



KWAZULU-NATAL PROVINCE
ECONOMIC DEVELOPMENT, TOURISM
AND ENVIRONMENTAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

PROCUREMENT & ADMINISTRATION

SUBMISSION TO DEVIATE FROM NORMAL PROCUREMENT PROCESSES: SOLE SUPPLIER

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DIRECTORATE: ECONOMIC PLANNING

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Knowledge Management

SUBMISSION TO DEVIATE FROM NORMAL PROCUREMENT PROCESS: SOLE SUPPLIER

TO	Acting Head of Department: Dr. T. Ellenson
FROM	Senior Admin Officer: Ms DN Gumede
CC	Chief Director Economic Planning: Mr C Hamadziripi
SUBJECT	Request to Deviate from Normal SCM Procurement Process and Appoint Mindex Systems BK (CC) as sole supplier while paying for InMagic Annual Software Subscription Renewal and Telephone Support.
CONTRACT DURATION	1 June 2024 to 31 May 2025
SUBMITTED BY	Duduzile Gumede
DATE	08 April 2024

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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- to award a contract to **Mindex Systems CC**, here referred to as Mindex, being a sole service provider for an amount of **R36 880.50** for the payment of **Inmagic® DB/TextWorks®** system's annual software subscription renewal and telephone support for a period of 12 months from 1 June 2024 to 31 May 2025.

2. BACKGROUND

Inmagic® DB/TextWorks® is an existing online system sourced from Mindex in 2011. The system is used at the Resource Centre to manage circulation of materials, storing user records, catalogues, printing reports and other administrative functions of the Resource Centre. There is no contract between Mindex and the department, the system was originally procured through a deviation from normal SCM procedures as Mindex is a sole supplier of INMAGIC system. Mindex is the only authorised dealer in Southern Africa as authorised by Lucidea, creators of the system based in the USA. Sole supplier letter is attached. The software subscription and telephone support are paid annually. The following are the benefits of paying the fee;

- You receive new features and developments of the software for the following 12 months.
- Your software is compatible with the latest operating systems, internet browsers, its service packs and Microsoft's "hot fixes".
- Access to INMAGIC's technical support Mindex hotline telephone support.

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3. LINKAGES TO STRATEGIC GOALS AND OBJECTIVES

The resource centre function is under Knowledge Management unit which is linked to the strategic objective develop the knowledge base to enhance the knowledge economy

4. REASON FOR DEVIATION (FURNISH REASON FOR DEVIATION)

TYPE OF DEVIATION	REASONS FOR DEVIATION
SOLE SUPPLIER	• Inmagic® DB/TextWorks® is used at the Resource Centre to manage circulation of materials, storing user records, catalogues, printing reports and other administrative functions and Mindex is the only authorised dealer in Southern Africa as authorised by Lucidea, creators of the system based in the USA. Mindex thus has all the licensing privileges. • Inmagic® DB/TextWorks® is an existing online system sourced from Mindex in 2011.

5. LEGAL FRAMEWORK

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

Deviation from Normal Bidding Processes

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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.

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."

6. SERVICE PROVIDER DETAILS

- 6.1 Name: Mindex Stelsels BK trading as Mindex Systems CC
- 6.2 CSD number: MAAA0005009
- 6.3 BBBEE Status of the Supplier: Level 4
- 6.4 Tax Status: Compliant
- 6.5 Vat Registration No: 4710121817
- 6.6 State Employee: No
- 6.7 Tender Default Register: No

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7. VALUE FOR MONEY/ MARKET ANALYSIS

The system already exists and is own. It was purchased in 2011 from Mindex. Payment of maintenance and technical support fee ensures that we get assistance in case the system breaks down therefore the systems will have a longer lifespan. This gives us value for money as we do not have to source a new system as this can be very costly.

8. FINANCIAL IMPLICATIONS

This project is funded and budgeted for by the Knowledge Management unit for the year 2024/25. The amount budgeted for is R36 880.50 and quotation for the same amount is attached.

9. COMPULSORY DOCUMENTS TO BE ATTACHED TO THIS SUBMISSION:

Annexure A – Specifications

Annexure B – Quotations from service provider.

Annexure C - Other Supporting evidence/ if the service provider is a sole service provider, A letter of a sole service provider must be attached/ if supplier provides a patented product the patent number must be supplied and confirmed by SCM.

Annexure D – SBD4 – Bidders disclosure Form

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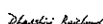
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10. RECOMMENDATIONS

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 award a contract to Mindex being a sole service provider for an amount of R 36 880.50 for a period of 12 months from 1 June 2024 to 31 May 2025.

11. ADMINISTRATION AND PROCESS SIGN OFF

NAME	ROLE	SIGNATURE	DATE
Project Leader	Resource Centre Coordinator		08/04/2024
Chief Director Mr Cosmas Hamadziripi	Chief Director	Signed by: Cosmas Hamadziripi Signed at: 2024-04-08 14:01:20 +02:00 Reason: I approve this document 	08/04/24
Director SCM Ms D Raichund		Signed by: Dharshini Raichund Signed at: 2024-04-10 15:36:31 +02:00 Reason: I approve this document 	10/04/24
Chief Financial Officer Mr K Mthethwa		Signed by: Khayalile Njabulo Mthethwa Signed at: 2024-04-12 12:35:58 +02:00 Reason: I approve this document 	12/04/24



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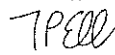
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12. APPROVAL BY HEAD OF DEPARTMENT

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 award a contract to **Mindex** being a sole service provider for an amount of **R 36 880.50** for **Inmagic® DB/TextWorks®** system's annual software subscription renewal and telephone support for a period of 12 months from 1 June 2024 to 31 May 2025.

NAME	ROLE	SIGNATURE	DATE
Dr. T. Ellenson	Acting Head of Department	Signed by:THANDEKA PRECIOUS ELL Signed at:2024-04-12 14:10:49 +02:00 Reason:I approve this document 	12/04/24

Subject to SCM being satisfied that this is a sole supplier.

Comments

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