

DISM 16/25

DEVIATION: ORGANISATIONAL STRUCTURE - ORGPLUS



MEMORANDUM

Human Resource Management (Corporate Services)

CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON CSD DATABASE		
LETTER - SOLE SUPPLIER if applicable.		
QUOTE/INVOICE ATTACHED		
BUDGET (SAMRAS)		
SIGNATURES		
SENT TO DEDICATED EMAIL ADDRESS?		

To : MUNICIPAL MANAGER

From : ALEXANDER KANNEMEYER

Job Title : SENIOR MANAGER: HUMAN RESOURCE

Date : 10 DECEMBER 2024

Re : DEVIATION: PROCUREMENT – ORGANISATIONAL STRUCTURE SOFTWARE

1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, to deviate from the official procurement process in terms of section 36 of the approved SCM Policy

REASON FOR DEVIATION: (Mark with x where applicable) (ONLY 1 CATEGORY, MOST 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	X
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	

DEVIATION: ORGANISATIONAL STRUCTURE - ORGPLUS

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

The organisational structure was developed by Agito Minds in 2017, and they used their own software or a program to develop the organogram. They have not left copy of the software or program and the WORD document which they produced cannot be electronically changed as it gives distorted views when data is captured. The structure changes on a continues basis and we therefore need to make amendments regularly. Currently the updating is manually done, and the finished product looks very unprofessional.

National Treasury and the Auditor General also had negative comments about how updates are done on our organisational structure The department needs to constantly update the organisational structure to ensure that it is current and professional. The department have investigated software that would be compatible with our existing software. Research took place with other municipalities to find comparable software which could be incorporated with the PayDay Employee software proved fruitless as there was various systems and software in use at municipalities.

The Payday software was recently (from 1 July 2024) renewed for a three-year period ending 30 June 2027. Since we will be using Payday software for this period it makes good business sense that we procure Orgplus software to ensure smooth incorporation and a professional look on our organisational structure.

LRMG (Pty) Ltd can provide the necessary software to incorporate information on PayDay and can then enable Human Resources to update the organisational structure electronically to reflect the updated compatible organisational structure. LRMG (Pty) Ltd is the sole provider of the Orgplus software and has been accredited by the main developer, Altula, to distribute the software in South Africa (see attached correspondence).

NB!!

3. BACKGROUND

Our Organisational Structure was developed by Agito Minds in 2017, and they used their own software or a program to develop the organogram. They have not left copy of the software or program and the WORD document which they produced cannot be electronically changed as it gives distorted views when data is captured. Currently the updating is manually done, and the finished product looks very unprofessional. National Treasury and the Auditor General also had negative comments about our organisational structure.

4. DISCUSSION

The organisational structure was developed by Agito Minds in 2017, and they used their own software or a program to develop the organogram. They have not left copy of the software or program and the WORD document which they produced cannot be electronically changed as it gives distorted views when data is captured. The structure changes on a continues basis and



DEVIATION: ORGANISATIONAL STRUCTURE - ORGPLUS

we therefore need to make amendments regularly. Currently the updating is manually done, and the finished product looks very unprofessional.

National Treasury and the Auditor General also had negative comments about how updates are done on our organisational structure. The department needs to constantly update the organisational structure to ensure that it is current and professional. The department have investigated software that would be compatible with our existing software. Research took place with other municipalities to find comparable software which could be incorporated with the PayDay Employee software proved fruitless as there was various systems and software in use at municipalities.

The Payday software was recently (from 1 July 2024) renewed for a three-year period ending 30 June 2027. Since we will be using Payday software for this period it makes good business sense that we procure Orgplus software to ensure smooth incorporation and a professional look on our organisational structure.

LRMG (Pty) Ltd can provide the necessary software to incorporate information on PayDay and can then enable Human Resources to update the organisational structure electronically to reflect the updated compatible organisational structure. LRMG (Pty) Ltd is the sole provider of the Orgplus software and has been accredited by the main developer, Altula, to distribute the software in South Africa (see attached correspondence). The software will provide the municipality with sophisticated measures to capture and store a wide range of data which is also on the Payday Software and will give HR a bird's eye view of an employee's record. It further provides a facility to allow for certain selected employees to view data.

LRMG (Pty) Ltd is a sole service provider of this software and has been accredited by the main developer, Altula, to distribute the software in South Africa (see attached correspondence). The normal procurement processes are therefore not feasible. It is therefore proposed that LRMG (Pty) Ltd be contracted for the software to produce a professional and well balance organisational structure for the period ending 30 June 2027.

5. FINANCIAL IMPLICATIONS

A quotation was obtained from LRMG (Pty) Ltd and the projected cost is **R 481 451,61** inclusive of VAT.

6. RECOMMENDATION

1. That the request to deviate from the normal tender process be approved as the service provider is a sole service provider.
2. It be noted that LRMG (Pty) Ltd is the accredited sole supplier of the Altula software.
3. That LRMG (Pty) Ltd be appointed to provide the ORGPlus software (3 licences) and 2000 posts, annual support and maintenance, Orgplus desktop implementation with 3 views and training on OrgPlus for 3 employees for the amount of for **R 481 451.61**(VAT Inclusive) for the period ending 30 June 2027 be approved.

