

APPENDIX 4

Summary of comments received during the Public Participation Process and the Municipality's response.

Table 1. Summary of comments received during the Public Participation Process and the Municipality's response.

No	Name	Comment	Response from the department on comment made
1	Asla Construction (PTY) (LTD)	Commented on the aspect of the locality whereby suppliers within the boundaries of WC024 receive full preference points while suppliers outside the boundaries receive zero points. They requested that the municipality consider a tiered approach that recognizes and rewards local businesses while ensuring a more equitable distribution of preference points for suppliers in neighboring areas of the same province and suggested that consideration be given to an alternative point system.	The department has taken note of the submission made by Asla Construction (PTY)(LTD) and in future reviews of the policy consider the submission made by them .
2	ED PLATFORM	Comment that the municipality must introduced flexibility in its Preferential Procurement Policy to adjust for exceptional events, such as large infrastructure projects and that they will engage the municipality further on this matter to achieve flexibility.	The department has taken note.

Comments:
ED Platform
Paul Jackson

Kevin Carolus

Subject: FW: Comments: Draft Stellenbosch Municipality Preferential Procurement Policy

From: Paul Jackson <paul.jackson@edplatform.com>

Sent: Saturday, February 17, 2024 9:34 AM

To: Shireen Slingsers (Scm Intern) <Shireen.Slingsers@stellenbosch.gov.za>

Subject: [EX] Comments: Draft Stellenbosch Municipality Preferential Procurement Policy

Dear Shireen Slingsers

This commentary relates to the following published document: "Stellenbosch Preferential Policy 202324 – Version 2 (Final) 18 January 2024". This commentary forms part of the formal public participation process.

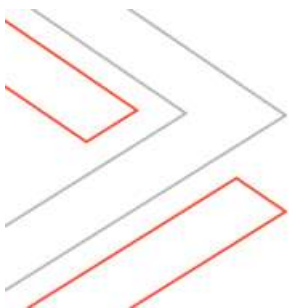
I respectfully submit that this Policy does not afford the Municipality the flexibility to adjust for exceptional procurement events, such as large-scale infrastructure projects. In such cases, this lack of flexibility will likely result in sub-par socio-economic development outcomes, which in turn could translate into unmanageable risks to the implementation of the awarded project. Examples of such unmanageable risks include: local community unrest, negative public perception and political interference. This policy flexibility can be achieved in several ways, whilst still being compliant with the PPPFA (2000) and the PPPFA Regulations (2022).

This assessment is based on my experience in advising government and private entities on how to incorporate socio-economic considerations in large-scale infrastructure investments – without unduly compromising the cost of that infrastructure or creating an unreasonable contract management burden. Large-scale infrastructure projects have characteristics unlike those of conventional municipal procurements. They have a different risk profile, an exacting performance guarantee and project finance regime, and the consequences of failure (e.g. technical, time, cost) are far-ranging.

The Municipality would do well to introduce strategic flexibility in its Preferential Procurement Policy, in advance of the future possibility that the Municipality procures a large-scale infrastructure project.

I look forward to engaging further on this matter, and providing suggestions on how the abovementioned flexibility can realistically be achieved – in the best interests of Stellenbosch Municipality.

Regards,



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Comments:

ASLA Construction (Pty) Ltd



594-AS

16 February 2024

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E-MAIL: Shireen.Slingers@stellenbosch.gov.za

Attention : Shireen Slingers

Comments: Draft Stellenbosch Municipality Preferential Procurement Policy

I appreciate the opportunity to provide feedback on the draft Preferential Procurement Policy currently under consideration.

I have thoroughly reviewed the draft Preferential Procurement Policy and find it imperative to address a concerning aspect related to the locality criteria, Clause 9 of the Policy.

The provision stating that suppliers within the boundaries of the municipality receive full preference points, while suppliers outside the boundaries receive zero points, raises significant issues. This rigid distinction not only fails to consider the potential for collaboration with neighbouring towns or suppliers in the same province but also unfairly disadvantages businesses from these areas.

It is unreasonable to completely exclude suppliers from neighbouring towns or within the same province from receiving any preference points. I assert that businesses in these regions should be entitled to a fair share of preference points, acknowledging the economic contributions they make to the broader regional context.

I propose a modification to the policy (*See Table below*), adopting a tiered approach that recognizes and rewards local businesses while ensuring a more equitable distribution of preference points for suppliers in neighbouring areas of the same province.

Locality of supplier	Number of Points for 80/20 Preference Points System	Number of Points for 90/10 Preference Points System
Within the Boundaries of the Municipality	10	5
Within a radius of 30km from Stellenbosch	8	4
Within the Western Cape Province	5	2.5
Outside Western Cape Province	0	0

I appreciate your dedication to creating a policy that best serves the community's interests, and I look forward to seeing a more inclusive and regionally focused approach to the locality criteria.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'A. Smit', written over a horizontal line.

A SMIT

Tender Manager

for and on behalf of ASLA CONSTRUCTION (PTY) LTD