

# MEMORANDUM

**TO: MUNICIPAL MANAGER  
THE EXECUTIVE MAYOR**

**FROM: MANAGER SCM**

**RE: Quarterly SCM Implementation Report 2015/16  
2<sup>nd</sup> Quarter**

**REF.: 5/27**

**DATE: 4 April 2016**

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## Purpose of Report

The accounting officer must, within 30 days of the end of the financial year, submit a report on the implementation of the supply chain management policy to the mayor. The purpose is to report to the Mayor in terms of section 6(3) of the Supply Chain Management Regulations on the implementation of the Supply Chain Management Policy for the year the first quarter from 1 January 2016 – 31 March 2016, in order to strengthen Council's oversight role.

## Implementation of Supply Chain Management Policy

The Supply Chain Management Policy was revised and adopted by Council in June 2015 to fully comply with the SCM Regulations. The SCM Policy has been reviewed by incorporating the legislative amendments and recommendations by the Auditor-General and Provincial Treasury to give effect to the compliance aspect.

This will enable the Supply Chain Management Unit (SCMU) to further streamline procedures and processes to promote more efficient and effective service delivery to all internal and external stakeholders.

## Committees

The bid committees are established and are fully functioning fully according to Council's SCM Policy and the SCM Regulations. The committees are listed below:

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

### 1. Bid Committee Meetings

The following table details the number of bid committee meetings held for the third quarter of the 2015/16 financial year.

17	13	5
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*Table 1.: Bid Committee Meetings*

The attendance figures of members of the bid specification committee are as follows:

There are no permanent members on the Bid Specification Committee. Members are allocated dependent on the type of bid	100%
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*Table 2.: Attendance of members of bid specification committee*

The attendance figures of members of the bid evaluation committee are as follows:

There are no permanent members on the Bid Evaluation Committee. Members are allocated dependent on the type of bid	100%
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*Table 3.: Attendance of members of bid evaluation committee*

The attendance figures of members of the bid adjudication committee are as follows:

H Van Biljon (Director: Financial Services)	80%
N Kotze (Director: Technical Services)	100%
P Everson (Asst. Director: Electro-Mechanical Services)	100%
K Mrali (Director: Community Services)	100%
S Ngwevu (Director: Corporate Services)	80%

*Table 4.: Attendance of members of bid adjudication committee*

The percentages as indicated above include the attendance of those officials acting in the position of a bid committee member.

In terms of Part 12.1.9 of the SCMPOS, repeated failure to attend meetings without valid reasons for three consecutive meetings shall result in the matter being reported to the Accounting officer for action.

**2. Awards Made by the Bid Adjudication Committee (third quarter of the 2015/16 financial year)**

The following number of awards were made by the BAC.

1. 14 x Competitive Bids
2. 5 x Formal written Quotations
3. 0 x Deviation in terms of Part 18.6.3 of the SCMPOS

KWARTAAL VERSLAG IN TERME VAN SCM REGULASIE 5(4) - JANUARIE 2016 - MAART 2016 / QUARTERLY REPORT IN TERMS OF SCM REGULATION 5(4) - JANUARY 2016 - MARCH 2016

TENDERS EN FORMEEL GESKREWE KWOTASIES TOEGEKEN AAN DIE TENDERAAR WIE DIE HOOGSTE PUNTE BEHAAL IN TERME VAN DIE VOORKEUR VERKRYGINGS REGULASIES

TENDERS & FORMAL WRITTEN QUOTATIONS AWARDED TO THE BIDDER SCORING THE HIGHEST POINTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT REGULATIONS

