

01 September 2024 - 30 September 2024													
Row Number	Type	Order Number	Date	Supplier Code	Supplier Name	Order Description	Original Awarded Amount	Original Order (Excluding VAT)	Invoiced to Date	Outstanding Amount	Primary Directorate	Comments	Reason
Column Reference	A	B	C	D	E	F	G	H	J	K	L	M	N
1	D	10668	2024/09/06	7393	S2 DESIGN SOLUTIONS T/A S2 WEB SOLUTIONS	Quote QH1-24	R 9 720,00	R 8 452,17	R 8 452,20	R -	Executive & Council	The municipality must make information available to the public through its website. The website is currently hosted by S2 Solutions; however the tender expired at the end of June 2024. The Communications Department ensured that a new tender was advertised timeously. However, due to delays by the BAC, no award has been made to date. If the municipality does not pay the website hosting fees for the upcoming year, the website will be cancelled, resulting in the loss of information and creating a communication vacuum between the municipality and its residents.	Exceptional Case
2	D	10670	2024/09/26	5835	IGNITE ADVISORY SERVICES	IComply User Fees - September 2024	R 300 000,00	R 7 408,80	R -	R 7 408,80	Executive & Council	Knysna Municipality is currently implementing an Organisational Wide Performance Management System, including related services. This system aligns to the priorities, strategic objectives, key performance indicators and targets as reflected in the Council Adopted 2024/2025 Integrated Development Plan. The system distinguish between the Performance of both the Section 56/57 appointees and Institutional Performance. A third component, namely an Individual Performance Module will also be added to the package of Knysna Municipality. To date, the Municipality was utilising the services of Ignite Automated System as the platform to measure the performance of the aforementioned municipal officials. To ensure continuity of the existing IPMS support services by Ignite Assist, the request is for the extension of the services of Ignite for the next four months until the end of February 2025. The municipality, in the interim, will formally request for the servcices of an Integrated Performance Management System that should cater for both Institutional and Individual Performance Management. The current SCM Policy does not make provision for the service and therefore the SCM policy will be amnded to provide for IPMS service as a statutory payment, because all municipalities will be required to procure for PMS services.	Exceptional Case
3	D	10671	2024/09/26	5835	IGNITE ADVISORY SERVICES	SDBIP User Fees - September 2024	R 300 000,00	R 13 623,55	R -	R 13 623,55	Executive & Council	Knysna Municipality is currently implementing an Organisational Wide Performance Management System, including related services. This system aligns to the priorities, strategic objectives, key performance indicators and targets as reflected in the Council Adopted 2024/2025 Integrated Development Plan. The system distinguish between the Performance of both the Section 56/57 appointees and Institutional Performance. A third component, namely an Individual Performance Module will also be added to the package of Knysna Municipality. To date, the Municipality was utilising the services of Ignite Automated System as the platform to measure the performance of the aforementioned municipal officials. To ensure continuity of the existing IPMS support services by Ignite Assist, the request is for the extension of the services of Ignite for the next four months until the end of February 2025. The municipality, in the interim, will formally request for the servcices of an Integrated Performance Management System that should cater for both Institutional and Individual Performance Management. The current SCM Policy does not make provision for the service and therefore the SCM policy will be amnded to provide for IPMS service as a statutory payment, because all municipalities will be required to procure for PMS services.	Exceptional Case
4	D	10672	2024/09/26	5835	IGNITE ADVISORY SERVICES	IComply User Fees	R 300 000,00	R 7 408,80	R -	R 7 408,80	Executive & Council	Knysna Municipality is currently implementing an Organisational Wide Performance Management System, including related services. This system aligns to the priorities, strategic objectives, key performance indicators and targets as reflected in the Council Adopted 2024/2025 Integrated Development Plan. The system distinguish between the Performance of both the Section 56/57 appointees and Institutional Performance. A third component, namely an Individual Performance Module will also be added to the package of Knysna Municipality. To date, the Municipality was utilising the services of Ignite Automated System as the platform to measure the performance of the aforementioned municipal officials. To ensure continuity of the existing IPMS support services by Ignite Assist, the request is for the extension of the services of Ignite for the next four months until the end of February 2025. The municipality, in the interim, will formally request for the servcices of an Integrated Performance Management System that should cater for both Institutional and Individual Performance Management. The current SCM Policy does not make provision for the service and therefore the SCM policy will be amnded to provide for IPMS service as a statutory payment, because all municipalities will be required to procure for PMS services.	Exceptional Case
