



**QUARTERLY REPORT TO THE MUNICIPAL COUNCIL**  
**IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY**  
**UTHUKELA DISTRICT MUNICIPALITY**  
**2021/2022 4<sup>th</sup> QUARTER**

**(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

**29 March 2021 A29/03/2021**

### 2.2 SCM Procedures

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

**Supply chain management Procedure manual**

### 2.3 Delegations

*Are SCM Process Delegations in place?*

### 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)?

**No**

### 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		
							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 Deviation	PT Decision	
					Yes	No		Approved	Not Approved
N/A									

#### 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
Provision of VIP Security	20/04/2022	Zenzelewena Protection Services	R 200,100.00	VIP Security urgently needed for political officer bearers	29/06/2022
Provision of VIP Security	20/04/2022	Zenzelewena Protection Services	R 200,100.00	VIP Security urgently needed for political officer bearers	29/06/2022

Provision of VIP Security	20/04/2022	Zenzeleweni Protection Services	R 656,845.50	VIP Security urgently needed for political officer bearers	29/06/2022
Provision of VIP Security	20/04/2022	Zenzeleweni Protection Services	R 646,173.50	VIP Security urgently needed for political officer bearers	29/06/2022

## 5.2 Unauthorised, Irregular, Fruitless & Wasteful Expenditure

i) *Template as per MFMA Circular 68 to be utilized*

**Yes**

ii) *Submission of register to PT*

**Yes**

iii) *Report as per KZN Municipal Circular 04 of 2017/18*

**Yes**

## 5.3 Central Suppliers Database (CSD)

i) *Access / challenges*

**SCM officials have access to CSD**

## 5.4 Procurement Plan Implementation

i) *Format of Procurement Plan as per Circular 62 (Annexure B)*

**Yes**

ii) *Report on implementation as per KZN Municipal Circular 04 of 2017/18*

**Yes**

## 5.5 Bids Awarded >R100K

Bid No.	Bid Description	Award Value	Award Date	Date Contract Signed	Contract Start Date	Contract Duration

## 5.6 Municipal Bid Appeals

i) *Bids appealed*

ii) *Appeal status*



## 5.7 Contract Management

### 5.7.1 Contracts Register Statistics

No. of Current Contracts	No. of Contracts about to expire in <6 months	No. of Expired Contracts but still in use
Contract register		

### 5.7.2 Variations

#### i) Variations within 15% or 20%

Contract No.	Contract Description	Contract Value	Reasons for Variation	Amount
N/A				

#### ii) Variations above 15% or 20% (Comply with MFMA S116(3))

Contract No. & Description	Contract Value	Reasons for Variation	Amount	Date Tabled at Council	Date of Notice to Community
N/A					

### 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	
Attached.					

## 5.8 Logistics / Inventory Management

#### i) Policy

*Is in place*

#### ii) Cycle counts

**4<sup>th</sup> and year end stock count done for 2021/2022**

iii) Challenges

**No funds to make stores more secure**

iv) Other activities

## 5.9 Unsolicited Bids

Description of Goods/services	Amount	Date Submitted to Council	Supported		Date submitted to Provincial Treasury	Supported	
			Yes	No		Yes	No
N/A							

## 5.10 E-Tender Portal

i) Access

**Yes**

ii) Bids published during the quarter

## 6. Preferential Procurement Policy Framework Act (PPPFA), Regs2017

### 6.1 Contracts with Pre-Qualification (Regulation 4)

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
N/A			

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

Contract Description	Sub-Contracting Criteria	Award Value	Amount Sub-Contracted	Date of Award
N/A				

### 7. Local Content Procurement

Contract Description	Designated Sector	% Designated	Award Value	Date of Award	Reporting to DTI
N/A					

### 8. Risk Management

#### 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

#### 8.3 Provincial Treasury Assessment Findings

Finding Raised	Action Plan to address the finding	Due Date	Progress with Action Plan Implementation
Visit not done in 4 <sup>th</sup> quarter			

## 9. Conclusion

The Supply Chain Management Unit is continuously improving its processes and procedures in order to ensure that Council receives value for money in terms of demand and acquisition management. This process is done with the aim of giving reasonable assurance to the Council and communities of the Greater uThukela Area.