



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

APRIL-JUNE 2021

(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 2021

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
21 x30 pre-recorded adverts for Service delivery projects and programme.	09/06/2021	SABC Corporation Pty Ltd		It will be impractical to follow SCM processes in terms of requesting quotations. Umhlobo Wenene is the most used mass-communication media, and it has the listenership interactions from the people of Alfred Nzo District. SABC Umhlobo Wenene is the radio	30 June 2021

				station in the Eastern Cape with widest audience footprint ,reaching millions who have no access to newspaper ,social media or internet .The amount for market of municipal achievement and service delivery is R68 206.50	
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 - None*
- 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
23422	Supply and deliver of 3 Computers and WIFI for Colana	R115 920,00	21/04/2021	27 April 2021	27 April 2021	27 May 2021
23411	Supply and deliver of Furniture	R57 000,00	20/04/2021	27 April 2021	27 April 2021	27 May 2021
23444	Asimanga Siyaqhuba Service Delivery Campaign	R51 560,00	23/04/2021	27 April 2021	27 April 2021	27 May 2021
23432	Request to supply & deliver 5000 branded ULM disc Holder as per the attached spec.	R72 500,00	23/04/2021	27 April 2021	27 April 2021	27 May 2021
23471	Transport for service delivery imbizo form EmaXesibeni pick up points 29/04/2021	R197 000,00	26/04/2021	27 April 2021	27 April 2021	27 May 2021
23470	Transport for service delivery imbizo from KwaBhaca 29/04/2021	R198 000,00	26/04/2021	27 April 2021	27 April 2021	27 May 2021
23435	Hiring of Tents ,3 pole tent and one pole tent for service delivery imbizo	R88 800,00	23/04/2021	27 April 2021	27 April 2021	27 May 2021
23429	Hiring of Alpine Marquee tent for service delivery Imbizo	R162 000,00	23/04/2021	27 April 2021	27 April 2021	27 May 2021

23396	Supply and deliver of grocery vouchers for IDP and Budget Outreach	R198 000,00	19/04/2021	22 April 2021	22 April 2021	27 May 2021
23393	Transport Vouchers for IDP and Outreach from 20-23/04/2021 for all wards	R199 300,00	15/04/2021	19 April 2021	19 April 2021	19 May 2021
23349	Conduct Strategic and Operation risk assessment for ULM	R189 405,00	06/04/2021	08 April 2021	08 April 2021	10 May 2021
23433	Anti -Virus License Renewal	R89 390,00	23/04/2021	26 April 2021	28 April 2021	28 April 2022
23348	Zoom Licenses Renewal	R60 000,00	06/04/2021	08 April 2021	28 April 2021	28 April 2022

5.6 Municipal Bid Appeals (if applicable)

- i) *The municipality has one objection received end of December 2020.*
- ii) *Appeal status: It is still in progress.*

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
None			

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					

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

5.7.3 Supplier Performance Management

Contract no. & Description	Name of Contractor	Date of 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	30 June 2021	Yes		4/5
UMZ/2018-19/T&A/004 Provision of Travel Agency	Swift Travel and Tours	30 June 2021	Ye		4/5

5.8 Logistics / Inventory Management (where applicable)

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

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
N/A				

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	Manager SCM	On Going	None
Incurring Irregular expenditure	Implementation of SCM Policy and Internal Controls.	On Going	Manager SCM	On Going	None

8.1 Fraud Prevention Plan

Is there a Fraud Prevention Plan in place? Yes

8.2. Internal Audit Findings

Finding Raised	Action Plan to address the finding	Due Date	Progress with Action Plan Implementation
Fleet Management Inadequate	Final SOPs for Fleet Management	End of January 2021	Done
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

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Deputy CFO

Chief Finance Officer

Signature:

Signature:

Signature: