municipality after expenditure	= R 10 999 433.76

6. RECOMMENDATION

- That the deviation be on a month-to-month basis for a period not exceeding 30 November 2024 or until BSM 67/24 has been awarded.
- That TMT Services and Supplies (Pty) Ltd be appointed as per this deviation as they are the current service provider providing the function as per tender number: 03/22 for a period not exceeding 30 November 2024 or anytime the new successful bidder is ready to start with the function as awarded.
- That the current payment arrangements must remain during the period of deviation as requested, which is equal to R127.00 per paid fine.



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- d) that at any given time the successful bidder is ready start with the work as per tender number: B/SM 67/24, a fourteen (14) days notice will be issued to the current service provider for termination of the agreement.

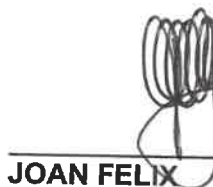
7. VALUE FOR MONEY (OTHER RATES/VALUES)

To circumvent financial losses the approval of the deviation report, will avoid a situation where there will be no traffic enforcement and administration of such offences. If the deviation is not approved it will cause loss of revenue to the Municipality.


LIESLE PETERSEN

ACTING DEPUTY CHIEF: TRAFFIC SERVICES


Date: 28/06/2024


JOAN FELIX

MANAGER: TRAFFIC AND LAW ENFORCEMENT



STELLENBOSCH MUNICIPALITY PROTECTION SERVICES
28 JUN 2024 Date: _____
OFFICE OF THE MANAGER TRAFFIC AND LAW ENFORCEMENT

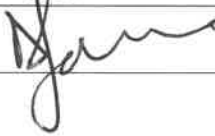

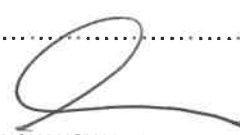

STELLENBOSCH MUNICIPALITY
28 JUN 2024
Office of the Snr Manager
Protection Services

8. SUPPLY CHAIN MANAGEMENT COMMENTS:

SEM Complaint

RECOMMENDATION BY THE BID EVALUATION COMMITTEE		
Name	Signature	Date

9. APPROVAL:

RECOMMENDATION SUPPORTED / NOT SUPPORTED BY THE STELLENBOSCH MUNICIPAL BID ADJUDICATION COMMITTEE		
Name	Signature	Date
S Chantaka	Online	28/6/2024
A de Beer	Online	28/6/2024
C Kitching	Online	28/6/2024
D. Jabo Jacobs		28/6/2024.
Comments: Supported on a month to month not later than 30 November 2024.		
CHAIRPERSON 		DATE 28/08/2024
RECOMMENDATION FROM BID ADJUDICATION COMMITTEE APPROVED BY THE ACCOUNTING OFFICER		
Comments: Appointment Approved as per recommendation.		
 (A.P. Barnes) DATE 28/6/2024		

Acting

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10. Supply Chain Management Process:

Steps	Action
1.	User department initiates request to deviate using deviation template; document to be sent to Principal Clerk. (Renae Bergstedt)
2.	Principal Clerk (Renae Bergstedt) load information onto Deviation register with the following details:
3.	Information received to be sent to Database Administrator VIA assigned practitioner for Vetting of Supplier
4.	Completed documents to be sent to SCM Administrator via assigned Practitioner to be placed on the agenda for Bid Evaluation Committee (BEC)
5.	Recommendation of the BEC to be added on the agenda for Bid Adjudication Committee (BAC)
6.	Deviation as well as minutes sent for the approval by the Accounting Officer (MM)
7.	Office of Municipal Manager will contact SCM for the collection of the approved or not approved deviation
8.	Principal Clerk load information onto Deviation register
9.	Email sent to user- department with the approved minutes / deviation (Renae Bergstedt)
10.	Department initiates request on Flexgen
11.	Senior Buyer allocates the requisition to SCM Practitioner that dealt with the specific deviation
12.	SCM Practitioner completes order approval form
13.	Duly completed and signed order approval forms submitted to Paula Ribeiro to complete and update the contract register
14.	Order approval form is signed; contract register amended with approved amount, POE is scanned and saved on server.
15.	Fully completed, approved form is submitted to Senior buyer for order.