



## NOTICE OF AMENDMENT OF SUPPLY CHAIN MANAGEMENT CONTRACTS

**ADVERTISED IN:** MUNICIPAL NOTICE BOARD, MUNICIPAL WEBSITE, HERRIE, ODN COURANT

**DATE PUBLISHED:** 12 June 2025 **NOTICE NO:** 116 of 2025

In terms of the Municipal Finance Management Act, Act 56 of 2003, Section 116(3)(b), notice is hereby given of the proposed amendment of the contract below:

| CONTRACT NO: | DESCRIPTION | REASON FOR AMENDMENT |
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| DEPARTMENT: |  |
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| TD 13/04/2022:<br>REVENUE | PROVISION AND ADMINISTRATION<br>OF ELECTRICITY AND WATER<br>PREPAYMENT VENDING SYSTEMS | <p>The Municipality appointed Utilities World to take over prepaid electricity vending services following the expiration of the current contract. However, the transition has been delayed due to compliance requirements under Section 33 of the Municipal Finance Management Act (MFMA), which necessitates further procedural reviews and stakeholder consultations before the contract can be finalised.</p> <p>Section 33 of the MFMA requires municipalities to undertake public participation, evaluate long-term financial commitments, and ensure due diligence before entering into contracts exceeding three years. As a result, the new provider cannot commence operations as initially scheduled until these regulatory processes are completed.</p> <p>The Ontec (Pty) Ltd contract expires on 30 June 2025, and the finalisation of the transition and compliance with Section 33 of the Municipal Finance Management Act will not be complete by the mentioned date (30 June 2025).</p> |
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|   |  | <p>Given the critical role of prepaid vending services in revenue collection and electricity distribution, the following reasons support the contract extension:</p> <ul style="list-style-type: none"><li>• <b>Regulatory Compliance:</b><br/>The new service provider's contract is subject to final approval under <b>Section 33</b>, delaying operational readiness.</li><li>• <b>Operational Continuity:</b><br/>Interruptions in prepaid vending services will negatively impact consumers and revenue collection.</li><li>• <b>Consumer Service Impact:</b><br/>A lapse in vending services will cause inconvenience and dissatisfaction among electricity users.</li><li>• <b>Risk Mitigation:</b> Extending the current provider ensures uninterrupted service while awaiting finalisation of the new contract.</li></ul> |                               |
| <b>AVAILABILITY OF REPORTS:</b>   | Reports detailing the reasons for the proposed amendments are available at the office of the Manager: Revenue, Jo-Verda Ladouce, for perusal from 07h30 till 16h00 on weekdays, at Oudtshoorn Municipality: <b>69 Cnr Langenhoven Street &amp; Voortrekker Street, Oudtshoorn,6625</b> , Oudtshoorn. |  |                               |
| <p>1. The public is hereby invited to submit written presentations to the municipality.</p> <p>2. Any person who cannot write may come to the municipality, where the staff member of the municipality, named below, will assist that person to transcribe that person's comments or representations, during office hours.</p> <p>3. Comments and supporting documents may be placed in a sealed envelope and externally endorsed with "THE CONTRACT NUMBER AND DESCRIPTION", and be deposited in the Tender Box, at the SUPPLY CHAIN MANAGEMENT OFFICES, 26 CHURCH STREET, OUDTSHOORN, 6625, not later than the closing date and time.</p> |  |  |                               |
| <b>CLOSING DATE:</b>  | <b>27 June 2025</b>  | <b>AT THE TIME:</b>  | <b>No later than 12h00</b>    |
| <b>ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>  |  | <b>ANY ENQUIRIES REGARDING THE COMMENT PROCEDURE MAY BE DIRECTED TO:</b>   |                               |
| <b>Section:</b>   | Revenue  | <b>Section:</b>  | Supply Chain Management       |
| <b>Contact Person:</b>  | <b>Jo-Verda Ladouce</b>  | <b>Contact Person:</b>   | <b>Mr. J. Ladouce</b>         |
| <b>Tel:</b>   | 044 203 3073   | <b>Tel:</b>  | 044 203 3174                  |
| <b>Email:</b>   | <b>Jo-verda@oudtmun.com</b>  | <b>Email:</b>  | <b>ladouce@oudtmun.gov.za</b> |

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| <b>Authorised by:</b> | <b>MR. M YEKANI</b> | <b>MUNICIPAL MANAGER</b> |  |