



CITY OF JOHANNESBURG

COUNCILLOR MARGARET ARNOLDS

MEMBER OF THE MAYORAL COMMITTEE: FINANCE

MEDIA RELEASE

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City embraces innovation to speed up service delivery and introduces transparent procurement system.

The City of Johannesburg has taken a quantum leap by taking immediate steps which will ensure the City saves millions of rands of ratepayers' money, fast-track service delivery and introduce the e-procurement system in a bid to eliminate corruption and wastage.

The Member of the Mayoral Committee (MMC) for Finance, Cllr Margaret Arnolds says the City is moving with speed to implement various strategies which will translate in the City making significant savings from goods and services the City procures. This will also ensure the City increases transparency in its procurement system.

"The City must take immediate and drastic measures to ensure that every cent is spent wisely and goes towards service delivery. Part of the strategy is to ensure that the City accounts to the public with the City's finances and procurement processes, so that residents can see how their money is spent," says Cllr Arnolds.

Cllr Arnolds says some of the immediate interventions aimed at stabilizing the City's finances includes the establishment of the Liquidity Monitoring Committee. The Committee comprises of the Group Chief Operation Officer, Group Chief Financial Officer, Group Treasury, Group Strategic Supply Chain Management, Group Strategy Policy Coordination Relations and relevant stakeholders. This Committee will be tasked with improving the City's revenue collection, to closely monitor expenditure and devise strategies to save millions of rands on procurement of goods and services.

According to Cllr Arnolds, the City's departments and entities which fail to spend their budgets based on their approved acquisition plans in the new financial year 2024/25, will have their budgets ringfenced and reallocated to other critical projects during the budget adjustment period.

Cllr Arnolds says the introduction of the e-Procurement system will ensure the City becomes a future-proof Smart City.

"The e-Procurement system will ensure that the City works efficiently by minimising human error and ensure that service delivery projects are executed timeous. The system will also enable service delivery to be rolled-out faster and ensure there is value for money for the City and residents," adds Cllr Arnolds.

Why is the City implementing e-Tender System?

- To provide a fully Automated end-to-end Procurement Process

- To avoid delays in the implementation of the approved procurement plan due to draft specification not initiated and completed timeously.
- Automating the process of sourcing of quotations and tenders' processes, thus ensuring expedited implementing of service delivery projects or improving operational efficiencies.
- To provide real-time tracking of tenders in various stages of implementation for active monitoring by Management.
- Automated tracking of Tender validity period and avoid Tenders lapsing prior to finalisation of the process.
- Online submission of tender documents to shorten turnaround times for the Bid Evaluation Committee process.
- Standardizing processes to ensure compliance with regulations and policies to alleviate probity or external audit findings.

Benefits of the e-tender module in the E-Procurement system will ensure a compliant automated procurement process for:

- Vetting of all nominated committee members
- Drafting of specification by the Bid Specification Committee
- Advertising of Bids
- Evaluation of submitted bids by the Bid Evaluation Committee
- The Adjudication and awarding of bids by the Bid Adjudication Committee

The e-Tender module of the E-Procurement system will bring significant benefits to both the City and its residence, with the simultaneous launching of the e-Vender Portal. E-Vendor portal is an electronic portal that enables registered Central Supplier Database (CSD) vendors to engage with the City's procurement processes.

The portal benefits to prospective suppliers and the City are:

- Real time integration with CSD registered vendors' information
- All citizens will be able to view and register to participate in the procurement opportunities.
- Transparent and consistent engagements with potential suppliers throughout the tender advertisement until closure of bids
- Online attendance of briefing sessions and bid submission.
- Pro-active validation of potential conflict of prohibited suppliers and employees in the organ of state.
- Interested citizens can further observe the open bid adjudication process through on-line registration on the e-Vender portal.

Additional benefits of e-procurement are the following:

- Enabling the City to conduct all procurement services electronically, while empowering suppliers to monitor the process.
- Assist the City to reduce its operational costs.
- City will be able to exercise greater control over procurement processes.
- Improve the City's image by involving greater information exchange with suppliers for timely procurement and means to increase transparency.
- Online verification of company details.
- Real time opportunities to do business with the City of Johannesburg online; and
- Update of tenders and quotes awarded.

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Issued by the MMC Finance, Cllr Margaret Arnolds

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