NO.	TENDER NR	VOTE NR	DEPARTMENT	DIVISION	DESCRIPTION	SUCCESSFUL TENDERER	BEE POINTS AWARDED	AMOUNT	VAT	RESOLUTION NR	DATE OF AWARD	BEE CONTRIBUTION LEVEL
<b>TENDERS</b>												
1	SCM7/2015/16		COMMUNITY	HOUSING	DEVELOPMENT PROPOSALS FOR AFFORDABLE HOUSING (FLISP & GAP MARKET)	ELITE CONSULTING	8/10	R 4 409 541,66	IN	T3/2016	2016-01-15	3
2					ROADSIGNS, PAINT & HARDWARE FOR THE PERIOD ENDING 30 JUNE 2018							
			TECHNICAL	ROADS & STORMWATER	RECALL OF TENDER RESOLUTION T215/2016 ITEM 3 ROADMARKING PAINT							
	SCM4-2015-16 / T215/2015				WHITE PAINT (TP 24)	STARTUNE PTY LTD	20/20	TARIFFS	IN	T2/2016	2016-01-15	1
					GOLDEN YELLOW SABS B49 (TP 41)	STARTUNE PTY LTD	20/20	TARIFFS	IN	T2/2016	2016-01-15	1
					SIGNAL RED SABS A11 (TP88)	STARTUNE PTY LTD	20/20	TARIFFS	IN	T2/2016	2016-01-15	1
					BLACK PAINT & ROAD LINE PAINT THINNERS	STARTUNE PTY LTD	20/20	TARIFFS	IN	T2/2016	2016-01-15	1
3	SCM1-2015-16 / T92/2015		TECHNICAL	ROADS & STORMWATER	RECALL OF TENDER RESOLUTION T92/2016 ITEM 6: STORM WATER PIPES							
					SPIGOT & SOCKET	ROCLA PTY LTD	3/10	TARIFFS	IN	T3/2016	2016-01-15	6
					OGEE PIPES	ROCLA PTY LTD	3/10	TARIFFS	IN	T3/2016	2016-01-15	6

NO.	TENDER NR	VOTE NR	DEPARTMENT	DIVISION	DESCRIPTION	SUCCESSFUL TENDERER	BEE POINTS AWARDED	AMOUNT	VAT	RESOLUTION NR	DATE OF AWARD	BEE CONTRIBUTION LEVEL
<b>TENDERS</b>												
4	SCM25/2015/16	545749061	TECHNICAL	ROADS & STORMWATER	UPGRADING OF WESSSTREET, NAPIER	JC CIVILS PTY LTD	20/20	R 238 602,00	IN	T8/2016	08-Feb-16	1
5	SCM26/2015/16	545749041	TECHNICAL	ROADS & STORMWATER	UPGRADING OF STREETS IN ARNISTON	P MASANDO TRADERS	20/20	R 294 635,00	IN	T9/2016	08-Feb-16	1
6	SCM28/2015/16	540589011	COMMUNITY	SPORT & RECREATION	CONSTRUCTION OF NETBALL COURT, ZWELITSHA	AMS CIVILS PTY LTD	20/20	R 251 643,60	IN	T10/2016	08-Feb-16	1
7					<b>SALE OF INSTITUTIONAL ERVEN FOR RELIGIOUS PURPOSES</b>							
					C/O OU MEULE & FABRIKSWEG, BREDASDORP, GED 1148	EFESE EVANGELIE SENDING KERK		R 18 000,00	IN	T11/2016	08-Feb-16	0
					GONNABOSSTRAAT, ERF 4329	IMANJEL PINKSTER GEMEENTE VAN SA		R 18 500,00	IN	T11/2016	08-Feb-16	0
					C/O JOSEPHSTR & FORDSTRAAT, NAP GED.513	PINKSTER VOLK VAN GOD		R 16 000,00	IN	T12/2016	08-Feb-16	0
			CORPORATE	PROPERTY ADMINISTRATION	LANG ERF 1730 WESSSTRAAT, NAP GED.513	HEPHZIBAH ASSEMBLY CHURCH		R 10 000,00	IN	T12/2016	08-Feb-16	0
					JOSEPH & SMYTHESTRAAT, NAP ERF 818	NO TENDERS RECEIVED						0
					LANGS ERF 452 KAMPSTRAAT, WHK ERF669	UNITED OUTREACH MINISTRIES		R 20 000,00	IN	T13/2016	08-Feb-16	0
					LANGS ERF 489 DORPSTRAAT, WHK GED. PLAAS 260	DIE WAENHUIS PINKSTER		R 12 000,00	IN	T13/2016	08-Feb-16	0
					BLOMPARK, STRUISBAAI ERF 5241	DIE CHRISTEN GEMEENTE		R 16 000,00	IN	T14/2016	08-Feb-16	0

