



**Western Cape  
Government**

Provincial Treasury

**BETTER TOGETHER.**

# **TRANSVERSAL CONTRACTING & SUPPLIER DEVELOPMENT**

Dialogue Forum on Sustainable Public Procurement

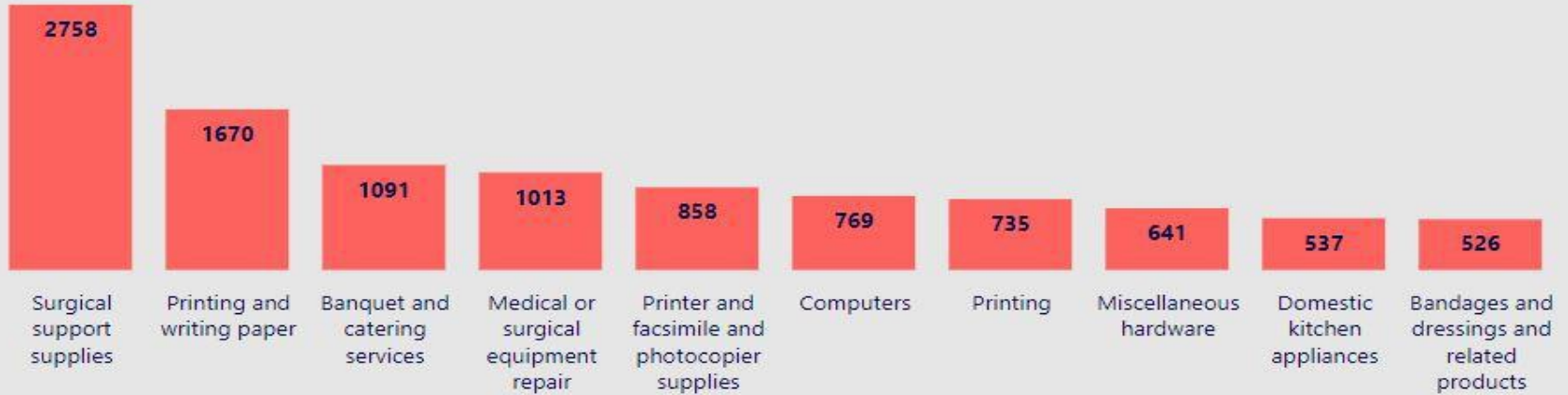
Ms. Adele Eloff & Mr. Reginald Clarke

WCG – Provincial Treasury

28 October 2020

# e-Procurement System for Quotations

## Top 10 : Commodity Frequency - Level 3



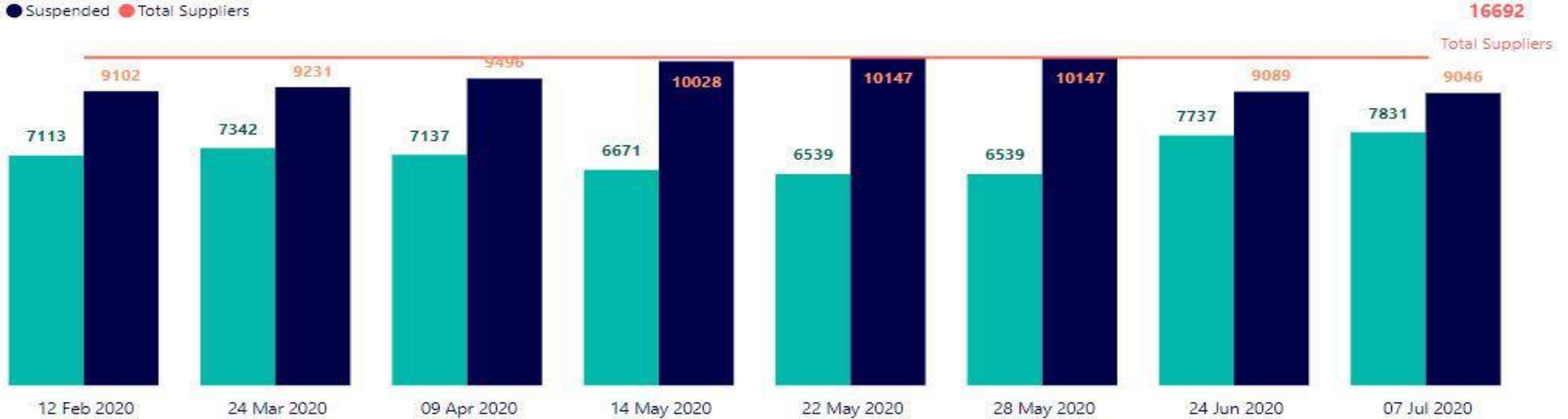
## Top 10 : Commodity based on Total Awards - Level 3



