



RAND WATER

SUPPLY CHAIN MANAGEMENT

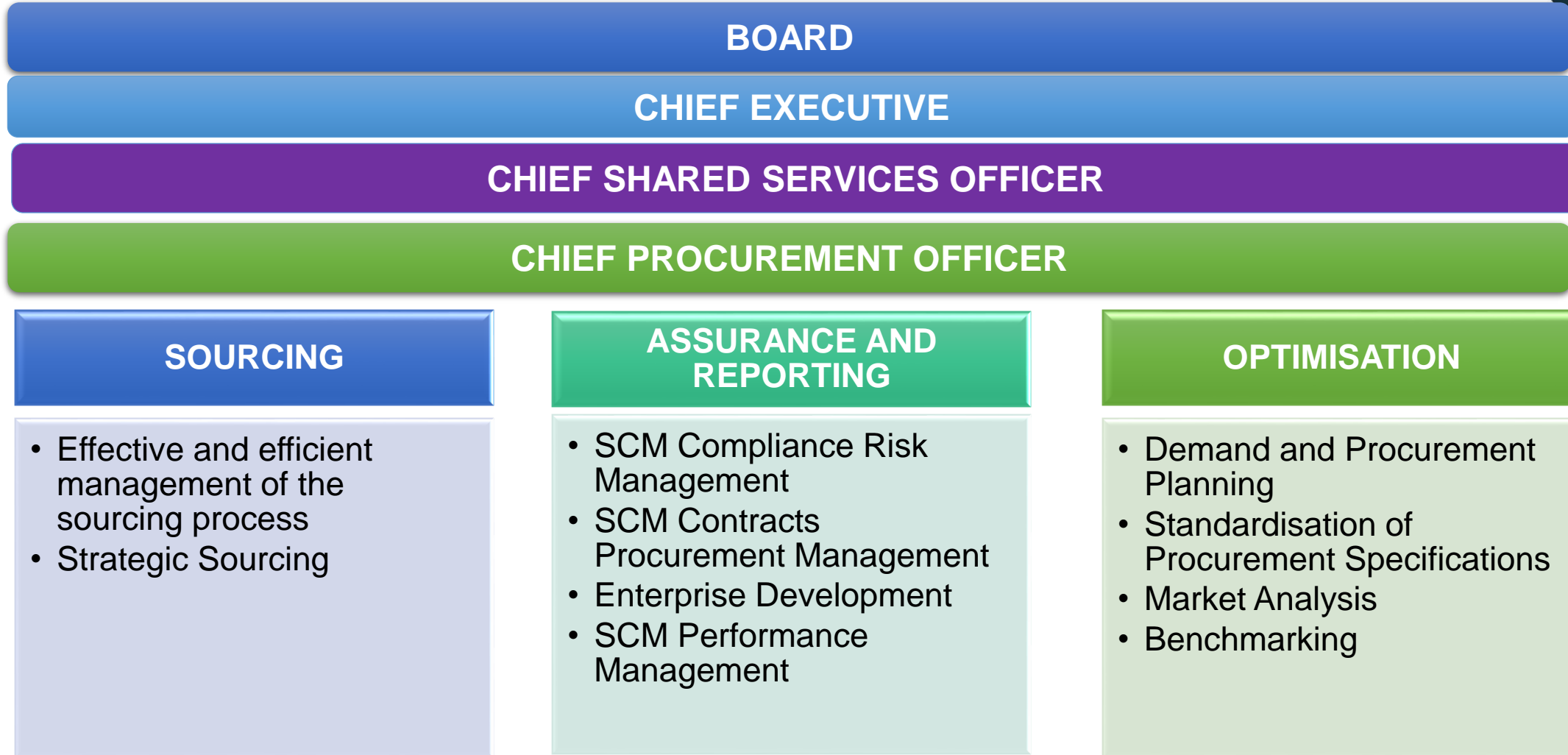
24 January 2022

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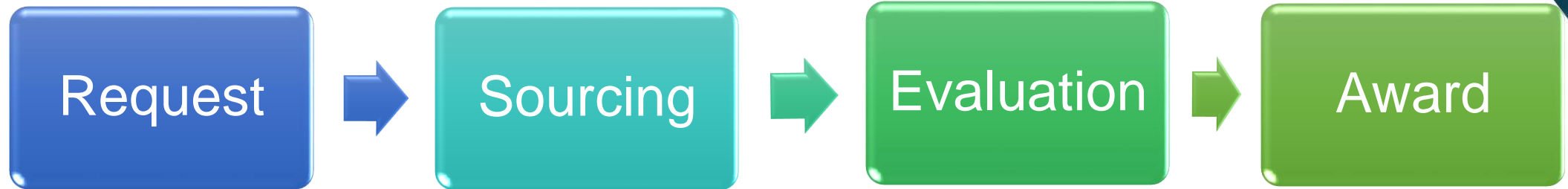
1. SUPPLY CHAIN VALUE CHAIN