DEVIATION: ORGANISATIONAL STRUCTURE - ORGPLUS

7. VALUE FOR MONEY (OTHER RATES/VALUES/...)

It be noted that LRMG is the sole supplier of the Altula software that is compatible with the Payday employee software.

8. IT IS RECOMMENDED THAT:

1. The request to deviate from the normal tender process be approved as the service provider is a sole service provider.
2. It be noted that LRMG (Pty) Ltd is the accredited sole supplier of the Altula software.
3. LRMG (Pty) Ltd be appointed to provide the ORGPLus software (3 licences) and 2000 posts, annual support and maintenance, Orgplus desktop implementation with 3 views and training on OrgPlus for 3 employees for the amount of for R 481 451.61(VAT Inclusive) for the period ending 30 June 2027 be approved. It is recommended that LRMG be contracted for the software to produce a professional and well balance organisational structure.


ALEX KANNEMEYER
Senior Manager: Human Resources

Date: _____








7. SUPPLY CHAIN MANAGEMENT COMMENTS:

.....
.....
.....
.....



DEVIATION: ORGANISATIONAL STRUCTURE - ORGPLUS

8. APPROVAL:

REQUEST SUPPORTED / NOT SUPPORTED BY THE STELLENBOSCH MUNICIPAL BID ADJUDICATION COMMITTEE		
Name	Signature	Date
G. Bosthoff		13/12/24
P. Chandaka		13/12/24
A. P. BARNES		13/12/2024
A. M. C. de Bee		13/12/24
D. - Lawr		13/12/2024
Comments:		
CHAIRPERSON 		DATE 13/12/2024
RECOMMENDATION FROM BID ADJUDICATION COMMITTEE APPROVED BY THE ACCOUNTING OFFICER		
Comments: There is additional cost for accommodation for training which officials must attend, this is budgeted for as confirmed telecons with SMHR. This is a single provider as per page 2 paragraph 4 see NB		
ACCOUNTING OFFICER 		DATE 13/12/2024



SKM_C450i24121711110.pdf
32 pages • PDF • 3 MB
For your approval. please. 11:21 AM

Approved 11:21 AM

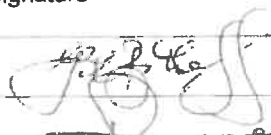


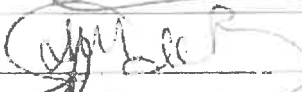
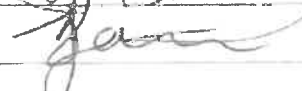


Thank you MM 11:23 AM

+ 🗨️ | Type a message



DEVIATION: ORGANISATIONAL STRUCTURE - ORGPLUS

8. APPROVAL:

REQUEST SUPPORTED / NOT SUPPORTED BY THE STELLENBOSCH MUNICIPAL BID ADJUDICATION COMMITTEE		
Name	Signature	Date
G. BOSHOFF		13/12/24
P. Chandaka		13/12/24
A. P. BARUES		13/12/2024
A. M. C. de Bae		13/12/24
D. - JAWW		13/12/2024
Comments:		
CHAIRPERSON 		DATE 13/12/2024
RECOMMENDATION FROM BID ADJUDICATION COMMITTEE APPROVED BY THE ACCOUNTING OFFICER		
Comments:		
.....		
ACCOUNTING OFFICER 		DATE 13/12/2024

**GERALDINE METTLER
MUNICIPAL MANAGER**

OrgPlus Sole Supplier Confirmation

Alexander Kannemeyer
Senior Manager: Human Resources
Corporate Services
Stellenbosch Municipality
20 Plein Street
NPK Building
Stellenbosch
Cape Town
7600

30 September 2024

Dear Alexander Kannemeyer,

In our effort to deliver superior customer service to our clients, LRMG commits to continue to provide first line support during the duration of your active contract, as we have done in the past.

LRMG hereby confirms that the attached Altula sole supplier confirmation letter is valid for a period of 3 years from the date of issue. LRMG furthermore confirms that the OrgPlus platform allows for direct integration with PayDay and manual data imports.

Should you require any additional information please do not hesitate to contact your OrgPlus representative directly.