# SUPPLIER DATABASE

## WCSEB Active, Suspended and Total Supplier Count by Date

● Active ● Suspended ● Total Suppliers



Status ● Suspended ● Active

There are **16 692** suppliers registered on the WCSEB of which **7831** are active and **9046** are suspended. Supplier are suspended when its WCBD4 expires.

## Supplier Count per Province

Province	Count of Supplier number
Eastern Cape	619
Free State	88
Gauteng	2416
KwaZulu-Natal	462
Limpopo	184
Mpumalanga	66
North West	93
Northern Cape	60
NULL	6
Western Cape	12698
<b>Total</b>	<b>16692</b>

# B-BBEE Level and Spend

Payment to Suppliers per B-BBEE Level			Expenditure to Suppliers registered on WCSEB per Ownership Category for the period		
BBBEE Level	Payment Amount	%CT Payment A...	Column	Payment Amount	%CT Payment ...
Level 1	R 4 804 120 344.63	40.88%	At least 51% Black Owned	R 1 709 923 719.46	14.55%
Level 2	R 1 063 508 188.48	9.05%	Less than 51% Black Owned/Not indicated	R 10 041 196 413.58	85.45%
Level 3	R 322 692 604.21	2.75%	<b>Total</b>	<b>R 11 751 120 133.04</b>	<b>100.00%</b>
Level 4	R 1 019 382 282.23	8.67%	Expenditure to Suppliers registered on WCSEB per Business Size for the period		
Level 5	R 127 823 834.80	1.09%	Turnover Category	Payment Amount	%GT Payment ...
Level 6	R 91 667 433.04	0.78%	EME	R 2 738 547 423.64	23.30%
Level 7	R 70 286 142.80	0.60%	Large Entr.	R 3 649 204 736.63	31.05%
Level 8	R 195 983 893.86	1.67%	Not indicated	R 4 039 013 073.03	34.37%
Non Compliant Contributor	R 130 412 184.53	1.11%	QSE	R 1 324 354 899.74	11.27%
UNKNOWN	R 3 925 243 224.46	33.40%	<b>Total</b>	<b>R 11 751 120 133.04</b>	<b>100.00%</b>
<b>Total</b>	<b>R 11 751 120 133.04</b>	<b>100.00%</b>	*Information Extracted from BAS, WCSEB and CSD for the period 1 April 2019 to 31 March 2020.		

# Socio Economic Objectives- Regional Spend

Suppliers Payments per Region	
<b>Western Cape</b> R 7 563 026 959.07 Payment Amount	<b>64.36%</b> %GT Payment Amount
<b>Gauteng</b> R 3 452 372 176.19 Payment Amount	<b>29.38%</b> %GT Payment Amount
<b>KwaZulu-Natal</b> R 263 510 444.65 Payment Amount	<b>2.24%</b> %GT Payment Amount
<b>Eastern Cape</b> R 259 649 308.75 Payment Amount	<b>2.21%</b> %GT Payment Amount
<b>Free State</b> R 111 262 966.03 Payment Amount	<b>0.95%</b> %GT Payment Amount
<b>Limpopo</b> R 69 679 945.68 Payment Amount	<b>0.59%</b> %GT Payment Amount
<b>Mpumalanga</b> R 19 083 256.24 Payment Amount	<b>0.16%</b> %GT Payment Amount
<b>North West</b> R 12 323 858.68 Payment Amount	<b>0.10%</b> %GT Payment Amount
<b>Northern Cape</b> R 202 259.27 Payment Amount	<b>0.00%</b> %GT Payment Amount