SCM OPERATING MODEL



1.1 SUPPLY CHAIN VALUE CHAIN

SOURCING PROCESSES



- End User requires goods/services
- Review of scope and RFQ by SCM

- Make use of National Treasury Database to source suppliers
- Issuing and closing of the RFQ by SCM

- Evaluation by SCM
- End User (if there is functionality)

- Review by Supply Chain Manager

- End User requires goods/services
- Review of scope and bid document by Sourcing Manager and Buyer
- Review and approval of scope by Bid Specification Committee

- Consideration of scope by BSC
- Issuing and closing of the bid by SCM

- Evaluation by Bid Evaluation Committee

- Adjudication by Bid Adjudication Committee
- **Award by the Chief Executive**

Review process
(Internal Audit and Legal Services)

2. BID DOCUMENTS

EXISTING SOURCING DOCUMENTS

	SOURCING DOCUMENTS	TERMS AND CONDITIONS BASED ON
1	RFB - Engineering, Procurement and Construction (EPC)/ Turnkey Contract	FIDIC Silver Book, 1 st edition
2	RFB - Design and Build	FIDIC Yellow Book, 1 st edition
3	RFB - Construction	FIDIC Red Book, 1 st edition
4	RFB - Supply / Supply and Delivery	Rand Water's own terms and conditions
5	RFB - Short Form of Contract	FIDIC Green Book, 1 st edition
6	RFB - Professional Services	FIDIC White Book, 4 th edition
7	Request for Proposal (RFP)	FIDIC White Book, 4 th edition
8	Request for Quotation (RFQ)	Rand Water's own terms and conditions

2.1 BID DOCUMENTS

	ITEM	Bid Structure
1	Document Type	Single volume
2	Briefing Sessions	Only non-compulsory
3	Functionality Criteria	Measurability enhanced for the criteria
4	Objective Criteria	Criteria shall apply for all bids
5	Standard Bidding Documents	SBD 6.1, 6.2, 8 and 9 included
6	CIDB (for construction and engineering related bids)	Aligned to 2019 Standard for Uniformity
7	Annexures to the Bid Document	Pricing Data, Scope of Work and Site Information and any other

2.2 BID DOCUMENTS

NEW BID DOCUMENT OUTLINE

SECTION A

- Part T1: Bidding Procedures
- Part T2: Returnable Schedules

SECTION B

- Part C1: Agreement
- Part C2: Pricing Data
- Part C3: Scope of Work
- Part C4: Site Information

Annexures to the bid document



VENDOR MANAGEMENT SYSTEM

3.1 VENDOR MANAGEMENT SYSTEM

Supplier Onboarding

- National Treasury SCM Instruction Note 4A of 2016/17 Central Supplier Database, requires Rand Water as Public Entity listed in Schedule 3b of the PFMA to utilize prospective service providers registered on the CSD.



TO: ACCOUNTING OFFICERS OF DEPARTMENTS AND CONSTITUTIONAL
INSTITUTIONS

ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY SCM INSTRUCTION NO 4A OF 2016/2017
CENTRAL SUPPLIER DATABASE

1. PURPOSE

The purpose of this *SCM Treasury Instruction* is to prescribe the utilisation of the mandatory **Central Supplier Database (CSD)** to Accounting Officers and Accounting Authorities.

3.2 VENDOR MANAGEMENT SYSTEM

Supplier Application Form

- The Rand Water database application form consist of the following sections:
 - Supplier Information
 - Services and Products offered
 - SBD 4 – Declaration of interest
 - Sworn Statement
 - Checklist
- The Rand Water Supplier Bank Details Form
- Personal Credential Disclosure Form (MIE)

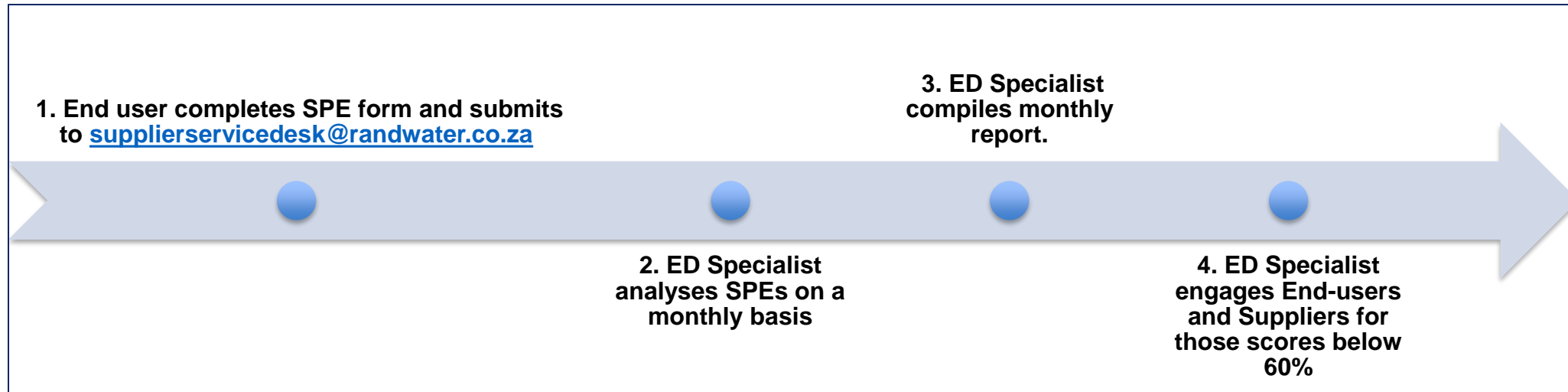
✓ A copy of Personal Information kept by the Responsible Parties will be furnished to me upon request in terms of the provisions of POPI or the NCA and I understand that I may dispute any information in the record provided.



SUPPLIER NON- CONFORMANCES

4.1 SUPPLIER PERFORMANCE EVALAUTION PROCEDURE

Summarized administrative process for Supplier Performance Evaluation after receiving completed form from an RW End- User



4.2 SUPPLIER PERFORMANCE EVALUATIONS(SPE) OBJECTIVES

Why ?

- Evaluations of suppliers after execution of work awarded is a very useful way adding to Continuous Improvement.
- Reviewing what went well and what went badly during the project or service offering.
- Ensuring RW mitigates the know risks from suppliers that continuously under-perform.
- Post projects evaluation – will be utilised to assess future awards.

4.3 SUPPLIER PERFORMANCE EVALAUTION process and policy

When ?



- SPE will occur at the conclusion of awarded work but completed within a financial year.
- For RFQ(duration less than one year), SPE will be conducted at the end, when goods and services were rendered.
- For RFQ (duration longer than one year), SPE will be conduct every 6 months and/or the conclusion of the Quotation.
- For contracts(RFPs) that are implemented for more than 1 financial year – SPE must be conducted per FY and also at the conclusion of contract.

4.3. Supplier Performance – outcomes management

Gross Poor Performance

- the poor performance of the supplier has resulted in the contract termination,
- - the supplier has abandoned site,
- - the supplier violated legal and regulatory conditions, and this action resulted in penalties or any other damages either to Rand Water as the employer and/ or to the supplier, and
- - the supplier violated contract conditions, and this action resulted in Rand Water suffering a loss financially or otherwise.

Any one of the above warrants an initiation of the blacklisting process in accordance with the Blacklisting Procedure



SUPPLIER BLACKLISTING PROCESS

5.1 NT SCM INSTRUCTION NOTE 3 OF 2016/17 REGARDING SUPPLIER BLACKLISTING

7. RESTRICTION OF SUPPLIERS, SHAREHOLDERS AND DIRECTORS

7.1 The Accounting Officer/Accounting Authority must:

7.1.1 Notify the supplier and any other person of the intention to restrict by registered mail. The letter of restriction must provide for:

7.1.1.1 the grounds for restriction;

7.1.1.2 the period of restriction which must not exceed 10 years;

7.1.1.3 A period of 14 calendar days for the supplier to provide reasons why the restriction should not be imposed.

7.4 National Treasury will load the details on the Database of Prohibited Suppliers after ensuring that the Accounting Officer/Accounting Authority has complied with Supply Chain Management legal framework.



5.2 PREFERENTIAL PROCUREMENT REGULATION, 2017

The Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act, states remedies that can be applied upon detecting that a supplier submitted false information in terms of matters addressed by these Regulations.

- 23.3. Institutions will recommend the restriction of suppliers to the National Treasury, who after considering representation from all parties may impose a restriction or penalty and publish on its official website the list of restricted suppliers.



THANK YOU