



**UMZIMVUBU**  
LOCAL MUNICIPALITY

**QUARTERLY REPORT TO THE MUNICIPAL COUNCIL**  
**IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY**  
**UMZIMVUBU LOCAL MUNICIPALITY**  
**QUARTER 3**  
**2021-22 FY**  
**January 2022 –March 2022**

**(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.
					Yes	No	
				/			32
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 - 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
24692	Construction of Emaxesibeni Library Gaudroom	R175,819.82	18/01/2022	18/01/2022	18/01/2022	14 Days
24685	Fooder Mechanization For Ward 15	R99 100.00	17/01/2022	17/01/2022	17/01/2022	14 Days
24684	Agrilife Training And Projects	R99 000.00	17/01/2022	17/01/2022	17/01/2022	14 Days
24780	Suitable Service Provider To Render Training For Ulm For Smme's	R199 500.00	24/02/2022	24/02/2022	24/02/2022	14 Days
24897	Supply And Delivery Of 14 Excutive Chairs Andtables For Botanical Gardens Gallary	R170 500,00	24/02/2022	24/02/2022	24/02/2022	14 Day
24888	Supply And Deliver Of Gps Collector	R170 000,00	24/02/2022	24/02/2022	24/02/2022	14 Day
24888	Service Provider To Supply And Deliver Fuel For Community Services Office	R74 850,00	10/02/2022	10/02/2022	10/02/2022	14 Days
24827	Training Of 4 Officials To Be Examiners Of Driving Licences As Per Spe	R58 220,00	10/02/2022	10/02/2022	10/02/2022	14 Day
24825	Supply And Deliver Of One Laptop For Internal Auditor	R44 735,00	10/02/2022	10/02/2022	10/02/2022	14 Day
24822	Repairs Of Security Control Access	R36 228,45	10/02/2022	10/02/2022	10/02/2022	14 Days

24821	Supply Deliver And Install Of Burglary Mount Ayliff Botanical Garden Gallery	R149 000,00	10/02/2022	10/02/2022	10/02/2022	14 Day
24820	Supply And Deliver Printers	R194 177,55	10/02/2022	10/02/2022	10/02/2022	14 Days
24793	Supply And deliver Road Marking Equipment	R189 000,00	04/02/2022	04/02/2022	04/02/2022	14 Days
24929	Service Provider To Conduct Farmer Mentorship Program	R188 000,00	03/03/2022	03/03/2022	03/03/2022	14 Days
25050	Conduct Training Workshop On Municipal Governance(Kwabhaca Wards)	R196 000,00	14/03/2022	14/03/2022	14/03/2022	14 Days
25064	Conduct Training Workshop On Municipal Governance (Emaxesibeni Wards)	R198 996,00	16/03/2022	16/03/2022	16/03/2022	14 Days
25051	Maintenance for Sophia Recreational Park Swimming repairs	R147 000,00	15/03/2022	15/03/2022	15/03/2022	14 Days
24993	Hiring of Tent 15x35M Frame tent for Career expo for 2 days	R159 000,00	10/03/2022	10/03/2022	10/03/2022	14 Days
24992	Hiring Frame tent for 25x40m for Career expo for 2 days	R161 000,00	10/03/2022	10/03/2022	10/03/2022	14 Days
24991	Transportation for Career Expo Expo for route 3	R193 976,25	10/03/2022	10/03/2022	10/03/2022	14 Days
24990	Transportation for Career expo Route 1	R199 000,00	10/03/2022	10/03/2022	10/03/2022	14 Days
25066	Two Laptop - Cfo & Dcfo.	R95 000,00	18/03/2022	18/03/2022	18/03/2022	14 Days
24989	Transportation for Career Expo Route 2	R198 301,00	10/03/2022	10/03/2022	10/03/2022	14 Days
24926	Translation of Human Resources Polices	R175 000,00	03/03/2022	03/03/2022	03/03/2022	30 Days
25101	Branding and Installation of Siren and Assessories for 3 new Law Enforcement Vehicles	R199 450,00	22/03/2022	22/03/2022	22/03/2022	30 Days
25070	Hiring of Tents for Agricultural show	R180 000,00	22/03/2022	22/03/2022	22/03/2022	14 Days
25069	Hiring of Generator ,microphones ,LED Screens	R150 000,00	22/03/2022	22/03/2022	22/03/2022	14 Days