## Total Number of Active Suppliers On WCSEB

**R 11.75bn**

## LOGIS Interactions

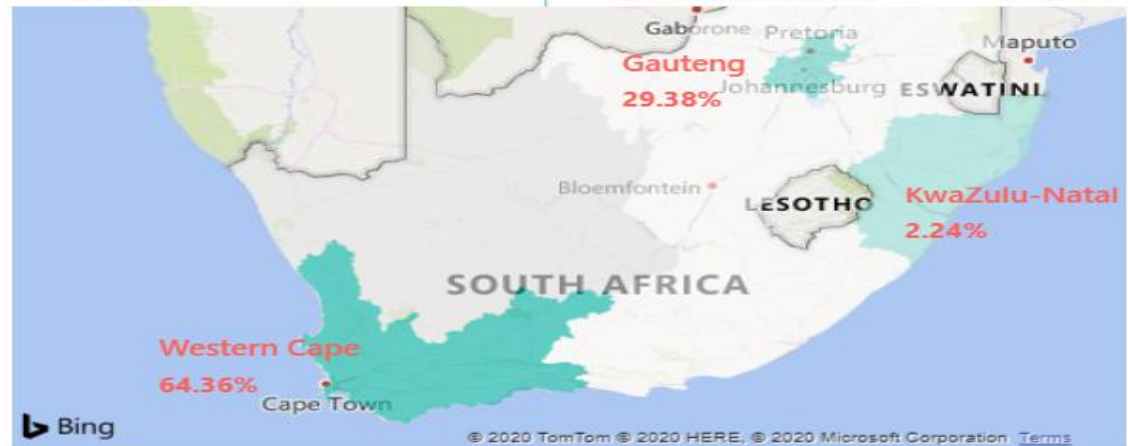
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## BAS Interactions

