

D/Sm 11/22



MEMORANDUM CORPORATE SERVICES

whCHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If answer is NO follow the next step: - Register on SCM Database - Creditors form (SAMRAS)		
LETTER - SOLE SUPPLIER if applicable.		
ORIGINAL VALID TAX CERTIFICATE		
QUOTE/INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASHFLOW		
SIGNATURES		

To: MUNICIPAL MANAGER
From: ALEXANDER KANNEMEYER
Job Title: SENIOR MANAGER: HUMAN RESOURCES
Date: 22 APRIL 2022
Re: DEVIATION: EMPLOYEE VACCINATIONS

1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, to deviate from the official procurement process, 4.36.1(a)(i) and 4.36.1(a)(v) for the provision of annual vaccination for staff working with biochemical and hazardous substances as required in terms of the Health and Safety regulations.

REASON FOR DEVIATION: (Mark with x where applicable)	
1. Emergency.	
2. Goods or services are produced or available from a single provider.	
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.	X

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

The municipality has to vaccinate our municipal staff working with biochemical and hazardous substances annually. Previously the service providers were appointed through FQ's but the Supply Chain Unit required the department to follow a formal procurement process and issue a tender. This was not successful as service providers do not have the capacity to cater for the number of employees (more than 300) that needs to be vaccinated and/or are not registered on the National Database or do not want to register or are not tax compliant as is required.

SCM has tried to source service providers but most service providers in the health sector does not comply with the requirements to register on the National Database or are not tax compliant as is required.

As a result of this, municipal staff working with biochemical and hazardous substances have not been vaccinated since February 2020 which means that the Municipality is not complaint in terms of the Health and Safety regulations. It must be noted that due to the COVID-19 pandemic medical service providers were very cautious and had strict requirements for services.

It is not practical to follow the normal procurement processes as it yields no compliant bidders to provide the service for the reasons indicated above. To ensure legislative compliance, Stellenbosch Municipality in consultation with its Senior Manager SCM, Director Corporate Services and Director Infrastructure Services, has now embarked on a process of obtaining quotations from pharmaceutical companies (see Annexure A and B) and wish to procure the required vaccines directly from them.

These vaccines will then be given to the affected staff members by a registered health practitioners/nurse/sister that the Municipality intends on appointing on a fixed term contract.

3. BACKGROUND

The municipality has to vaccinate our municipal staff working with biochemical and hazardous substances annually. Previously the service providers were appointed through FQ's but the Supply Chain Unit required the department to follow a formal procurement process and issue a tender. This was not successful as service providers do not have the capacity to cater for the number of employees (more than 300) that needs to be vaccinated and/or are not registered on the National Database or do not want to register or are not tax compliant as is required.

The municipality also tried to obtain assistance from government establishments (Clinics, Health Care Facilities, and the University of Stellenbosch) but due to our numbers that require vaccinations they themselves experience capacity problems and cannot be of assistance.

4. DISCUSSION

As a result of this, municipal staff working with biochemical and hazardous substances have not been vaccinated since February 2020 which means that the Municipality is not complaint in terms of the Health and Safety regulations. It must be noted that due to the COVID-19 pandemic medical service providers were very cautious and had strict requirements for services.

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Quotations were obtained from the two pharmaceutical companies within Stellenbosch, who has the capacity to store the vaccinations in their own cooling facilities to procure the vaccinations directly from them. These two companies are the biggest pharmacies in town and we need to use a service provider who has the necessary capacity to store the injections at the correct temperature and then provide it through a process to the medical nurse in our employment to ensure the vaccinations are effective.

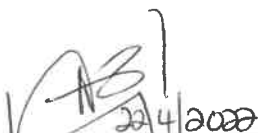
5. FINANCIAL IMPLICATIONS

Stelkor Apteek offered a price of R415 976.00 (VAT inclusive) for the stock required and will keep it in their storage facility and release it as required. Die Boord Pharmacy obtains their medication from CJ Distribution warehouse. The municipality contacted C J Distribution and they offered a price of R301 320.24 (VAT inclusive) for the injections and will keep it in their storage facility and release the batches as requested.

6. RECOMMENDATION

It is recommended that:

- 1. The deviation for the procurement of vaccinations directly from die C J Distribution at a price of R301 320.24 (VAT inclusive), to inject the staff working with biochemical and hazardous substances, be approved.**
- 2. That an agreement be entered into with C J Distribution in regard to the acquisition, storage and delivery of the stock until it can be used.**



ALEXANDER KANNEMEYER
SENIOR MANAGER: HUMAN RESOURCES

Date: _____

RECOMMENDATION SUPPORTED / NOT SUPPORTED BY THE STELLENBOSCH MUNICIPAL BID ADJUDICATION COMMITTEE

Name	Signature	Date

Comments:

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CHAIRPERSON.

DATE

30/05/2022

RECOMMENDATION FROM BID ADJUDICATION COMMITTEE APPROVED BY THE ACCOUNTING OFFICER

Name	Signature	Date
G. Mettler		30/05/2022