NO.	TENDER NR	VOTE NR	DEPARTMENT	DIVISION	DESCRIPTION	SUCCESSFUL TENDERER	BEE POINTS AWARDED	AMOUNT	VAT	RESOLUTION NR	DATE OF AWARD	BEE CONTRIBUTION LEVEL
<b>TENDERS</b>												
8	SCM29/2015/16	540589011	COMMUNITY	SPORT & RECREATION	BUILDING OF CLOAKROOMS AT ZWELITSHA SPORTGROUND	QWAKA CONSTRUCTION	0/20	R 623 543,63	IN	T16/2016	29-Feb-16	0
9	SCM32/2015/16	545749011	TECHNICAL	WATER & SEWERAGE	UPGRADING OF EXISTING OU MEULE ROAD SEWER PUMP STATION	CAPE AGULHAS CIVILS	9/10	R 1 823 190,60	IN	T19/2016	29-Feb-16	2
10	SCM30/2015/16	540589021	COMMUNITY	SOCIAL DEV	CONSTRUCTION OF THUSONG CENTRE PHASE 2	ACTEBIS 172 CC T/A ELS BOUERS	3/10	R 3 901 348,42	IN	T21/2016	2016-03-11	6
11	SCM34/2015/16	545725801	TECHNICAL	WATER & SEWERAGE	SUPPLY AND DELIVERY OF WATE METERS	ELSTER KENT METERING PTY LTD	16/20	R 206 910,00	IN	T22/2016	2016-03-11	3
12	SCM33/2015/16				CONSTRUCTION OF VARIOUS ROADS IN NAPIER							
		545780051	TECHNICAL	ROADS & STORMWATER	REGRAVELLING OF TAMATIEKRAAL			R 223 554,00	IN	T23/2016	2016-03-11	0
		545780041			CONSTRUCTION OF WOUTERSTREET	CAPE AGULHAS CIVILS CC	0	R 163 991,85	IN	T24/2016	2016-03-11	0
		545780031			CONSTRUCTION OF VAN DER BYL STREET			R 197 379,60	IN	T25/2016	2016-03-11	0
13	SCM23/2015/16	14050120500100	COMMUNITY	PUBLIC SERVICES	BUILDING OF BATHROOMS IN PROTEM (3)	EG LAKEY T/A LAKEY BOUERS	16/20	R 147 060,00	IN	T26/2016	2016-03-11	3
14	SCM22/2015/16		FINANCE	INCOME	General Valuation for the 2017 to 2021 financial year	DDP VALUES PTY LTD	8/10	R 1 151 404,56	IN	T30/2016	2016-03-23	3
<b>tender in terme van regulasie 32 (scm regulasies)</b>												
						geen						
<b>atwings van die beleid, goedgekeur in terme van regulasie 36 (f) (scm regulasies)</b>												
1						geen						
<b>uitbreiding van kontrak in terme van SCMPOS Par. 23.14 (b) &amp; mfma circular 62</b>												
1						geen						

NO.	TENDER NR	VOTE NR	DEPARTMENT	DIVISION	DESCRIPTION	SUCCESSFUL TENDERER	BEE POINTS AWARDED	AMOUNT	VAT	RESOLUTION NR	DATE OF AWARD	BEE CONTRIBUTION LEVEL
<b>FORMIEEL GESKREWE KWOTASIES</b>												
1	Q13/2015/16	535410101	CORPORATE	ITC	SUPPLY & DELIVERY OF BACKUP UPD DEVICE	CANFRED COMPUTERS SWELLENDAM T/A PREMIUM COMPUTERS	0/20	R 102 900,00	IN	T6/2016	08-Feb-16	0
2	Q16/2015/16	1303011570 0000	FINANCE	BTO	FINANCIAL SUPPORT SERVICES	SIYANDA BUSINESS SOLUTIONS	12/20	R 172 521,00	IN	T7/2016	08-Feb-16	4
3	Q14/2015/16	545760021	TECHNICAL	SOLID WASTE	SUPPLY & DELIVERY OF FENCING MATERIAL	AWV PROJECT MANAGEMENT	20/20	R 97 438,65	IN	T17/2016	29-Feb-16	1
4	Q17/2015/16	550800051 / 1508010900 000	ELECTRICAL	ELECTRIC AL	SUPPLY, INSTALLATION AND MONITORING OF VOLTAGE QUALITY RECORDERS	CT LAB PTY LTD ECO IMPACT LEGAL CONSULTING (PTY) LTD	2/20	R 249 080,00	IN	T18/2016	29-Feb-16	8
5	Q15/2015/16	1354513070 0000	CORPORATE	TOWN PLANNING	ENVIRONMENTAL IMPACT ASSESSMENT		12/20	R 121 182,00	IN	T28/2016	2016-03-23	4