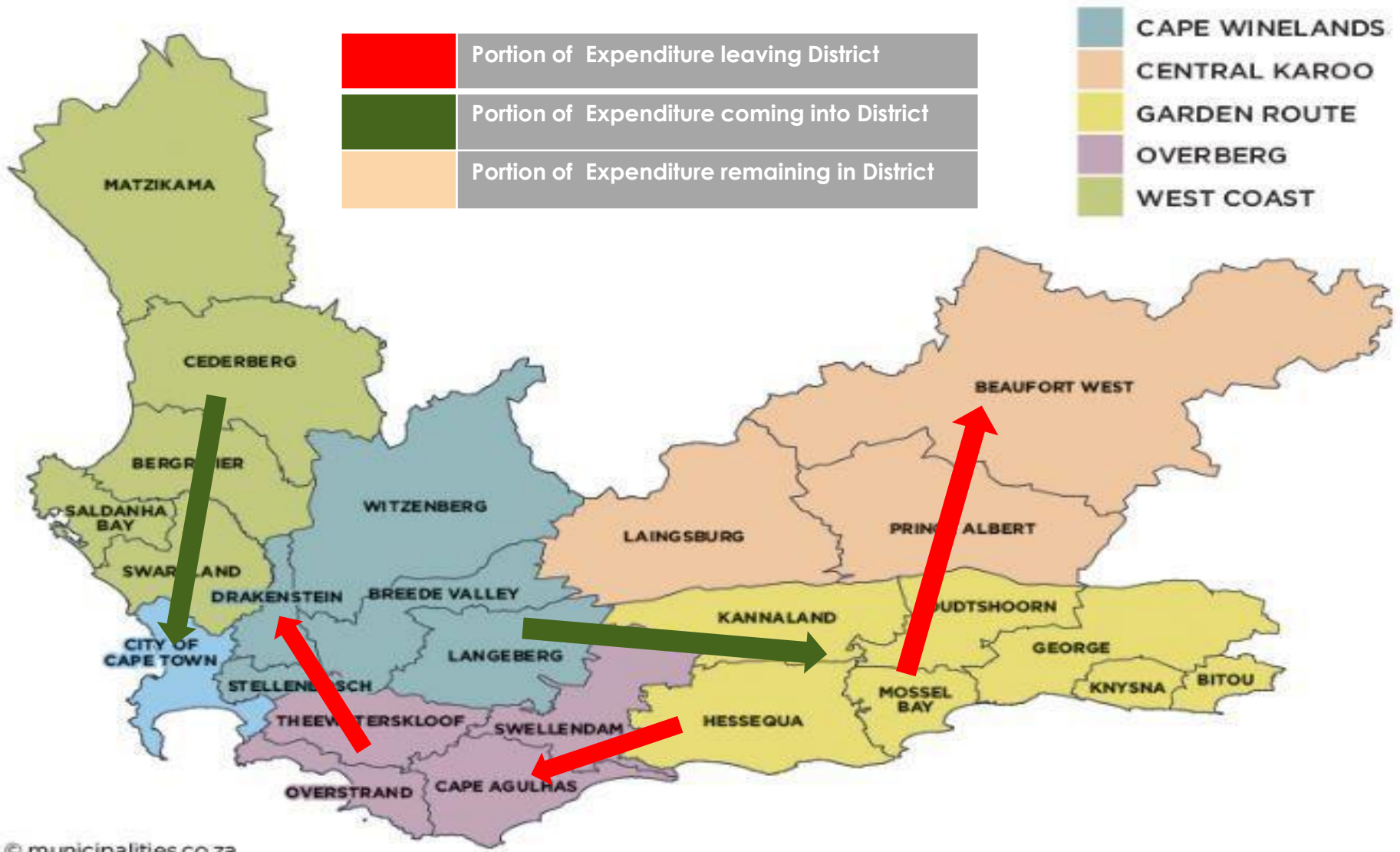
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## Suppliers Payments per Region

Province	Payment Amount	%GT Paymen...
<b>Western Cape</b>	<b>R 7 563 026 959.07</b>	<b>100.00%</b>
City of Cape Town	R 6 665 825 623.05	88.14%
Cape Winelands	R 338 369 049.80	4.47%
Eden	R 269 840 749.68	3.57%
West Coast	R 208 276 855.79	2.75%
Overberg	R 56 715 638.36	0.75%
Central Karoo	R 23 999 042.39	0.32%
<b>Total</b>	<b>R 7 563 026 959.07</b>	<b>100.00%</b>



