

MEMORANDUM

To: Dr. D Machard – Acting Chief Executive Officer (ACEO)

From: Senior Manager: Supply Chain Management and Contract Management
m

Date: 01 October 2024

Subject: Request for a deviation from the SCM Policy and SCM SOP in the appointment of a service provider for the provision of temporary office space for the Western Cape Provincial office.

1. Purpose

The purpose for the memorandum is to request the ACEO to approve the deviation from the SCM Policy and SCM SOP in the appointment of a service provider for the provision of temporary office space for the Western Cape Provincial office.

2. Background

The Western Cape (WC) lease agreement between W&RSETA and Tribugenix (Pty) Ltd (W&RSETA's landlord) was terminated following the legal dispute between the owners of the property, Emira Property Fund, and Tribugenix (Pty) Ltd. The legal dispute resulted in an eviction order against Tribugenix (Pty) Ltd, hence the W&RSETA was evicted in the process.

The eviction resulted in an emergency situation affecting operations of the W&RSETA in the WC Provincial office.

The lease agreement between the W&RSETA and Tribugenix (Pty) Ltd was originally scheduled to expire on 30 September 2025.

Board: Reggie Sibiyi (Chairperson), Sibusiso Busane, Thandeka Ntshangase, Themba Mthembu, Mzimaseki Silimandlala, Lerato Mokhitli, David Makua, Lucas Ramatlhodi, Ross Rayners, Margaret Bango, Zinhle Tyikwe, Nonkululeko Bogopa, Zibele Sokabo, Sebe Rasebitse

Due to the eviction order and termination of the lease agreement, the W&RSETA vacated offices on 09 September 2024, which was after its urgent application to the Gauteng North High Court to stay the eviction was dismissed.

Based on the above, the acting CEO (Ms Lindiwe Nhlapo) convened a meeting to discuss the situation of the WC offices. It was therein resolved that a W&RSETA team comprising of Facilities, IT and the WC management visit various office spaces that could potentially house the W&RSETA WC Provincial office on an urgent and temporary basis. The temporary arrangement was to cater for the SCM tender process for permanent offices to be finalised.

In viewing the offices, the team focused on offices that were immediately available and which do not require renovations. Listed in the table below are the office spaces that were viewed on 10 and 11 September 2024:

Office Space	Area	Property Agent	Contact Person	Contact Number	Contact Email
Regus	Century City	Regus Directly	Jadee Kiewiet (Ms)	021 830 5200	Jadee.Kiewiet@iwgplc.com
Boulevard Place	Century City	Anvil Properties	Marnitz Van Den Bergh	072 332 8227	marnitzvdb@anvilproperty.co.za
Estuaries Block C (1st Floor)	Century City	Anvil Properties	Marnitz Van Den Bergh	072 332 8227	marnitzvdb@anvilproperty.co.za
Estuaries Block C (GND Floor)	Century City	Anvil Properties	Marnitz Van Den Bergh	072 332 8227	marnitzvdb@anvilproperty.co.za
Tijger Park 5 - 1st floor	Tyger Valley	Excelerate JHI	Jason Robson	083 313 7433	jason.robson@exceleratejhi.com
Tijger Park 5 - GND floor	Tyger Valley	Excelerate JHI	Jason Robson	083 313 7433	jason.robson@exceleratejhi.com
Tyger Chambers 5	Tyger Valley	Safcom	Michael Wylie	072 225 2174	michael@safcom.co.za
Fedgroup	Tyger Valley	Office Place	Chad Fletcher	066 475 7886	chad@officeplace.co.za

A Request for Purchase (RFP) together with the Terms of Reference (TOR) was loaded on the D365 system on 13 September 2024 and approved on 16 September 2024, to source temporary office space. The above table was provided to SCM to include in their sourcing process when requesting quotations.

Board: Reggie Sibiya (Chairperson), Sibusiso Busane, Thandeka Ntshangase, Themba Mthembu, Mzimaseki Silimandlala, Lerato Mokhitli, David Makua, Lucas Ramatlhodi, Ross Rayners, Margaret Bango, Zinhle Tyikwe, Nonkululeko Bogopa, Zibele Sokabo, Sebe Rasebitse

In facilitating the request to source a service provider, the list of potential service providers were obtained from the Central Supplier Database (CSD), which is a National Treasury database and requirement.