### 3. Awards Made by the Accounting Officer

A bid awarded by the Accounting Officer in terms of Section 144 MFMA 56 of 2003 is as follows:

n/a
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*Table 5.: Awards made by Accounting Officer*

### 4. Deviation from Normal Procurement Processes

The following table provides a summary of deviations approved for the third quarter of the 2015/16 financial year:

4	R13 564.07
3	R125 562.35
0	R0.00

*Table 6.: Summary of deviations*

### 5. Logistics Management

Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is not communicated timely to the Stores section in order for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and service that are received are certified by the responsible person which is in line with the general conditions of contract.

Regular checking of the condition of stock is performed. Quarterly stock counts are performed at which surpluses, deficits, damaged and redundant stock items are identified and reported to Council.

As at **31 March 2016**, the value of stock at the municipal stores amounted to

Store A – Bredasdorp Stores	<b>R 1 055 844.56</b>
Store B – Struisbaai Stores	R -
Store C – Electrical Stores	<b>R 230 530.00</b>
<b>Total value of stock</b>	<b><u>R1 286 374.56</u></b>

### 6. Staffing issues

The staff component of the Supply Chain Management unit is as follows:

- Manager Supply Chain Management
- Accountant Supply Chain Management
- Supply Chain Management Practitioner
- Supply Chain Management Clerk
- Storekeeper
- Stores Clerk

### 7. Training

SCM training was held during February by the University of Stellenbosch Business School.

Demand Management Training – 9 & 10 February 2016

Asset Management Training – 23 – 25 February 2016

In order to be found competent, the attendees needed to submit an assignment.

## 8. Systems

- **Supplier Database**

The database for suppliers is currently operated on a Excel spreadsheet. The number of new suppliers registered within the second quarter amounts to **28**.

The total number of registered suppliers until 31 March 2016 amounts to **953**.

The municipalities in the Overberg region published a jointly advert in The Cape Times Die Burger to inform prospective service providers to register on the western cape supplier database.

- **Web Based Central Supplier Database (CSD)**

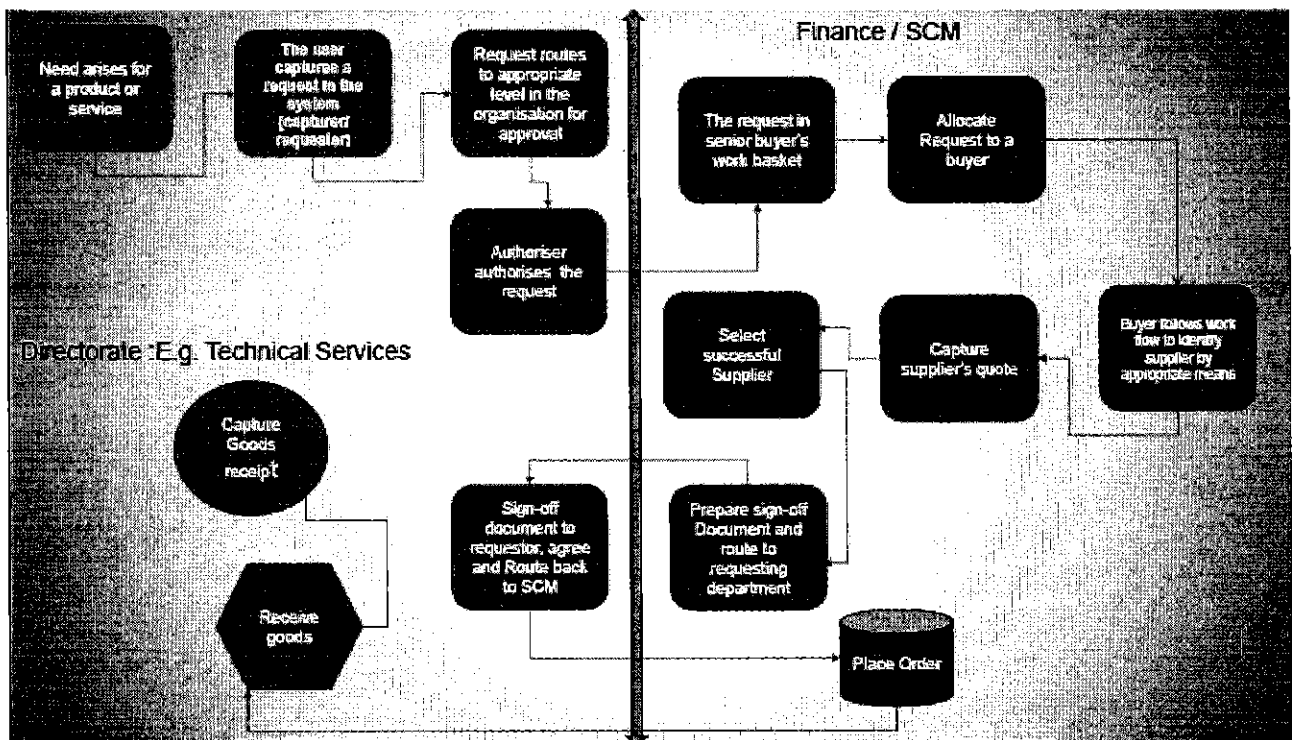
The purpose of this Circular is to inform municipalities and municipal entities of the web based Central Supplier Database (CSD) for the registration of prospective suppliers to assist in performing validation functions of key supplier information.