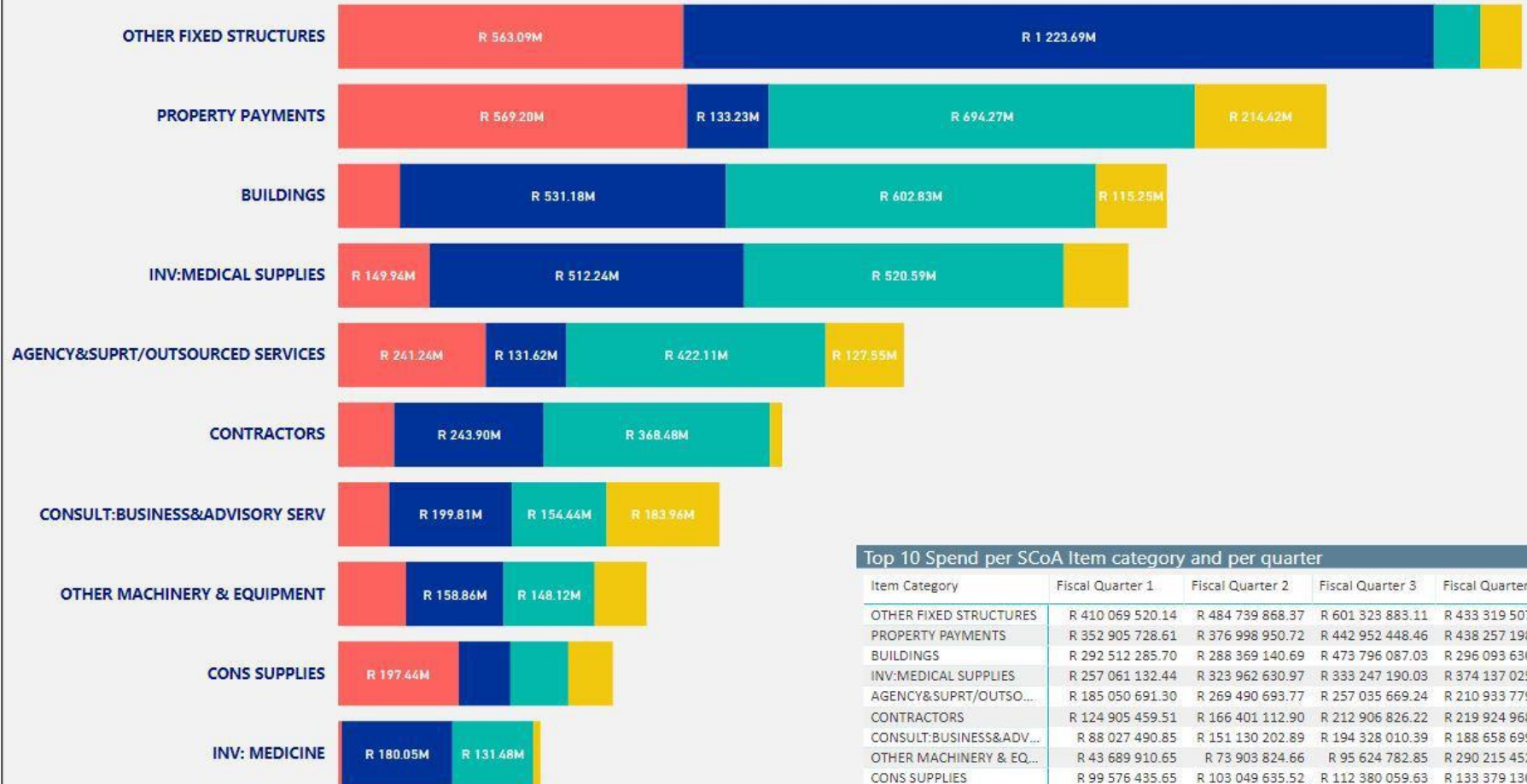
# Spatial Enablement Of Expenditure (Flow Of Money)



# TOP TEN SCOA COMMODITIES

Top 10 Spend per SCoA Item category and per Turnover category

Turnover Category ● EME ● Large Entr. ● Not indicated ● QSE



Top 10 Spend per SCoA Item category and per quarter

Item Category	Fiscal Quarter 1	Fiscal Quarter 2	Fiscal Quarter 3	Fiscal Quarter 4
OTHER FIXED STRUCTURES	R 410 069 520.14	R 484 739 868.37	R 601 323 883.11	R 433 319 507.28
PROPERTY PAYMENTS	R 352 905 728.61	R 376 998 950.72	R 442 952 448.46	R 438 257 198.55
BUILDINGS	R 292 512 285.70	R 288 369 140.69	R 473 796 087.03	R 296 093 630.86
INV: MEDICAL SUPPLIES	R 257 061 132.44	R 323 962 630.97	R 333 247 190.03	R 374 137 025.62
AGENCY&SUPRT/OUTSO...	R 185 050 691.30	R 269 490 693.77	R 257 035 669.24	R 210 933 779.78
CONTRACTORS	R 124 905 459.51	R 166 401 112.90	R 212 906 826.22	R 219 924 968.66
CONSULT: BUSINESS&ADV...	R 88 027 490.85	R 151 130 202.89	R 194 328 010.39	R 188 658 699.34
OTHER MACHINERY & EQ...	R 43 689 910.65	R 73 903 824.66	R 95 624 782.85	R 290 215 452.70
CONS SUPPLIES	R 99 576 435.65	R 103 049 635.52	R 112 380 059.63	R 133 379 130.26
INV: MEDICINE	R 73 426 659.25	R 76 418 241.97	R 91 640 395.06	R 88 894 265.41

