

UBUHLEBEZWE MUNICIPALITY



DRAFT **Demand Management Plan**

2019/2020

Date Approved:.....

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DRAFT

1. Background

In terms of the Supply Chain Management Regulations – a supply chain management policy must provide for an effective system of demand management in order to ensure that the resources required to support the strategic and operational commitments of the municipality are delivered at the correct time, at the right price and at the right location, and that the quantity and quality satisfy the needs of the municipality. Thus this demand management plan is intended to enable the Ubuhlebezwe Municipality to apply proper planning and scheduling of its supply chain management processes to support the execution and implementation of its various projects such that the required goods and services are acquired and delivered as planned and within the relevant budget and timeframes.

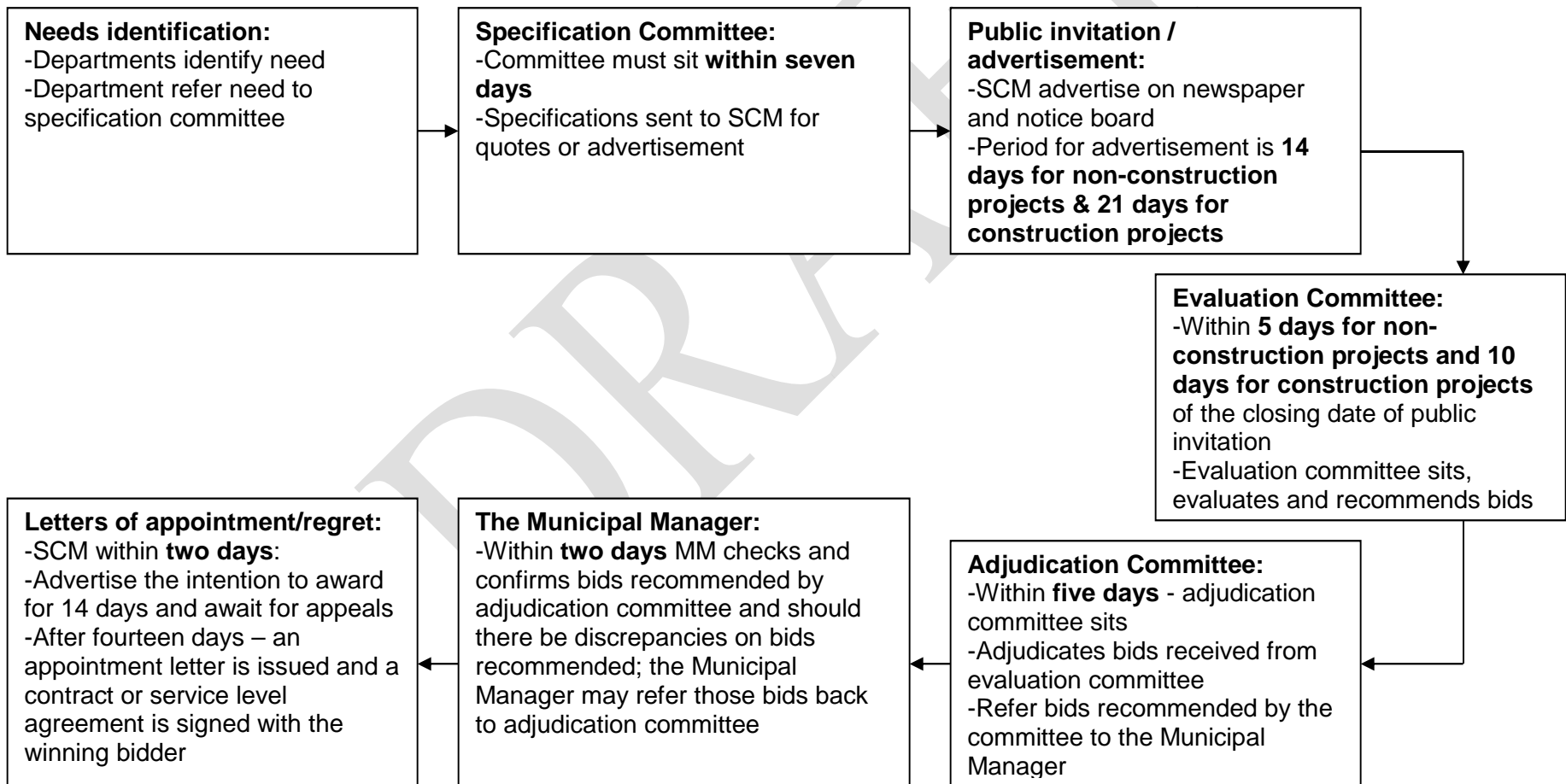
The demand management plan below has been compiled in the format of a grid to allow for simple and effective implementation. It is intended to guide the supply chain management unit of the municipality, during the course of the financial year, in executing against its supply chain management processes so as to deliver the service and goods required by the municipality's various departments for purposes of implementing projects and also to undertake routine operational and management tasks. Further in terms of the municipality's supply chain management policy – the demand management plan must include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost and must take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature. Thus this demand management plan in keeping with provisions of the supply chain management policy has been compiled in a manner that allows the officials of the supply chain management unit to ascertain the requirements of the municipality's departments in terms of budget, timing and probable specifications. This is intended to ensure that the supply chain management unit aligns its processes and work schedule to allow for sufficient time to execute against all the required acquisition processes as stipulated on the