Yours sincerely,



Riyan Silochan
Senior Partner LRMG

Johannesburg, South Africa
T +27 87 941 5764
3rd Floor, 34 Whitely Road,
Melrose Arch, 2196, South Africa

Cape Town, South Africa
T +27 87 941 5704
2nd Floor, Park Building, Black River Park,
1 Pir Street, Observatory, 7925, South Africa

Nairobi, Kenya
T +254 20 760 5405
1st Floor, Millennium Business Park, Langata Road
P.O. Box 856-00606, Nairobi, Kenya



altula™

Exclusive International Distributor of Insuperity OrgPlus

Altula Ltd

Unit 5 Basepoint Business
Centre, Yeoford Way
Marsh Barton Trading
Estate, Exeter
Devon, EX2 8LB
United Kingdom
Tel: +44 (0)203 6080 627
Fax: +44 (0)203 0700 365
www.altula.co.uk
email:
Rebecca.rees@altula.com

LRMG
34 Whiteley Road, Level 3
Melrose Arch
Johannesburg
Gauteng
South Africa
2196

17/01/2023

Dear LRMG,

Please accept this letter as confirmation that Altula LLC and Altula Ltd have the rights to distribute Insuperity OrgPlus software outside of the United States. Altula is the exclusive international distributor of Insuperity OrgPlus and has contracted with LRMG to be the exclusive sole supplier of OrgPlus in South Africa.

Should you require any further information please do not hesitate to contact me directly.

Yours Sincerely,



Rebecca Rees
EMEA Finance & Operations Director



QUOTATION - 1172

LRMG (Pty) Ltd

PO Box 13095, Mowbray, 7705

REG Number: 1997/005978/07

VAT Number: 4390166686

Tel: +27 87 9415764

Fax: +27 87 9422098

Division: Talent Technology-079



Account:	Stellenbosch Municipality	Date:	05 December 2024
Contact:	lieslm@lrmg.co.za	REF Number:	Canvas 52001

Dear Trudene Boshoff

LRMG thanks you for the opportunity to provide this Quotation.

Please validate all the details outlined on the document.

Please don't hesitate to contact your LRMG representative to resolve any queries.

Deliverable	Quantity	Unit Price	Extended Price
OrgPlus New License 3x2000 boxes			
PTT - OrgPlus x 3 New Licenses (2000 boxes)	3	R 109 194,79	R 327 584,37
OrgPlus Desktop New Annual Support and Maintenance 3 Licenses (2000 Boxes)	3	R 13 556,40	R 40 669,20
OrgPlus Desktop Implementation with Customisation of 3 views	3	R 12 000,00	R 36 000,00
OrgPlus Desktop Basic Training 3 Delegates- JHB offices	3	R 4 800,00	R 14 400,00
		Total Excl VAT	R 418 653,57
		VAT 15%	R 62 798,04
		Total Including VAT	R 481 451,61

Terms and Conditions:

1. Prices are valid for three(3)days from date of quotation/proforma.
2. Pricing is based on the prevailing exchange rate and valid for duration of quotation/proforma.
3. All payments are strictly thirty(30)days from statement.
4. Please note that NO work will commence without an official purchase order, where applicable.

I, _____, on behalf of _____, accept the above Quotation.

Company order number (if applicable) : _____

Signed by: _____ Date: _____



Regards
LRMG

Banking Details:
LRMG PTY LTD
Nedbank
Branch 198765
Account 1092 073 523
SWIFT code NEDSZAJJ

Address:
Bank Address:
57 Heerengracht 8th Floor Cape Town 8001



Authorisation Invoice Certificate - AIC 39494

LRMG (Pty) Ltd

PO Box 13095, Mowbray, 7705

REG Number: 1997/005978/07

VAT Number: 4390166686

Tel: +27 87 9415764

Fax: +27 87 9422098

Division: Talent Technology-079



Stellenbosch Municipality		Registration#	to follow
		VAT#	to follow
		Telephone	0218088111
		Vendor#	
Sponsor Name	Trudene Boshoff	Accounts Receivable Name	Trudene Boshoff
Sponsor Telephone	27218088061	Accounts Receivable Telephone	27218088061
Sponsor Mobile		Accounts Receivable Mobile	
Sponsor eMail		Accounts Receivable eMail	
trudene.boshoff@stellenbosch.gov.za		trudene.boshoff@stellenbosch.gov.za	
PTT OrgPlus 3x2000 New Canvas ID: 52001			
Account Number		Purchase Order Number	
Date of issue	27 February 2025	Payment Terms from date of invoice	30 days
		Igniter	lieslm@lrmg.co.za

Handwritten signature and date 11/2

Details required on invoice

Service Line description

OrgPlus New License 3x2000 boxes

Line item

PTT - OrgPlus x 3 New Licenses (2000 boxes)	3,00	R 109 194,79	R 327 584,37
---	------	--------------	--------------

Line item

OrgPlus Desktop New Annual Support and Maintenance 3 Licenses (2000 Boxes)	3,00	R 13 556,40	R 40 669,20
--	------	-------------	-------------

Line item

OrgPlus Desktop Implementation with Customisation of 3 views	3,00	R 12 000,00	R 36 000,00
--	------	-------------	-------------

Line item

OrgPlus Desktop Basic Training 3 Delegates- JHB offices	3,00	R 4 800,00	R 14 400,00
---	------	------------	-------------

Net amount due for invoicing (excl. VAT):

R 418 653,57

Warrants that he/she is authorized to sign on behalf of Company receiving product/service

Name		Signature	
Position		Date	

Signed on behalf of LRMG

Name		Signature	
Position		Date	