5	D	10673	2024/09/26	5835	IGNITE ADVISORY SERVICES	SDBIP UPLOAD	R 300 000,00	R 40 089,60	R -	R 40 089,60	Executive & Council	Knysna Municipality is currently implementing an Organisational Wide Performance Management System, including related services. This system aligns to the priorities, strategic objectives, key performance indicators and targets as reflected in the Council Adopted 2024/2025 Integrated Development Plan. The system distinguish between the Performance of both the Section 56/57 appointees and Institutional Performance. A third component, namely an Individual Performance Module will also be added to the package of Knysna Municipality. To date, the Municipality was utilising the services of Ignite Automated System as the platform to measure the performance of the aforementioned municipal officials. To ensure continuity of the existing IPMS support services by Ignite Assist, the request is for the extension of the services of Ignite for the next four months until the end of February 2025. The municipality, in the interim, will formally request for the servcices of an Integrated Performance Management System that should cater for both Institutional and Individual Performance Management. The current SCM Policy does not make provision for the service and therefore the SCM policy will be amnded to provide for IPMS service as a statutory payment, because all municipalities will be required to procure for PMS services.	Exceptional Case
6	D	10674	2024/09/27	11383	ZKS AND NAM GENERAL TRADING	MIG: CONTRACTORS FEES_T06-22/23	R 7 143 277,72	R 941 062,22	R 638 155,05	R 302 907,17	Infrastructure Services	The municipality appointed the contractor Razz Civils & Plant to surface the two streets in the Northern Areas to block paving standards. The two streets were; (1) Balie Street (Ward 8) and (2) DF Sethosa Street (Ward 8). The contractor started the project at a very low pace with clear indication that the contractor had financial challenges. It becomes apparent within three months of the contract that the contractor was financially incapable and was served with notices for poor performance. The contractor always played catch up as soon as he realised that he was going to be terminated. Such carried on until final termination in October 2023. The remaining scope which the contractor still had to perform incorporates the following; (1) Balie Street - Upper Selected Layer (G7), Subbase (C4), Kerbing & Channeling, Base (Sand), Surfacing (60mm G Block Paving); (2) DF Sethosa Street - Lower Selected Layer (G9), Upper Selected Layer (G7), Subbase (C4), Kerbing & Channeling, Base (Sand), Surfacing (60mm G block Paving). A letter of notification for abandonment of site was sent to the contractor on the 20th September 2023 with a fourteen (14) day period to remedy the situation. The contractor did not reply for a period of 14 days as contemplated in the notice of intention to terminate. A final termination was served to the contractor on the 05th October 2023. The project will be funded through the MIG remaining budget of R 7 986 516.86 and the rentention of R 228 252.52. The municipality is also in a process of sourcing the performance guarantee of R 1 166 241.48 to fund the shortfall. 1. The proposed roads project is funded through the Municipal Infrastructure Grant. The grant expenditure is currently very low which may lead to stopping of a substantial amount of the grant. 2. The roads were left at lower subbase course level by the previous contractor and others at roadbed preparation. This means that the roads were left in a condition that can worsen if not urgently repaired. The cost of reconstructing the roads will escalate with time. 3. The roads are currently deteriorating due to traffic and erosion due to excessive rainfall. 4. The municipality will lose more funds by maintaining the roads. 5. The municipality is indebted to meet its local EME targets for works already tendered through the previous contractor. 6. The proposed raods are the most unsafe roads in that area with high inclines and without guard rails, abandonment of the roads may lead to serious accidents and loss of life.	Exceptional Case
7	D	10675	2024/09/30	11241	SECURITY CONSORTIUM SA	ALARM MONITORING	Rates as per T25 of 2023/24	R 111 250,00	R 111 250,00	R -	Community Services	The current security services provider Security Consortium cc agreement will cease on 29/02/2024, and to ensure uninterrupted service delivery, this submission is therefore, made to the Office of the Municipal Manager. Following the cancellation of the security tender (T56 of 2023/24) by the Bid Adjudication Committee (BAC) as per the minutes of the BAC dated 30 August 2023. The cancellation subsequently necessitated that new tender process will have to be initiated to ensure that critical municipal infrastructure are secured adequately secured and protected. The cancellation of the tender as mentioned therefore warrants an extension of the current service provider that was appointed as per the appointment letter. The current service provider has been appointed following Council Resolution SC/07/06/23. Due to the turnaround time for the appointment of a service provider through the tender process, a