The following outlines the process followed to date:

Date Bid Advertised	Bid Closing Date and Time (12h00)	Number of bidders Invited	Number of Bids Received
20 September 2024	27 Sep 2024 -11:26	13	Plasto Properties 18 Pty Ltd
Late Bid Submission	Bid Closing Date and Time (12h00)	Number of Bidders	Number of Bids Received
20 September 2024	12:12 pm	1	Rubys Fabrics Pty Ltd

- The SCM department received a request for actioning on the 17 September 2024.
- SCM requested invitations for office lease from a total of thirteen (13) suppliers of which only one quotation was received.
- SCM received only one late bid and recorded as such,

3. Regulatory requirements

Section 3.2.4 (a) of the PFMA SCM Instruction No. 02 of 2021/2022 states *“If it is not possible to obtain at least three (3) written price quotations from three (3) different suppliers registered on the CSD, except where suppliers are exempted from registration on the CSD, the reasons should be recorded and approved by the accounting officer/ authority or his/ her delegate/ committee before the order is issued and maintained for audit purpose”*.

The above PFMA instructions is also in line with our approved W&RSETA SCM policy and Standard Operating Procedure (SOP).

The following mandatory documents were required for submission:

Board: Reggie Sibiyi (Chairperson), Sibusiso Busane, Thandeka Ntshangase, Themba Mthembu, Mzimaseki Silimandlela, Lerato Mokhitli, David Makua, Lucas Ramatlhodi, Ross Rayners, Margaret Bango, Zinhle Tyikwe, Nonkululeko Bogopa, Zibele Sokabo, Sebe Rasebitse

The recommended supplier submitted and complied with all the requirements of the Request for Quote (RFQ) as validated by the cross functional evaluation panel members.

Mandatory Documentary Submission	Submitted / Not Submitted
SBD1	Submitted
SBD4	Submitted
SBD6.1	Submitted
SARS Pin	Submitted
Proof of Property Ownership / Proof of Agreements between owner and Property Management Company	Submitted
Certificate of Occupation	Submitted
Electrical Certificate of Compliance	Submitted
Three months latest Statements issued by the Local Municipality Confirming the Account Status on all municipal Levies / Rates	Submitted
Proof of Valid Insurance / Letter of Intent to Proposed Building	Submitted

4. Conclusion and Cost Implication

It is against this background that we hereby request the ACEO's consideration for the approval to proceed with the one (1) quotation received from Plasto Properties 18 Pty Ltd and for the purchase order to be issued to the respective service provider accordingly.

The preferred and recommended lease period and costing is for a period of six (6) months at a cost of R 971 244.40 even through the TOR was advertised for eight (8) months. The recommended bidder had submitted for both six and eight months leasing periods respectively. The eight months period option for lease, was above the R1M value and would have attracted a different sourcing approach which would have been too lengthy and not necessarily assisting with the urgency and the operational impact the situation requires.

5. Approvals

Compiled by:



Mr. Lefa Shabangu
SCM Procurement Specialist

03/10/2024

Date:

Board: Reggie Sibiyi (Chairperson), Sibusiso Busane, Thandeka Ntshangase, Themba Mthembu, Mzimaseki Silimandlela, Lerato Mokhitli, David Makua, Lucas Ramatlhodi, Ross Rayners, Margaret Bango, Zinhle Tyikwe, Nonkululeko Bogopa, Zibele Sokabo, Sebe Rasebitse

Reviewed by:

khunou, RM (Mr)

Mr. Reuben Khunou
SCM Senior Manager and Contracts

3 October 2024

Date:

Supported by:

Ben Khonyane

Mr. Ben Khonyane
Senior Manager: OHS, Facilities and Security

03-10-2024

Date:

Recommended by:

Lindiwe Nhlapo

Ms. Lindiwe Nhlapo
Chief Financial Officer (CFO)

03/10/2024

Date:

Approved by:

Dr D c Machard

Dr. D Machard
Acting CEO (ACEO)

03/10/2024

Date:

Board: Reggie Sibiyi (Chairperson), Sibusiso Busane, Thandeka Ntshangase, Themba Mthembu, Mzimaseki Silimandlela, Lerato Mokhitli, David Makua, Lucas Ramatlhodi, Ross Rayners, Margaret Bango, Zinhle Tyikwe, Nonkululeko Bogopa, Zibele Sokabo, Sebe Rasebitse