municipality's supply chain management policy such that these are aligned with the intended project plan of the municipality's departments, particularly in relation to project commencement – the intention is that projects should not be unduly delayed due to supply chain management processes. Thus based on the value of the project, the demand management plan allows for the various processes inherent in the acquisition of goods and/or services, including compilation of specifications, public invitations, receipt of bids from potential suppliers/service providers, review of bids for completeness, evaluation of such bids by relevant committee, ratification of evaluation by adjudication committee and award of contract by duly authorised official/committee, based on contract value. Also, since the demand management plan allows for the listing of projects of all the municipality's departments, it then enables the fulfillment of the requirement that the demand management plan must take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature, since it enables the supply chain management unit to review the plan and match those projects that entail the acquisition of similar goods and/or services such that these could possibly be combined where possible so as to allow the municipality to utilize economies of scale as negotiating leverage.

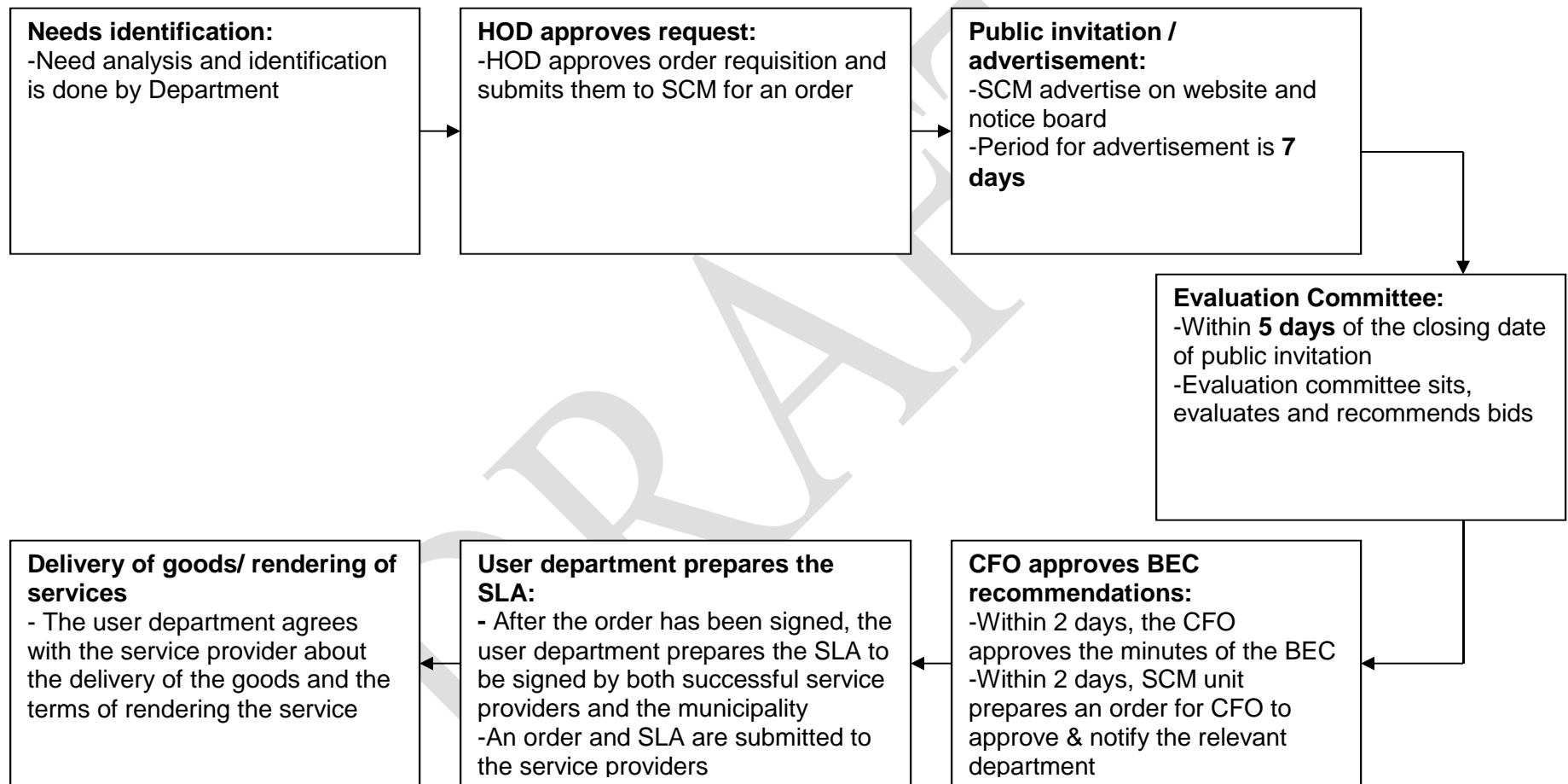
2. Acquisition process cycle

The following are illustrations of the municipality’s acquisition process cycles that are used to inform the planning and scheduling of acquisition management processes that are required prior to the actual delivery of goods and/or services and the commencement of projects.

2.1 Acquisition processes – bidding by public invitation



2.2 Acquisition processes – quotations above R30 000.



3. Demand management plan – 2019/2020

SCHEDULE OF PROCUREMENT PLAN IN RESPECT OF ADVERTISED COMPETITIVE BIDS (GOODS, INFRASTRUCTURE PROJECTS OR SERVICES IN EXCESS OF R30 000 INCLUDING ALL APPLICABLE TAXES) FOR THE 2019/2020 FINANCIAL YEAR

Department	Description of goods / services / Infrastructure project	Estimated value (including all applicable taxes)	Envisaged date of advertisement in the website, newspapers or other media	Envisaged closing date of bid	Envisaged date of award
CORPORATE SERVICES	Gifts and Promotional Items	250 000	5 Jul 2019	19 Jul 2019	8 Aug 2019