deviation is required to ensure that the critical municipal infrastructure is secured and well protected. Failure to procure sufficient security for the municipal infrastructure and property may lead to an increase in vandalism and theft, which ultimately lead top a collapse in service delivery. The User Department is of the view that the appointment of a new service provider through a competitive bidding process may take up to two (2) months. This would include the duration of the award and appeals period. During this period, it is of utmost importance that the critical infrastruture and municipal property are secured and protected. The new tender (T25 of 2023/24) was advertised on 30 November 2023 and the closing date was on 19 January 2024. The Bid Evaluation Committee (BEC) was appointed by the Accounting Officer and convened on 23-25, 31 January 2024 and 05, 06, 08, 13 February 2024 to evaluate the said tender in order to submit a recommendation to the Bid Adjudication Committee (BAC). The recommendation was tabled at the BAC 2024, due to the fact that the BEC report was only submitted on the day, the BAC members requested sufficient time to go through the document. The BAC meeting was postponed to 27 February 2024, where the members discussed the tender and recommended that the report be referred back to the BEC for clarification. Following the joint sitting of the BEC & BAC on the 20th March 2024 reagrding the bid for provision of physical security at the Municipality. This joint sitting emanated from the letter dated 11th March 2024 from the Accounting Officer referring back the recommendations of the BAC dated 07 March 2024 to the BEC to reconsider all the concerns raised by the BAC on the 07 March 2024 in relation to the Adjudication of the bids for provision of physical security services. The BAC on the 19th of March 2024 and on the 20th March 2024 respectively reconsidered the matter after written responses by the BEC, and BAC invited the BEC for joint sitting on the 20th March 2024 to verify the information of the bidders against the facts contained in the BEC report. A memorandum dated 20 March 2024 has been submitted to the Municipal Manager for consideration in which the BAC recommends the following. The BAC recommends that the Municipal Manager refer the matter back to the BEC to: 1. Re-start the evaluation process of the companies that passed the general and special conditions of bids; 2. To appoint/co-opt a security expert to guide the evaluation committee in relation to the interpretation of all security related aspects matter and documents pertaining the bids; 3. To reconstitute the BEC to consider full evaluation of bids; 4. To mandate the BEC to consider all Municipal SCM policies and procedures; 5. To conduct quality control and assurance by verifying all the bideer's clientele references letters submitted with the bids. Following the above joint sitting of the BAC and BEC a sbsequent recommendation was made to refer the tender to the BEC for re-evaluation and to clarify matters as identified in the joint sitting. This subsequently lead to the extension of the validity period of the tender, which expired on 19 July 2024, the validity period, therefore was extended until 19 August 2024 pending the re-evaluation and awarding of the tender. The re-evaluation of the tender served at the BAC meeting held on 17 July 2024, and no award was made in this regard. The BAC referred the evaluation back to the BEC in order to seek clarity on certain matters as contained in the BAC minutes of 17 July 2024. A BAC meeting has been scheduled for 24 July 2024 2024 where the re-evaluated BEC report of security services will form part of the items submitted and pending the outcome thereof. The Acting Municipal Manager issued an instruction on 23 July 2024 as quoted: "to avoid further irregular expenditure on this item, please put immediate temporary and legally compliant measures in place to procure security services for Knysna Municipality whilst finalising the current tender expeditiously (within 14 days) and report progress". The procurement of security services through an RFQ process is not a viable option due to the monetary value spent monthly on the provision of security services e.g. the threshold for RFQ's is R300 000.00 versus the amount spent monthly amounts to above R2million per month. This therefor places the risk of critical municipal assets and infrastructure being vandalised, which in turn will directly affect service delivery by the Municipality. The user department is of the view that the above further warrants an extension of the current service provider's services, as the finalisation of the tender is underway.	Exceptional Case
						Total		R 1 129 295,14	R 757 857,25	R 371 437,92			
						VAT		R 169 394,27	R 113 678,59	R 55 715,69			
						Grand Total		R 1 298 689,41	R 871 535,84	R 427 153,61			

Deviation Reasons	
Emergency	0
Exceptional Case	7
Sole Supplier	0
Single Source	0

Quarter 1 Deviation Reasons			
Reason	Total	Invoiced Amounts (Excl. VAT)	
Emergency	1	R	15 267,11
Exceptional Case	18	R	5 685 671,21
Sole Supplier	2	R	10 180,50
Single Source	0	R	-
Total		R	5 711 118,82
VAT		R	856 667,82
Total Incl Vat		R	6 567 786,64

Quarter 1 Outstanding Amount	
Total Excl Vat	R 779 636,31
VAT	116 945,45
Total Incl Vat	896 581,76