



**QUARTERLY REPORT TO THE MUNICIPAL COUNCIL  
IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY  
UMZIMVUBU LOCAL MUNICIPALITY**

**(As per Section 6(1) (3) of the Municipal SCM Regulations)**

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## 1. Introduction

In terms of clause 6(1) (3) of the Municipal Supply Chain Management Regulations, 2005, which deals with the Oversight role of council of municipality or board of directors of municipal entity:

- (1) *The council of a municipality and the board of directors of a municipal entity must maintain oversight over the implementation of its supply chain management policy.*
- (3) *The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality or the board of directors of the municipal entity, as the case may be.*

## 2. SCM Policy & Procedures

### 2.1 Adoption of Policy by Council

*Date and Resolution: May 2020*

### 2.2 SCM Procedures

*List procedures that are in place (indicate i.e. Procedure manual)*

### 2.3 Delegations

*Are SCM Process Delegations in place? Yes*

### 2.4 Infrastructure Procurement

*Has Council adopted the Standard for Infrastructure Procurement and Delivery Management?*

## 3. Functioning of the SCM Unit (phrase as questions)

### 3.1 SCM Structure:

*Is there an approved Structure in place? Yes*

### 3.2 Declaration of Interest:

*Have all SCM Personnel declared their interests? Yes*

### 3.3 Code of Conduct for SCM Practitioners:

*Have all SCM Personnel signed the Code of Conduct? Yes*

### 3.4 Training of SCM Personnel:

*Have all SCM Personnel been trained? Yes*

## 4. Functioning of Bid Committees

4.1 Are Bid Committees constituted in line with Regulations 27, 28 &29? Yes

4.2 Are Infrastructure Committees aligned with Infrastructure Delivery Management System (IDMS)?

4.3 Are Bid Committee Terms of Reference in place? Yes

4.4 Number of Bid Committee Meetings held during the reporting period.

## 5. Reporting Items

### 5.1 Deviations

#### 5.1.1 Section 114 (Approval of tenders not recommended)

Date of Award	Bid No.	Description of Goods/Services/Works	Award Value	BEC Recommendation	BAC Recommendation	Reason for Deviation	Notifications & Dates		
							AG	PT	NT
		N/A							

#### 5.1.2 Regulation 32 (Procurement of goods and services under contracts secured by other organs of State)

Date of Award	Contract Description	Award Value	Service Provider	Name of Contract Owner (Department / Municipality)	Consent obtained from Organ of State and Service Provider		Reason for Implementing Reg. 32
					Yes	No	
	NONE						

5.1.3 Regulation 36 (Deviation from, and ratification of minor breaches of, procurement processes)

Description of Goods/Services/Works	Date of Award	Awarded To	Award Value	Reason for Deviation	Date reported to Council
None					

## 5.2 Unauthorized, Irregular, Fruitless & Wasteful Expenditure

- i) *Template as per MFMA Circular 68 to be utilized*
- ii) *Submission of register to PT*
- iii) *Report on reducing UIF&W and dealing with prior years*

## 5.3 Central Suppliers Database (CSD)

- i) *Access / challenges*
- ii) *Uploading payroll information*

## 5.4 Procurement Plan Implementation (Annexure)

- i) *Format of Procurement Plan*
- ii) *Report on implementation of procurement plans*

## 5.5 Bids Awarded >R100K (quotations register and bid registers) (Annexures)

BID NO.	BID DESCRIPTION	AWARD VALUE	AWARD DATE	DATE CONTRACT SIGNED	CONTRACT START DATE	CONTRACT DURATION
22475	Supply ,deliver and distribute watering cans cluster 4	R111,000.00	14-Aug-20	21 August 2020	21 August 2020	14 Days
22474	Supply and deliver watering cans for Cluster 3	R126,000.00	14-Aug-20	21 August 2020	21 August 2020	14 Days
22472	Supply deliver watering cans for cluster 2	R134,995.00	14-Aug-20	21 August 2020	21 August 2020	14 Days
22471	Supply deliver watering cans for cluster 01	R176,000.00	14-Aug-20	21 August 2020	21 August 2020	14 Days
22470	Training and provision of branding for Sanitizers	R190,000.00	14-Aug-20	21 August 2020	21 August 2020	14 Days
22659	Supply And Delivery Of ICT Tools.	R73,710.00	30 September 2020	07 October 2020	30 September 2020	14 Days
22660	Supply, Deliver And Installation Of Alarm Systems Expected Within 14 Days	R96,912.00	30 September 2020	07 October 2020	30 September 2020	14 Days
22662	Supply And Delivery Of Office Furniture(Boardroom Table) As Per Spec Delivery Expected Within 14 Days	R128,750.00	30 September 2020	07 October 2020	30 September 2020	14 Days
22663	Service Provider to purchase, Supply & Deliver bakery and	R140,600.00	30 September 2020	07 October 2020	30 September 2020	14 Days