	Fibre Underground Traffic/SD	1 300 000	6 Sep 2019	4 Oct 2019	15 Nov 2019
SOCIAL DEVELOPMENT	2x Double Cab - Disaster	940 000	26 Jul 2019	30 Aug 2019	11 Oct 2019
	Fencing Garden Refuse Dump Site	300 000	6 Sep 2019	4 Oct 2019	15 Nov 2019
	Generator (traffic)	100 000	5 Jul 2019	19 Jul 2019	8 Aug 2019
	Configuration of skip truck	700 000	6 Sep 2019	4 Oct 2019	15 Nov 2019
	13X Brush cutters	91 000	5 Jul 2019	19 Jul 2019	8 Aug 2019
	Single Cab (long base) -Library	270 000	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Kiosk	300 000	6 Sep 2019	4 Oct 2019	15 Nov 2019
IPD	Double Cab IPD *1	470 000	26 Jul 2019	30 Aug 2019	11 Oct 2019
	Single Cab IPD *3	1,080,000	26 Jul 2019	30 Aug 2019	11 Oct 2019
	Excavator	1 943 500	5 Jul 2019	8 Aug 2019	13 Sep 2019

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	2x 10 ton truck	2 880 000	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Grader	4 200 000	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Lowbed (horse 30ton and trailer)	1 800 000	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Water Tanker	1 527 941	5 Jul 2019	8 Aug 2019	13 Sep 2019
	12/14 ton Truck (breakdown)	1 200 000	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Bomag hand roller	170 000	5 Jul 2019	19 Jul 2019	8 Aug 2019
	Generator(IPD)	50 000	5 Jul 2019	19 Jul 2019	8 Aug 2019
	Road Marking Machine	60 000	5 Jul 2019	19 Jul 2019	8 Aug 2019
	Jet Cleaner	285 000	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Sqandulweni Sport field	2 204 827.76	23 Aug 2019	27 Sep 2019	8 Nov 2019
	Sdungeni Rd W1	3 123 531.12	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Masomini Road W7	3 709 788.75	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Magawula Road W13	2 146 888.76	5 Jul 2019	8 Aug 2019	13 Sep 2019
	Khambule Road W 8	1 590 400.46	5 Jul 2019	8 Aug 2019	13 Sep 2019
	CRU Sub station	800 000	29 Nov 2019	24 Jan 2020	28 Feb 2020
	Revamping of Thusong Centre	300 000	6 Sep 2019	4 Oct 2019	15 Nov 2019
	Fairview Electricification- 608hh	500 000	24 Jan 2020	28 Feb 2020	10 Apr 2020
	Bethal Electrification (50hh)	860 000	29 Nov 2019	24 Jan 2020	28 Feb 2020
	Ndonyane Electrification (5hh)	500 000	24 Jan 2020	28 Feb 2020	10 Apr 2020
BUDGET AND TREASURY OFFICE					
MUNICIPAL MANAGER	Mayor's Vehicle	1 100 000	26 Jul 2019	30 Aug 2019	11 Oct 2019
	Annual Report	150 000	24 Jan 2020	7 Feb 2020	21 Feb 2020