



KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM
AND ENVIRONMENTAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

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DEPARTMENTAL ROUTE FORM

REQUEST TO DEVIATE FROM NORMAL SCM PROCUREMENT PROCESS WITH REGARDS TO THE
TRAINING OF TOURIST GUIDES FROM UMGUNGUNDLOVU AND UTHUKELA DISTRICT
MUNICIPALITIES IN ADVENTURE CATEGORY NQF LEVEL

AUTHOR

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GROWTH AND DEVELOPMENT

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SUPERVISOR

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RANK: CHIEF DIRECTOR: TOURISM DEVELOPMENT

TEL NO: 082 803 529

MARK ROUTE WITH *		SIGNATURE	DATE	REMARKS
MR S.R. NZIMANDE CHIEF DIRECTOR: TOURISM DEVELOPMENT	*		27/10/2	
MS F. PUPUMA ACTING DEPUTY DIRECTOR GENERAL: TRADE, SECTOR AND TOURISM DEVELOPMENT SERVICES	*	<i>Fikiswa Fathia Pupuma</i>	30/10/2	
MRS D. RAICHUND DIRECTOR: SUPPLY CHAIN MANAGEMENT	*	<i>Dharshini Raichund</i>	10/11/2	
MR K. MTHETHWA CHIEF FINANCIAL OFFICER	*		11/11/23	
DR T. ELLENSON ACTING HEAD OF DEPARTMENT: ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS	*	<i>TPEll</i>		



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AND ENVIRONMENTAL AFFAIRS
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PROCUREMENT & ADMINISTRATION

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

Page: 1 of 9

DIRECTORATE:

Tourism Development

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

TO	DR THANDEKA ELLENSON ACTING HEAD OF DEPARTMENT
FROM	MR S.R NZIMANDE CHIEF DIRECTOR: TOURISM DEVELOPMENT
SUBJECT	REQUEST TO DEVIATE FROM NORMAL SCM PROCUREMENT PROCESS WITH REGARDS TO THE TRAINING OF TOURIST GUIDES FROM UMGUNGUNDLOVU AND UTHUKELA DISTRICT MUNICIPALITIES IN ADVENTURE CATEGORY NQF LEVEL 4
CONTRACT DURATION	ONCE-OFF SERVICE
COMPILED BY	MR S.S MKHWANAZI
DATE	24 OCTOBER 2023

1. PURPOSE

To request approval from the Acting 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 with regards to awarding of single source contract to Qube Adventures PTY

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SUBMISSION TO DEVIATE FROM NORMAL PROCUREMENT PROCESSES:
SOLE SUPPLIER

LTD being a single sourced service provider for an amount of R306 187.50 for the training of Tourist Guides under uMgungundlovu and uThukela District municipalities on Adventure Category NQF Level 4 for the period of Six (6) months.

2. BACKGROUND AND DISCUSSION

- 2.1 One of the objectives of the Department of Economic Development, Tourism and Environment Affairs is to ensure radical transformation of the tourism sector and for everyone to have equal access to opportunities available within the sector. According to the White Paper on the Development and Promotion of Tourism in KwaZulu-Natal (2008) under training and development it states that the engine of the tourism sector is its human resources. The tourism experience provided is influenced by the capacity of the service providers. To provide globally competitive service standards requires trained and skilled people, if the sector is to deliver on its job creation potential, it is therefore necessary to invest in its human resources.
- 2.2 As part of professionalization the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) embarked on the programme to train and up-skill existing Tourist Guides from uMgungundlovu and uThukela District Municipalities within the sites of Karkloof and Drakensberg Canopy Tours that is expected to commence in November 2023. The initiative was informed by the inspection for illegal guiding conducted by the Department which discovered that all Tourist Guides employed by Karkloof Canopy Tours and were guiding without proper qualifications. These Tourist Guides come from the surrounding community and they lack funds to undergo proper training as a result they are guiding illegally in terms of the Tourism Act no 3 of 2014.
- 2.3 The Department had made a commitment in writing to fund and train 30 Guides which are fully employed by Karkloof and Drakensberg Canopy Tours. This commitment came as a request that was made by the employer on behalf of the Tourist Guides

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SOLE SUPPLIER



requesting intervention. The commitment is long overdue as SCM was unable to appoint a suitable Training Provider.

- 2.4 The request for quotations were sent out three times and during the first time no service providers responded, in the second attempt E-tender process was utilized and the training providers that submitted quotations did not have the appropriate accreditation for Adventures Skills Programme NQF Level 4 and were then deemed to be non-compliant. During the third attempt an E-tender Quotation was re-issued with a compulsory briefing session. The response was received however, the training Providers who responded were also deemed non-compliant owing to the issues of accreditation. It is against this background that the Head of Department is requested to consider and grant approval for the Department to conduct training for Tourist Guides.

3. LINKAGES TO STRATEGIC GOALS AND OBJECTIVES

The Programme is linked to Inclusive Economic Growth as a Strategic Goal that seek to promote SMME and entrepreneurial development in terms of the Strategic Objective.

4. REASON FOR DEVIATION (FURNISH REASON FOR DEVIATION)

TYPE OF DEVIATION	REASONS FOR DEVIATION
SINGLE SOURCE SUPPLIER	The training of Tourist Guides from uMgungundlovu and uThukela Districts (Karkloof and Drakensberg Canopy Tours) was earmarked and budgeted for. Normal SCM processes were followed to source an accredited service provider for Skills Programme Adventure Category NQF Level 4 qualification. However, after three attempts of Tender Advertisement



including a briefing session being provided the Department was unable to appoint a suitable Training Provider as none were accredited by CATHSSETA.