# TOP TEN SCoA COMMODITIES ITO BLACK OWNERSHIP

Top 10 Spend per SCoA Item category and Black Ownership category

Column ● At least 51% Black Owned ● Less than 51% Black Owned/Not indicated



Top 10 Spend per SCoA Item category and per quarter

Item Category	Fiscal Quarter 1	Fiscal Quarter 2	Fiscal Quarter 3	Fiscal Quarter 4
OTHER FIXED STRUCTURES	R 410 069 520.14	R 484 739 868.37	R 601 323 883.11	R 433 319 507.28
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# Integrated Strategy to Unlock Value

## PROPOSALS

### Business Intelligence and Technology enablement

- SCM Public disclosure Reporting
- Performance Information (SCM Insight Reports)
- Procurement planning Toolkit linking to Budget and linkages to Empowerment Impact assessment enablement
- Issue Management System

### e-Procurement and Technology Enablement

- e-Procurement System continuity to replicate and build on current model to replace current model inclusive of bids that interfaces with WCSEB and Procurement Planning Toolkit

### Strategic Sourcing and Transversal Contracting

- Use opportunity for alternative strategic sourcing initiative - commodity and project focused initiatives that leverages on economies of scale (transversal contracting) and value chain
- SMME and job creation focus as opportunities

### Local Economic Development

- Empowerment focused initiatives
- Relook and reconsider the economic procurement policy to focus on post disaster recovery initiatives to stimulate the market differently
- Supplier development and linkages to Strategic Sourcing

### Commodity Focus

- Cost Containment (Travel & Accom.; Catering)
- DoIP (Employee Health & Wellness; Communication);
- PT (Security Framework Contract)
- DoH (Medical and PPE)
- Other: Emanating out of Demand Forecasting from Departmental Procurement Plans



