



UMZIMVUBU
LOCAL MUNICIPALITY

QUARTERLY REPORT TO THE MUNICIPAL COUNCIL
IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY
UMZIMVUBU LOCAL MUNICIPALITY
QUARTER 1
2021-22 FY
July 2021 –September 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 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 - 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
23827	Request For Protective Clothing	R155,000.00	05/08/2021	05/08/2021	05/08/2021	14 Days
23941	Ploughing Inputs Of Yellow Maize Fields For Ward 25	R149,050.00	24/08/2021	25/08/2021	25/08/2021	14 Days
23937	Ploughing Inputs Of Yellow Maize Fields For Ward 08	R146,440.00	24/08/2021	26/08/2021	26/08/2021	14 Days
23936	Ploughing Inputs Of Yellow Maize Fields For Ward 12	R150,000.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23935	Ploughing Inputs Of Yellow Maize Fields For Ward 02	R149,436.00	24/08/2021	25/08/2021	25/08/2021	14 Day
23934	Delivery Of Vegetable Seedlings At Ward 18	R148,800.00	24/08/2021	24/08/2021	24/08/2021	14 Day
23933	Ploughing Inputs Of Yellow Maize Fields For Ward 20	R147,000.00	24/08/2021	24/08/2021	24/08/2021	14 Day
23932	Ploughing Inputs Of Yellow Maize Fields For Ward 22	R147,200.00	24/08/2021	25/08/2021	25/08/2021	14 Days
23931	Ploughing Inputs Of Yellow Maize Fields For Ward 27	R149,200.00	24/08/2021	24/08/2021	24/08/2021	14 Day
23929	Ploughing Inputs Of Yellow Maize Fields For Ward 05	R149,995.00	24/08/2021	24/08/2021	24/08/2021	14 Day
23928	Ploughing Inputs Of Yellow Maize Fields For Ward 17	R149,825.00	24/08/2021	26/08/2021	26/08/2021	14 Days

24439	Ploughing Inputs Of Yellow Maize Fields For Ward 11	R148,991.00	24/08/2021	24/08/2021	24/08/2021	14 Day
23926	Ploughing Inputs Of Yellow Maize Fields For Ward 13	R146,500.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23925	Ploughing Inputs Of Yellow Maize Fields For Ward 24	R149,000.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23923	Supply And Delivery Of Vegetable Seedlings At Ward 16	R131,300.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23922	Ploughing Inputs Of Yellow Maize Fields For Ward 04	R147,688.75	24/08/2021	27/08/2021	27/08/2021	14 Days
23921	Ploughing Inputs Of Yellow Maize Fields For Ward 09	R148,991.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23919	Ploughing Inputs Of Yellow Maize Fields For Ward 14	R139,700.00	24/08/2021	25/08/2021	25/08/2021	14 Days
23917	Ploughing Inputs Of Yellow Maize Fields For Ward 15	R150,000.00	24/08/2021	26/08/2021	26/08/2021	14 Days
23916	Ploughing Inputs Of Yellow Maize Fields For Ward 26	R139,955.23	24/08/2021	24/08/2021	24/08/2021	14 Days
23915	Ploughing Inputs Of Yellow Maize Fields For Ward 10	R146,500.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23914	Ploughing Inputs Of Yellow Maize Fields For Ward 23	R146,850.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23913	Ploughing Inputs Of Yellow Maize Fields For Ward 06	R145,440.00	24/08/2021	24/08/2021	24/08/2021	14 Days
23945	Maize Field Measuring And Soil Sampling Collection Of Ulm Cropping Programme	R170,000.00	25/08/2021	26/08/2021	26/08/2021	14 Days
23960	Ploughing Inputs Of Yellow Maize Fields For Ward19	R149,500.00	27/08/2021	27/08/2021	27/08/2021	14 Days
23959	Ploughing Inputs Of Yellow Maize Fields For Ward 21	R144,102.47	27/08/2021	27/08/2021	27/08/2021	14 Days
23958	Ploughing Inputs Of Yellow Maize Fields For Ward 03	R149,557.50	27/08/2021	27/08/2021	27/08/2021	14 Days
23957	Supply, Delivery And Distribution Of Ploughing Inputs For Yellow Maize Fields For Ward 1	R127,230.00	27/08/2021	27/08/2021	27/08/2021	14 Days

23969	Ploughing Inputs Of Yellow Maize Fields For Ward 07	R144,900.00	30/08/2021	30/08/2021	30/08/2021	14 Days
24035	Professional Service Provider To Conduct Business Continuity Management Policy, Plan And Business Impact Analysis For Ulm	R195,000.00	09/09/2021	15/09/2021	15/09/2021	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					

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	First Rand Bank		Yes		4/5

Description of Goods/services	Amount	Date Submitted to Council	Supported		Date submitted to Provincial Treasury	Supported	
			Yes	No		Yes	No
NONE							
Provision of Banking Services							
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
Qholo Civils	Mvalweni Community Hall	Company Experience (70) Company Personnel: Site agent/manager (30)	R2 392 587,59	2021/08/11
Pangwa Trading JV Glen Hope Trading	Lwandlana Community Hall	Company Experience (70) Company Personnel: Site agent/manager (30)	R2 494 672,06	2021/08/12
XK Holding JV Bright Idea Projects	Silver City Community Hall	Company Experience (70) Company Personnel: Site agent/manager (30)	R2 537 781.62	2021/08/12
CHL Group	Supply, Delivery and Installation of Municipal Dpoble sided Potdoor LED Screens	Company Experience (100)	R1 398 890.12	2021/08/11
Aya-Lwazi 227 consulting JV Maleh	Chane Community Hall	Company Experience (70)	R 2 379 756.09	2021/09/28

Development and Construction		Key Personnel Experience (30)		
Magumende Projects JV Edmaflo	Sibhodo-bhodo VIA Sodladla Access Road	Company Experience (40) Key Personnel Experience (20) Technical Capacity (40)	R3 983 839.39	2021/09/16
Conquer Business Enterprise	Nkanji Community Hall	Company Experience (70) Company Personnel: Site agent/manager (30)	R2 127 252.75	2021/09/16
Qajana Trading	Nophuwana Access Road	Company Experience (40) Key Personnel Experience (20) Technical Capacity (40)	R2 956 495.12	2021/09/16
Mzontsundu Construction	Badibanise Internal Roads	Company Experience (40) Key Personnel Experience (20) Technical Capacity (40)	R3 960 702.87	2021/09/16
Gamadze Trading and Projects	Malenge Access Road	Company Experience (40) Key Personnel Experience (20) Technical Capacity (40)	R2 430 962.09	2021/09/14
Intlangula 86 Trading Enterprise	Tela-Dundee-Gugwini Access Road	Company Experience (40) Key Personnel Experience (20) Technical Capacity (40)	R3 187 655.1	2021/09/14
Phumelela Dlomo Construction JV Shake's Power Business Enterprise	Electrification of 247 Households in Dinana	Company Experience (40) Key Personnel Experience (20) Sound Methodology (40)	R6 110 973.35	2021/09/16

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
Request For Protective Clothing	Public sector	100%	R155,000.00	05/08/2021	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		

9. Conclusion