Qube Adventures (PTY) LTD is the service provider that was appointed by EDTEA with a valid Accreditation for the Skills Programme Adventure Category Level 4 for UGU and Harry Gwala District Municipalities for Tourist Guide training. During the advertisement period the provider could not tender owing to the training that was still underway.

This then necessitated that the training be resuscitated in the current financial year 2023/2024 through a single source supplier to avoid further delays.

5. LEGAL FRAMEWORK

SCM instruction note 3 of 2021/2022 enhancing compliance, transparency and accountability in Supply Chain Management.

5.1 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.

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

**5.2 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	:	Qube Adventure (PTY) LTD
6.2	CSD number	:	MAAA0400438
6.3	BBBEE Status of the Supplier	:	Level 4
6.4	Tax Status	:	Compliant
6.5	Vat Registration No.	:	9003140275
6.6	State Employee	:	No
6.7	Tender Default Register	:	No

7. VALUE FOR MONEY/ MARKET ANALYSIS

The Training Provider recommended (Qube Adventures) was previously unable to bid for the training as he was providing similar training (Adventure Category) for the Department for 41 tourist guides under Ugu and Harry Gwala District Municipality at a price of **R 467 854.00** with the exclusion of Multiple Platform Cableway (Ziplining). Qube Adventures is an accredited Training Provider with CATHSSETA specialising in Adventure Skills Programme with experience in Multiple Platform Cableway (Ziplining).

8. FINANCIAL IMPLICATIONS

- The total cost for the Service **R306 187.50**



- The service is accordingly budgeted for and funded from Tourism Growth and Development for **2023/2024** Financial Year.

NB: If the activity and resulting expenditure extends into subsequent financial year/s, confirm budget availability in subsequent years.

9. **COMPULSORY DOCUMENTS TO BE ATTACHED TO THIS SUBMISSION:**

Annexure A – Specifications

Annexure B – Quotations from service provider.

Annexure C - SBD4 - Bid Disclosure Form

10. **RECOMMENDATIONS**

It is recommended that approval be granted from the Acting 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 *Qube Adventure (PTY) LTD* being a single sourced service provider for an amount of **R306 187.50** for the training of Tourist Guides under uMgungundlovu and uThukela District municipalities on Skills Programme Adventure Category NQF Level 4 for the period of six (6) months.

11. **ADMINISTRATION AND PROCESS SIGN OFF**

NAME	ROLE	SIGNATURE	DATE
Project Leader Ms T.P Dlamini	The role of the project leader to co-ordinate, facilitate implementation and manage the programme from its initial stage to completion. Ensure sitting of PSC, to monitor and		24/10/2023



	evaluate the progress and also conduct inspections during the training and practical placement. Facilitate payment against deliverables and also ensure reports are submitted timeously.		
Director Mr S.S Mkhwanazi	Oversee the overall implementation of the project and ensure availability of budget as the Responsible Manager.		25/10/2023
Chief Director Mr R.S Nzimande	Oversee and manage all projects and programmes implemented by programme 6 and ensure adherence with PFMA.		27/10/23
ADDG Ms F Pupuma	Provide overall strategic guidance.	Fikiswa Fathia Pupuma	30/10/23
Director SCM Mrs D. Raichund	Manage and ensure adherence to SCM policies and processes.	Dharshini Raichund	10/11/23
Chief Financial Officer Mr K Mthethwa	Ensure adherence to PFMA and manage Departmental budget.		11/11/23
Acting Head of Department DR T. ALLENSON	To Approve the Deviation in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2016/2017		13/11/23



12. APPROVAL BY ACTING HEAD OF DEPARTMENT

It is recommended that approval be granted from the Acting 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 *Qube Adventure (PTY) LTD* being a single sourced service provider for an amount of **R306 187.50** for the training of Tourist Guides under uMgungundlovu and uThukela District municipalities on Skills Programme Adventure Category NQF Level 4 for the period of six (6) months.

Submitted by:

Signed by: Reverence Sibonelo Nzimande
Signed at: 2023-10-27 06:59:35 +02:00
Reason: I approve this document

27/10/23

MR S. NZIMANDE

DATE

CHIEF DIRECTOR: TOURISM DEVELOPMENT

Supported/Not Supported

Signed by: Fikiswa Fathia Pupuma
Signed at: 2023-10-30 08:56:12 +02:00
Reason: I approve this document

30/10/23

MS F. PUPUMA

DATE

ACTING DDG: TRADE, SECTOR & TOURISM DEVELOPMENT SERVICES

Insert "4" after level on route form
subject

Supported/Not Supported

Signed by: Dharshini Raichud
Signed at: 2023-11-10 11:54:52 +02:00
Reason: I approve this document

10/11/23

MRS D. RAICHUD

DATE

DIRECTOR : SUPPLY CHAIN MANAGEMENT



12. APPROVAL BY ACTING HEAD OF DEPARTMENT

It is recommended that approval be granted from the Acting 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 *Qube Adventure (PTY) LTD* being a single sourced service provider for an amount of **R306 187.50** for the training of Tourist Guides under uMgungundlovu and uThukela District municipalities on Skills Programme Adventure Category NQF Level 4 for the period of six (6) months.

Recommended/Not Recommended

Signed by: Khayelihle Njabulo Mthethwa
Signed at: 2023-11-11 15:10:43 +02:00
Reason: I approve this document

.....
MR K. MTHETHWA
CHIEF FINANCIAL OFFICER

11/11/23
.....

DATE

Approved / Not Approved

Signed by: THANDEKA PRECIOUS ELLE
Signed at: 2023-11-13 01:44:01 +02:00
Reason: I approve this document

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DR T. ALLENSON
ACTING HEAD OF DEPARTMENT
COMMENTS:
.....
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13/11/23
.....

DATE