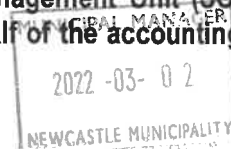


DEVIATION FROM AND RACTIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES – YEAR 2021/2022

M1805

This form is to be used in all cases in which there is a deviation from the standard procurement processes and for the ratification of minor breaches of procurement processes. The form is to be signed by the Accounting Officer and a copy is to be forwarded to the Supply Chain Management Unit (SCMU) for reporting to Council. The SCMU is to submit these reports to Council on behalf of the accounting officer as well as include this report as a note to the annual financial statements.



Section 36 (1) of the Supply Chain Management Policy states that:

'The accounting officer may –

- (a) dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only-
 1. In an emergency;
 2. If goods and services are produced or available from a single provider only;
 3. For the 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. In any other exceptional case where it is impractical or impossible to follow the official procurement processes.
- (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.

Details of goods /services required	:	HYDRAULIC SPARES/PIPES/PTO/VALVE BANKS
Requested by	:	MECHANICAL WORKSHOP
Telephone contact number	:	034 327 7600 EXT 225
Department	:	TECHNICAL SERVICES (MECHANICAL)
Cost Centre	:	010440010344
Requisition Number	:	
Value	:	R100 000.00
Supplier	:	Hydrapower
Reason for Deviation: as above, please circle		1 (2) 3 4 5 b

Explanation for Deviation:

Deviation through single Service Provider

The Municipality has number of plant and heavy motor vehicles which from time to time requires repairs and maintenance due to its aging status. These motor types can only be service, maintain or repairs by only mechanical shops within Newcastle area as they can not be taken to workshops outside Newcastle due to high disbursement costs and kilometers to be travelled.

Due to supply chain management governance compliance process, very few mechanic workshop companies can meet these legislative requirements such as registration on National Treasury Central Supplier Database (CSD), Company registration

DEVIATION FROM AND RACTIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES – YEAR 2021/2022

documents as well as filling of Municipal Bidding Documents as prescribed by National Treasury SCM regulation, the limited number of mechanic workshop companies available in Newcastle some of them do not meet these legislative requirements.

Limited mechanical workshop companies

The Municipality normally request quotation following mechanical workshop companies who are specializing in Hydraulic Pipes/fittings and Accessories.

- **Freton Services:** The company is not registered with National Treasury CSD, and it cannot be determined if their tax matters are in order with SARS. The Company work on prepayment terms which compels the Municipality to make payment before work done which is against the Municipal Finance Management Act
- **Hydrapower:** The company can do the work on credit and meet all legislative SCM requirements.
- **Hlanganani Cranes:** The company at times is not willing to complete MBD forms and they also requirement prepayments before they start the work.

Due to the emergency nature of Hydraulic Pipes/fittings and Accessories, Hydrapower is the only service provider who meet all Municipality SCM legislative requirements within Newcastle Municipal area.

Therefore, approval is sought to appoint Hydrapower in line with regulation 36(1)(a)(v) of the MFMA SCM Regulation for a period of 12 months from date of approval to allow the municipal vehicles to be serviced on time and to meet service delivery targets.

Kelly
Act Director: Dr. Thava Kelly

Signature: _____

Date: 03/02/2022

Acting SED: Technical Services

Supported / Not Supported

Signature: _____

Date: 8/02/2022

Reason for not supporting (if applicable):

Director: Supply Chain Management Unit

Mr. M. Mdialose

Supported / Not Supported

Signature: _____

Date: 15/2/2022

Reason for not supporting (if applicable):

Chief Financial Officer

Mr. S. Nkosi

Supported / Not Supported

**DEVIATION FROM AND RACTIFICATION OF MINOR BREACHES OF
PROCUREMENT PROCESSES – YEAR 2021/2022**

Signature: _____

Date: _____

Reason for not supporting (if applicable):

Acting Municipal Manager

Approved / ~~Not Approved~~

Signature: _____

Date: 03/03/2022

Reason for not supporting (if applicable):



KZN252 NEWCASTLE MUNICIPALITY Production Expenditure

Enquiry Funds Available

Financial Year
mSCOA Config

2122
010440010344

mSCOA Config Description

TRANSPORT COSTS

Owner Config

Owner Config Description

Budget

Original

Adjustments

Total

5,249,323+

85,000+

5,334,323+

Unprocessed Accruals

On Order (VAT Incl.)

On Order (VAT Excl.)

Standard Invoices

Other Transactions

499,386.72DR

501,193.11DR

38,654.95DR

Movements

4,574,417.51+

Funds Available

258,712.38+

**TAX COMPLIANCE STATUS****PIN Issued**

HYDRAPOWER HYDRAULICS
PO BOX 15924
NEWCASTLE
2940

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9638034141

Always quote this reference
number when contacting SARS

Issue Date: 2021/03/24

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Yireves Solutions 54 Cc
Trading Name	HYDRAPOWER HYDRAULICS NEWCASTLE CC
Tax Reference Number(s)	IT - 9638034141 Vat - 4850182125 PAYE - 7650743289
Purpose of Request	Good Standing
Request Reference Number	0017070785GS2403210815036
PIN	253C83422N
PIN Expiry Date	24/03/2022

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE

MBD 4

DECLARATION OF INTEREST

- 1 No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative: Phillipina Christina Els

3.2 Identity Number: 550603 0027 081

3.3 Position occupied in the Company (director, trustee, shareholder²): Director

3.4 Company Registration Number: 2000/050500/23

3.5 Tax Reference Number: 9638034/141

3.6 VAT Registration Number: 4650192125

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state?

YES ☒ NO ☐

3.8.1 If yes, furnish particulars.

¹MSCM Regulations: "in the service of the state" means to be --

(a) a member of --

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

² Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months?YES **NO**

3.9.1 If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES **NO**

3.10.1 If yes, furnish particulars.

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES **NO**

3.11.1 If yes, furnish particulars

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES **NO**

3.12.1 If yes, furnish particulars.

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES **NO**

3.13.1 If yes, furnish particulars.

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES **NO**

3.14.1 If yes, furnish particulars:

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number
Phillipina Christina Els	5506030027081	N/A



Signature

20/12/2021

Date

Director

Capacity

Tireves Solutions 54 cc t/a

Name of Bidder

Hydrapower Hydraulics

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's/municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	☐	☒
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	☐	☒
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	☐	☒
4.3.1	If so, furnish particulars:		

Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality/municipal entity, or to any other municipality/municipal entity, that is in arrears for more than three months?	☐	☒
4.4.1	If so, furnish particulars: /		
4.5	Was any contract between the bidder and the municipality/municipal entity or any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	☐	☒
4.5.1	If so, furnish particulars: /		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) Phillipina Christina Els
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION
 FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
 ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
 PROVE TO BE FALSE.

DP
 Signature
Director
 Position

20/12/2021
 Date
Yireves Solutions S4cc
 Name of Bidder
 Js367bW

tla Hydrapower
Hydraulics.