

 KWAZULU-NATAL PROVINCE ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS REPUBLIC OF SOUTH AFRICA	PROCUREMENT & ADMINISTRATION	
	SUBMISSION TO DEVIATE FROM NORMAL PROCUREMENT PROCESSES: SINGLE SOURCE SUPPLIER	Page: 1 of 6

DIRECTORATE:

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Supply Chain Management

**SUBMISSION TO DEVIATE FROM NORMAL
 PROCUREMENT PROCESS: SINGLE SOURCE
 SUPPLIER**

TO	Head of Department: Mr BN Nkontwana
FROM	Senior Admin Officer: Ms DN Gumede
CC	Chief Director Economic Planning: Mr C Hamadziripi
SUBJECT	Request to deviate from normal SCM process and appoint Independent newspaper, Arena Holdings (Pty) Ltd, Media 24 and Media distribution Africa as preferred suppliers for the departmental newspaper subscriptions.
CONTRACT DURATION	12 Months
SUBMITTED BY	Duduzile Gumede
DATE	13/01/2023

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1. PURPOSE

To request approval from the Head of Department to deviate from normal Supply Chain Management processes in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2021/2022- Enhancing compliance, transparency and accountability in supply chain management to appoint Independent Newspaper, Arena Holdings (Pty) Ltd, Media 24 and Media Distribution Africa(Pty) Ltd being single sourced service providers for an estimated amount of **R40 000.00** for the departmental newspaper subscriptions for the 2023/24 financial period for the next 12 months period.

2. BACKGROUND

Knowledge Management unit purchases newspapers for MEC, HOD, DDGs and the Resource Centre (Head Office Pietermaritzburg. The newspapers are purchased from the following publishers and

Distributors:

- Independent Newspaper supplies Mercury, Isolezwe, Daily News, Sunday Tribune and ILanga.
- Arena Holdings (Pty) Ltd supplies Sowetan, Business Day, Financial Mail and Sunday Times.
- Media24 supplies The Witness.
- Media Distribution Africa (Pty) Ltd supplies Mail and Guardian

There is no contract between the department and the suppliers therefore a deviation is required to renew subscriptions.

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3. REASON FOR DEVIATION (FURNISH REASON FOR DEVIATION)

TYPE OF DEVIATION	REASONS FOR DEVIATION
SINGLE SOURCE SUPPLIER	• These are the publishers on the required newspapers. • Newspapers are delivered daily to the department offices and publishers have a delivery system suitable for the departmental needs as deliveries are made early in the morning. • It is cost effective and convenient to buy directly from publishers as there is no third party involved. • The system of buying newspapers directly from publishers has been in use by the Resource Centre for many years and has proven to be reliable.

4. LEGAL FRAMEWORK

SCM INSTRUCTION NOTE 3 OF 2021/2022 ENHANCING COMPLIANCE,
TRANSPARENCY AND ACCOUNTABILITY IN SUPPLY CHAIN MANAGEMENT

Deviation from Normal Bidding Processes

If in a specific case it is impractical to invite competitive bids, the AO/AA may procure the required goods and services by other means, provided that the reasons for deviating from competitive bids must be recorded and approved by the AO/AA.

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Other means include

- (a) Limited bidding
- (b) Written price quotations within the threshold determined by National Treasury Instructions; and
- (c) Procurement that occurs in emergency situations and urgent cases

Treasury Regulation 16A 6.4

"If in a specific case it is impractical to invite competitive bids, the Accounting Officer or Accounting Authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the Accounting Officer or Accounting Authority."

8. FINANCIAL IMPLICATIONS

This project is funded and budgeted for by the Knowledge Management unit for the year 2023/24. The estimated amount budgeted for is **R40 000.00**

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10. RECOMMENDATIONS

It is recommended that approval be granted from the Head of Department to deviate from normal Supply Chain Management processes in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2016/2017- Prevention and Combating Fraud in SCM systems to appoint Independent Newspaper, Arena Holdings (Pty) Ltd, Media 24 and Media Distribution Africa(Pty) Ltd being single sourced service providers for an estimated amount of R40 000.00 for the departmental newspaper subscriptions for the 2023/24 financial period for the next 12 months period. Relevant documentation in the form of quotations yet to be paid and invoices already paid together with a list of newspapers and receivers is attached.

11. ADMINISTRATION AND PROCESS SIGN OFF

NAME	ROLE	SIGNATURE	DATE
Project Leader Ms Duduzile Gumede	Resource Centre Coordinator		13-01-2023
Deputy Director Mr Xolani Dube	Knowledge Management	Signed by: Oseasus Peaceful Xolani Dube Signed at: 2023-01-16 10:47:27 +02:00 Reason: Witnessing Oseasus Peaceful Xolani Dube 	
Chief Director Mr Cosmas Hamadziripi	Chief Director: Economic Planning	Signed by: Cosmas Hamadziripi Signed at: 2023-01-16 10:51:16 +02:00 Reason: Witnessing Cosmas Hamadziripi 	
Acting DDG Fikiswa Pupuma	Acting DDG: Industry Development & I	Signed by: Fikiswa Fathia Pupuma Signed at: 2023-01-16 09:24:55 +02:00 Reason: Witnessing Fikiswa Fathia Pupuma 	
Director SCM Ms D Raichund	Director Supply Chain	Signed by: Dharshini Raichund Signed at: 2023-01-16 09:35:41 +02:00 Reason: Witnessing Dharshini Raichund 	

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Chief Financial Officer Mr K Mthethwa	CFO	Signed by: Khayelile Njabulo Mthethwa Signed at: 2023-01-19 11:53:55 +02:00 Reason: Witnessing Khayelile Njabulo Mthethwa 
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12. APPROVAL BY HEAD OF DEPARTMENT

It is recommended that approval be granted from the Head of Department to deviate from normal Supply Chain Management processes in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2016/2017- Prevention and Combating Fraud in SCM systems to appoint Independent Newspaper, Arena Holdings (Pty) Ltd, Media 24 and Media Distribution Africa(Pty) Ltd being single sourced service providers for an estimated amount of **R40 000.00** for the departmental newspaper subscriptions for the 2023/24 financial period for the next 12 months period. Relevant documentation in the form of quotations yet to be paid and invoices already paid together with a list of newspapers and receivers is attached.

NAME	ROLE	SIGNATURE	DATE
Mr BN Nkontwana	Head of Department	Signed by: Brightboy Nhlakanipho Nkontwana Signed at: 2023-01-19 14:17:43 +02:00 Reason: Witnessing Brightboy Nhlakanipho Nkontwana 	

Comments

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