24988	Hiring of Catwalk stage for Annual Fashion show	R84 000,00	10/03/2022	10/03/2022	10/03/2022	14 Days
24987	Hiring for Decore for Fashion show	R147 000,00	10/03/2022	10/03/2022	10/03/2022	14 Days
24985	Hiring stand and Crash pens for Agricultural show	R105 000,00	10/03/2022	10/03/2022	10/03/2022	14 Days
24927	Hiring of Sound system and Video Capturing services for Fashion show	R180 000,00	03/03/2022	03/03/2022	03/03/2022	14 Days
24928	Supply deliver and Installation of Borehole at Emaxesibeni Offices	R197 800,00	03/03/2022	03/03/2022	03/03/2022	14 Days
25068	Facilitate a Strategic and Operational risk Assessment workshop	R141 910,00	18/03/2022	18/03/2022	18/03/2022	14 Days

## 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 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		Yes		4/5
UMZ/2019-20/TA/001 Provision of Travel Agency	1. Cindys Travel		Yes		3/5
	2. Allenio Airline		Yes		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
Mabona Civils And Plant Hire	Upgrading Of Emaxesibeni Town Streets-Phase 2	Company Experience (40) Company Personnel (30) Technical Capacity (30)	R17,977,459.24	13-Jan-22

Blaq Child Digital X	Provision Of A Collaborative Electronic Document Management System And Records Management For Umzimvubu Municipality	Company Experience (60) Methodology: (40)	R1,590,766.00	13-Jan-22
Liyema Civils And Plant Hire	Turnkey Project For Nkungwini 300(19) Rural Housing Project	Experience of Personal in RDP Housing Projects (15) Equipment relevant for the assignment (10) Financial Capacity (10) Company Registration (15) Project IM (15)	R3,235,250.00	18-Jan-22
Kk The Real Class Investments	Supply And Delivery Of Wool Presser For Umzimvubu Local Municipality	Experience (60) Methodology (40)	R1,053,000.00	26-Jan-22
Myoza Myoza Trading	Mthombokazi-Mguga Access Road	Company Experience (40) Key Personnel Experience (20) Technical Capacity (40)	R2,197,617.10	03-Mar-22
BTH Events PTY Ltd	Supply Distribution Of Alternative Energy (Paraffin) To Indigent Households	Project Plan and cash flows (20) Company employees to be utilised in distribution process (20) Previous Exp.(40) Guarantee proof of contract (20)	R2,816,000.00	09-Mar-22
Odior Trading Enterprise JV Ziwenathi Projects	The Supply And Delivery Fuel Solid Waste Depots	Previous Experience (30) Capacity and Expertise (40) Methodology (30)	Rates	23-Mar-22
90 LOL Trading	Furniture For New Umzimvubu Local Municipality Offices	Company Experience (100)	R3,982,816.02	23-Mar-22
CMQ Trading Enterprise	Underground Optic Fibre Cabling	Company Experience (30) Registration of Engineer with ECSA (10) Experience of Engineer (10) Experience of IT (10) Certification of IT Technician (10)	R1,858,043.00	14-Feb-22
Scelo Business Consultancy	Computer Equipment	Company Experience (100)	R1,238,981.25	14-Feb-22

## 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
Supply And Delivery Of 14 Excutive Chairs Andtables For Botanical Gardens Gallary	Public sector	100%	R170,500.00	24/02/2022	Yes
Furniture For New Umzimvubu Local Municipality Offices	Public sector	100%	R3,982,816.02	23-Mar-22	Yes

## 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	M-SCM	On Going	None
Incurring Irregular expenditure	Implementation of SCM Policy and Internal Controls.	On Going	M-SCM	On Going	None

### 8.1 Fraud Prevention Plan

Is there a Fraud Prevention Plan in place? No

### 8.2. Internal Audit Findings

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

### 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		