**SCM TECHNOLOGY AND  
STRATEGIC SOURCING  
FOCUS**

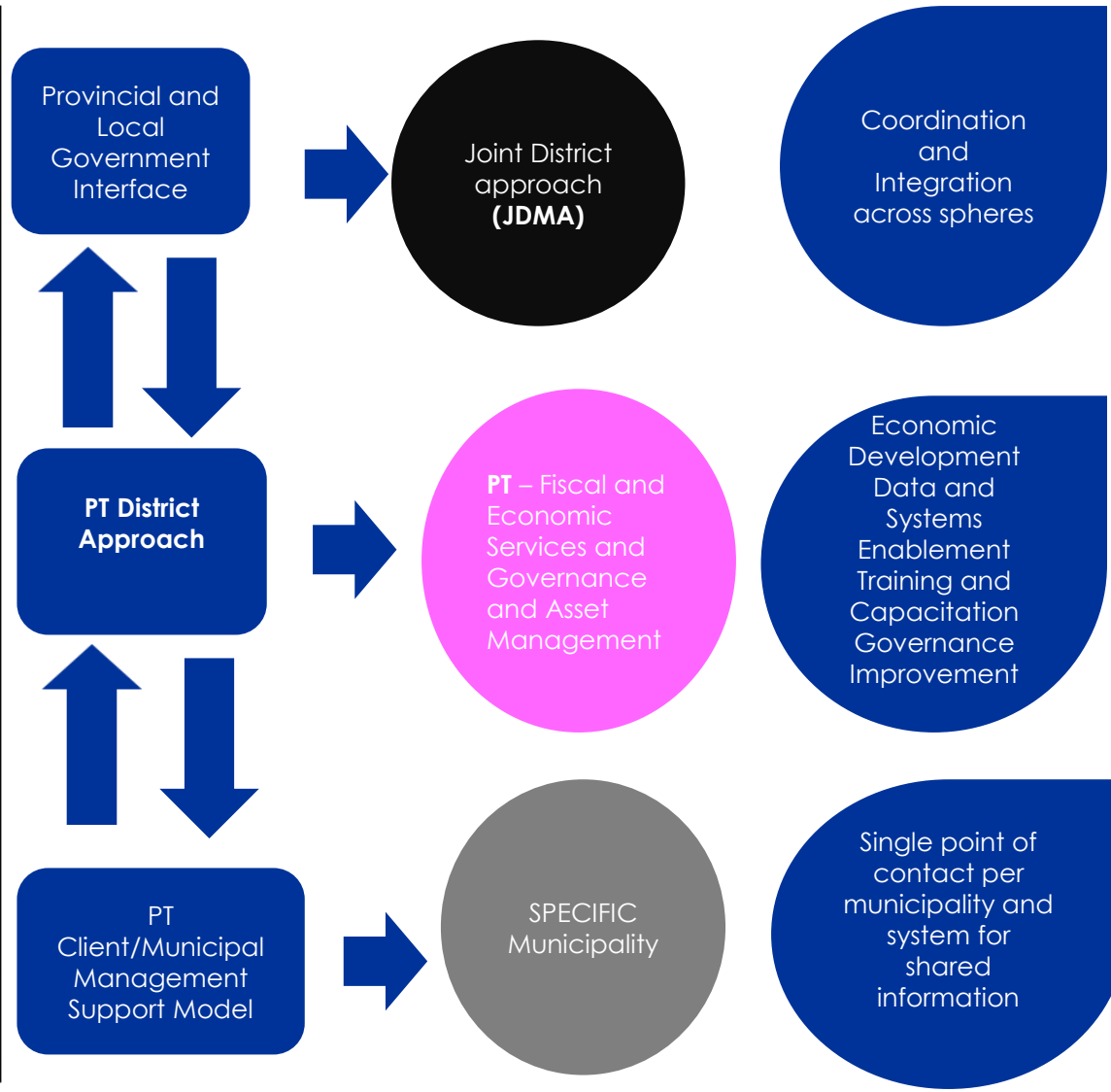
# LOCAL GOVERNMENT INTERFACES AND OPPORTUNITIES FOR SCM IMPROVEMENTS

## ❑ CURRENT LINKAGES AND INITIATIVES

- LED Indaba's and Supplier Development
- SCM and Internal control enablement
- SCM Capacitation & Development
- Governance models, uniformity and practices
- SCM Helpdesk
- SCM District Fora