	Catering Equipment for Local SMMEs.						
22541	Supply and deliver of FBS Data collection books as per spec	R149,850.00	02 September 2020	02 September 2020	09 September 2020	14 Days	
22620	Supply deliver distribution of vegetable seedlings cluster 01	R166,250.00	22 September 2020	22 September 2020	09 September 2020	14 Days	
22621	Supply deliver and distribution of Vegetable seedlings cluster 03	R170,100.00	22 September 2020	22 September 2020	29 September 2020	14 Days	
22581	Service provider to supply and install solar PV in Mount Ayliff Botanical gardens gallery	R180,550.00	10 September 2020	10 September 2020	17 September 2020	14 Days	
22641	Supply and deliver of Healthy hampers as per specification	R189,060.00	23 September 2020	23 September 2020	30 September 2020	14 Days	
22642	Conduct servicing of Fire Extinguishers as per specification	R191,340.00	23 September 2020	23 September 2020	30 September 2020	14 Days	
22622	Supply deliver and distribution of vegetables seedlings cluster 4	R194,400.00	22 September 2020	22 September 2020	29 September 2020	14 Days	
22640	Conduct Employment Equity committee training as per TORS	R195,500.00	23 September 2020	23 September 2020	30 September 2020	14 Days	
22619	Supply and deliver of sanitizer inputs for Emaxesibeni as per spec	R196,800.00	22 September 2020	22 September 2020	29 September 2020	14 Days	
22639	Conduct Occupational Health and Safety Training	R198,000.00	23 September 2020	23 September 2020	30 September 2020	14 Days	

## 5.6 Municipal Bid Appeals (if applicable)

- i) *Bid objections and appeals*
- ii) *Appeal status*

## 5.7 Contract Management (Annexure)



### 5.7.1 Contracts Register Statistics

No. of Current Contracts	No. of contracts awarded to SMMEs within the municipal area (local suppliers)	No. of Contracts about to expire in <6 months	No. of Expired Contracts but still in use

### 5.7.2 Variations

#### i) Variations within 15% or 20% (this can part of contract register)

Contract No.	Contract Description	Contract Value	Reasons for Variation	Amount
None				

#### ii) Variations above 15% or 20% (Comply with MFMA S116(3)) (this can be part of contracts register)

Contract No. & Description	Contract Value	Reasons for Variation	Amount	Date Tabled at Council	Date of Notice to Community
None					

### 5.7.3 Supplier Performance Management

Contract no. & Description	Name of Contractor	Date of Supplier performance assessment	Supplier Performance Assessment Report Compiled		Supplier performance assessment / performance rating
			Yes	No	
UMZ/2018-19/EXPO/02/BTO Provision of Banking Services	First Rand Bank	09 December 2020	Yes		4/5
UMZ/2018-19/T&A/004 Provision of Travel Agency	Swift Travel and Tours	09 December 2020	Ye		4/5

### 5.8 Logistics / Inventory Management (where applicable)

- i) Policy
- ii) Cycle counts
- iii) Challenges
- iv) Other activities

Description of Goods/services	Amount	Date Submitted to Council	Supported		Date submitted to Provincial Treasury	Supported	
			Yes	No		Yes	No
NONE							

5.9 Unsolicited Bids (if any)

5.10 Bids advertised (Annexure) See Status of advertised and awarded tenders

- i) Website
- ii) E-tender portal
- iii) CIDB
- iv) Other
- v) Cancelled bids

6. Preferential Procurement Policy Framework Act (PPPFA), Reg. 2017 (Annexure)

6.1 Contracts with Pre-Qualification (Regulation 4)

Name of the contractor	Contract Description	Pre-Qualification Criteria	Award Value	Date of Award
Rhweba Trading 1136	Upgrading of Emaxesibeni Town Street	40= Company Experience, 20=Key personnel experience 40= Sound Methodology	R 17,062,925.13	04-Aug-20

6.2 Contracts with Objective Criteria (Section 2(1) (f) PPPF Act)

Contract Description	Objective Criteria	Award Value	Date of Award
None			

6.3 Contracts above R30 million (Contract Participation Goals) (Regulation 4)

Name of the contractor	Contract Description	Sub-Contracting Criteria	Award Value	Amount Sub-Contracted	Date of Award
NONE					

7. Local Content Procurement (Annexure)

Contract Description	Designated Sector	% Designated	Award Value	Date of Award	Reporting to DTI
None					

## 8. Risk Management (Annexure)

*Report on the progress of mitigating the risks identified within SCM.*

Risk description as per the risk register	Action to address the risk	Timeframe	Action owner	Progress to date	Comment
Fraud and Corruption	Adherence on MFMA and SCM Regulations for All procurement done by the municipality, as well as Implementation of Procurement plan.	On Going	AM SCM	On Going	None
Incurring Irregular expenditure	Implementation of SCM Policy and Internal Controls.	On Going	AM SCM	On Going	None

### 8.1 Fraud Prevention Plan

Is there a Fraud Prevention Plan in place? Yes

### AM SCM 8.2 Internal Audit Findings

Finding Raised	Action Plan to address the finding	Due Date	Progress with Action Plan Implementation
Fleet Management Inadequate	Draft SOPs for Fleet Management	End of January 2021	Still in progress
Asset Management Findings inaccuracy of FAR on completeness	Physical Verification has been completed and FAR has been updated	Done	30 August 2020

### 8.3 Provincial Treasury Assessment Findings

Finding Raised	Action Plan to address the finding	Due Date	Progress with Action Plan Implementation
NONE			

### 8.4 Auditor General Findings

Finding Raised	Action Plan to address the finding	Due Date	Progress with Action Plan Implementation
	None		

## 9. Conclusion