

Theewaterskloof Municipality Policy Changes Final Budget 23 May 2024

1. Tariff Policy

Clause 7.1.1(b)(v) was inserted and should read as follow:

7.1.1 (b) (v) The council will levy monthly an availability fee to industrial/commercial consumers who has chosen to go off-grid or partially off-grid. The tariff will be calculated as per tariff list.

2. Credit and Debt Collection Policy

Chapter 2: Clause 9.2.2 should read as follow

9.2.2 After each monthly due date for payment of municipal accounts for property rates and/or service charges, the municipal manager shall send out the letter of demand to every defaulting account holder. Every defaulting account holder who as at the date of the notice not paid the monthly account in full or has not made an acceptable arrangement with the municipal manager for partial or late payment, a notice stating that unless full payment is received or an acceptable arrangement made with the municipal manager for partial or late payment, the municipal water and electricity supply of the property to which the account in arrears relates, shall be terminated or restricted Fourteen (14) calendar days after the date of the notice for residential properties and 48 hours for businesses. ~~Disconnections/restrictions will not be affected for residential properties on Friday to Sunday or any day on / before a Public Holiday.~~ It shall be specifically recorded that the water connection for residential consumers shall not be disconnected, instead it will be restricted.

The following was deleted from Clause 9.2.2:

Disconnections/restrictions will not be affected for residential properties on Friday to Sunday or any day on / before a Public Holiday.

3. Supply Chain Management

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

2. In order to achieve this, empowerment goals will be set and revised from time to time, which aims to redress the skewed distribution of wealth and therefore contribute to the alleviation of poverty, as well as increasing usage of local resources, stimulation of skills development and transfer, fast tracking the growth and ensuring sustainability of SMME's.

- a. Senior management responsible for each tender must report monthly to Management and quarterly to Council on the empowerment goals that were set per award above R 200 000 **R 300 000** and the performance for each contract in terms of the empowerment goals.

12. RANGE OF PROCUREMENT PROCESSES

(1) Goods and services may only be procured by way of –

- a) petty cash purchases, up to a transaction value of **R350.00** (VAT included);
- b) 1 (one) written or verbal quotation for procurements of a transaction value **up to R 2,000.00** (VAT included);
- c) **formal written price quotations for procurement of a transaction value over—**
 - (i) **R2000 up to R300 000 (VAT included), in the case of a local municipality;**
- a) 3 (three) written quotations for procurements of a transaction value from **R 2,000.01 up to R 30,000.00** (VAT included);
- a) 3 (three) formal written price quotations for procurements of a transaction value over **R 30,000.00 up to R200,000.00** (VAT included); and
- (d) a competitive bidding process for—
 - (i) **procurement above a transaction value of R300 000 (VAT included), in the case of a local municipality;**
by the deletion of subparagraph (i) of paragraph (b) of subregulation (2); and by the substitution for subparagraph (iii) of paragraph (b) of subregulation (2) of the following subparagraph: “(iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than the competitive bidding thresholds specified in subregulation (1)(c)(i) to (iii) competitive bidding process for—
 - (i) procurements above a transaction value of **R200,000.00** (VAT included); and
 - (ii) the procurement of long term contracts.

(2) The Accounting Officer may, in writing-

- a) lower, but not increase, the different threshold values specified in subparagraph 12(1); or
- b) direct that –
 - (i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R2,000.00 (VAT included);
 - (ii) formal written price quotations for procurement of transaction value over R 2000.00 up to R 300 000.00 (VAT Included) be obtained for any specific procurement of a transaction value lower than R10,000.00 (VAT included); or
 - (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200,000.00 R 300 000 (VAT included).

14. LISTS OF ACCREDITED PROSPECTIVE PROVIDERS

(1) The Accounting Officer must –

- a) “(i) to keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality or municipal entity through formal written price quotations;”. keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations;

16. WRITTEN OR VERBAL QUOTATIONS

(1) The conditions for the procurement of goods or services through written or verbal quotations areas follows:

- a) Quotations must be obtained in terms of paragraph 12(1) (a)-(e) preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Theewaterskloof Municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 14(1)(b)(c) and (4) of this Policy;
- a) to the extent feasible, providers must be requested to submit such quotations in writing;
- b) if it is not possible to obtain quotations in terms of paragraph 12(1)(a)-(e) the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;
- c) the Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices;
- d) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider; and
- e) any other conditions determined by the Accounting Officer.

No quotation, written or verbal, may be made available by an official to a prospective bidder

18. PROCEDURES FOR PROCURING GOODS OR SERVICES THROUGH FORMAL WRITTEN PRICE QUOTATIONS **PROCEDURES FOR PROCURING GOODS OR SERVICES THROUGH WRITTEN OR VERBAL QUOTATIONS AND FORMAL WRITTEN PRICE QUOTATIONS**

A supply chain management policy must determine the procedure for the procurement of goods or services through formal written formal written price quotations, and must stipulate—"; andThe procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations is as follows:

- a) when using the list of accredited prospective providers the Accounting Officer must promote on going competition amongst providers by inviting providers to submit quotations on a rotation basis;
- b) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Theewaterskloof Municipality;
- c) that the accounting officer must take all reasonable steps to ensure that the procurement of goods and services through formal written price quotations is not abused;"; and offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- d) that the accounting officer or chief financial officer must on a monthly basis be notified in writing of all formal written price quotations accepted by an official acting in terms of a subdelegation; and". the Accounting Officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;
- e) offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
- f) acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points;
- g) Theewaterskloof Municipality will maintain a proper record keeping system.

35. APPOINTMENT OF CONSULTANTS

- (1) A supply chain management policy may allow the accounting officer to procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurement is made The Accounting Officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.

- (2) A contract for the provision of consultancy services to a municipality or municipal entity must be procured through competitive bids if—
- (a) the value of the contract exceeds—
 - (i) R300 000 (VAT included), in the case of a local municipality;
 - (b) the period of the contract exceeds one year.”. Consultancy services must be procured through competitive bids if –
 - a) the value of the contract exceeds R200 000 (VAT included); or
 - b) the duration period of the contract exceeds one year.