## ❑ PROPOSALS FOR FUTURE INITIATIVES

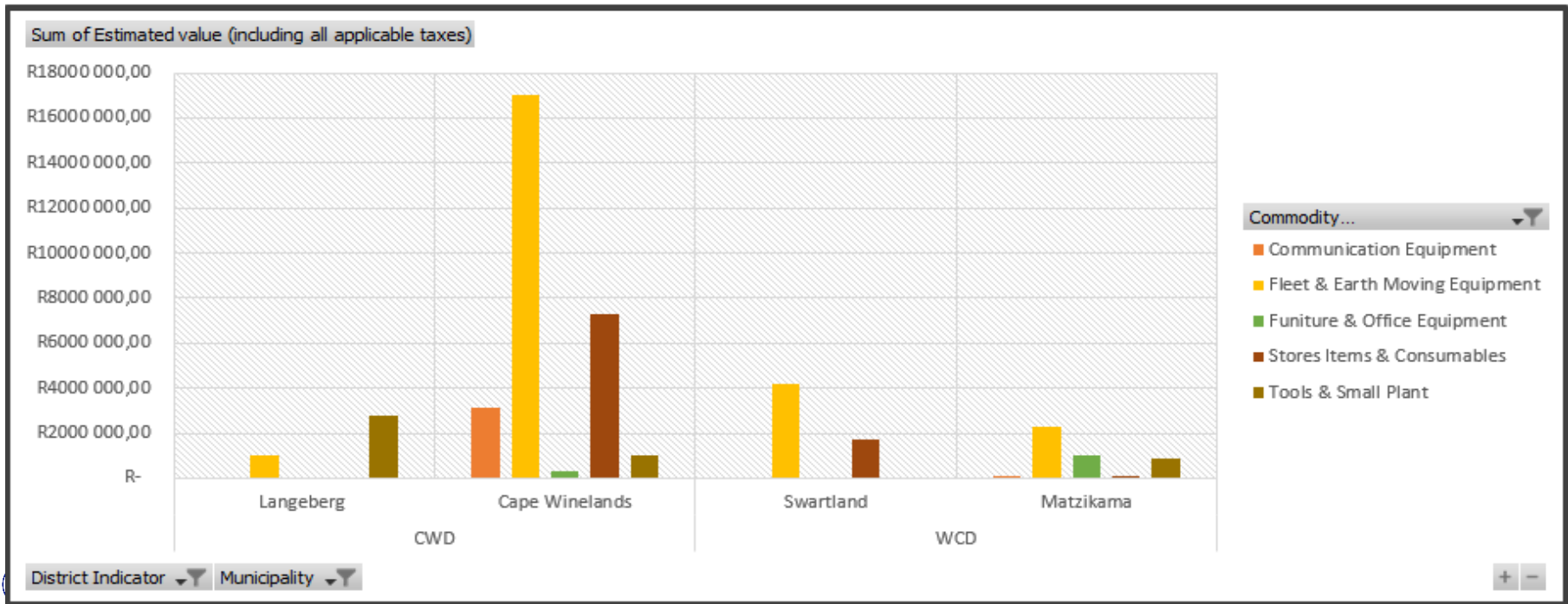
- e-Procurement and Supplier Evidence Bank
- Procurement Planning Toolkits
- District Transversal Contracts (Upfront Participation and collaboration keeping in mind regulation 32 and 36 challenges)



# Opportunities For Transversal Contracting Within a Region

## TRANSVERAL OPPORTUNITIES WITHIN A DISTRICTS (SAMPLE) PRE-COVID

Sum of Estimated value (including all applicable taxes)		Commodity (Select from drop down)					
District Indicator	Municipality	Communication Equipment	Fleet & Earth Moving Equipment	Furniture & Office Equipment	Stores Items & Consumables	Tools & Small Plant	Grand Total
CWD	Langeberg		R 1 000 000,00			R 2 814 240,00	R 3 814 240,00
	Cape Winelands	R 3 127 000,00	R 17 019 000,00	R 296 095,00	R 7 284 000,00	R 1 003 500,00	R 28 729 595,00
WCD	Swartland		R 4 212 852,50		R 1 725 000,00		R 5 937 852,50
	Matzikama	R 66 000,00	R 2 310 000,00	R 1 012 000,00	R 75 000,00	R 903 000,00	R 4 366 000,00
<b>Grand Total</b>		<b>R 3 193 000,00</b>	<b>R 24 541 852,50</b>	<b>R 1 308 095,00</b>	<b>R 9 084 000,00</b>	<b>R 4 720 740,00</b>	<b>R 42 847 687,50</b>



# procure-now

Doing it right



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# Programme Overview



2-day Conference and Exhibition.



Delegates will be from local businesses and suppliers of the Western Cape.



Exhibition component for Municipalities and Local Government entities to showcase offerings and have one-on-one meetings with local businesses.



# Programme Objective



Educate suppliers on how to do business with government.



Opportunity for businesses to gain insights on moving forward to kick-start our local economy.



Guidelines on Regulations, Tenders processes and the presentation thereof.



Disaster Management Plans, how businesses can plan better.



General workshops to equip SMME's with business management tools.



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Thank you

# Contact Us



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