This Circular furthermore aims to raise awareness of the CSD solution which was launched on 01 September 2015. The system will become fully effective on 1 April 2016 for all national departments and public entities listed in Schedule 2 and 3 of the Public Finance Management Act.

The transitional period for local government is from 1 April 2016 to 30 June 2016. The CSD will therefore be fully effective for municipalities and municipal entities from 1 July 2016.

- **Financial System**

As from 1 July 2015 we have implemented the electronic requisitioning on the the SAMRAS financial system. Currently all requisitions from R200 up to R30 000 are processed electronically. Below is an illustration of the process flow of the electronic system.





**9. External Relations**

- The quarterly SCM Forum meeting took place on
    - 12 February 2016
  - The proposed forum dates for the 2015/16 financial year:
    - Quarter 1: Friday 14 May 2016
    - Quarter 2: Friday 12 August 2016
    - Quarter 3: Thursday & Friday 17 – 18 November
    - Quarter 4: Friday 17 February 2017
- District SCM Forum  
– District SCM Forum  
– SCM Indaba  
– Quarterly Provincial Treasury SCM Forum

**10. Conclusion**

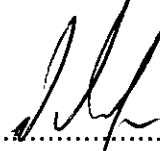
The Supply Chain Management Unit is continuously improving its processes and procedures in order to ensure that Council receive value for money in terms of demand and acquisition management.



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RJ SEEDOR

**MANAGER SCM**

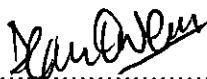
Date: 5.4.2016



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PJ VAN BILJON

**DIRECTOR: FINANCIAL SERVICES**

Date: 05/04/2016



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DGI O'NEILL

**MUNICIPAL MANAGER**

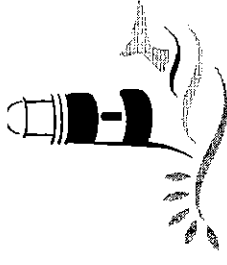
Date: 05/04/16



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RG MITCHELL

**EXECUTIVE MAYOR**

Date: 6/4/16



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

**CAPE AGULHAS MUNICIPALITY**  
**IMPLEMENTATION OF SYSTEM – SUPPLY CHAIN MANAGEMENT**  
**SECTION 6 OF SCM POLICY:**  
**OVERSIGHT ROLE OF COUNCIL OVER THE IMPLEMENTATION OF SCM POLICY**

**5/27 Reports**

**PERIOD: 1 January 2016 – 31 March 2016**

REG. NO.	CRYPTIC DESCRIPTION OF POWER OF DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE- MENTED	COMMENTS
3(1)(a)	Prepare and submit a draft supply chain management policy complying with regulation 2 to the council of the municipality for adoption.	Accounting Officer	Chief Financial Officer	YES	SCM policy & amendments adopted by council on 30 June 2015.
3(1)(b)	Review at least annually the implementation of the policy.	Accounting Officer	Chief Financial Officer	YES	Policy was updated to comply with National Treasury norms & standards.
3(1)(c)	Submit when considered necessary, proposals of amendment of the policy of the council.	Accounting Officer	Chief Financial Officer	YES	The policy amendments discussed and adopted in council on 30 June 2015.
3(2)(a)	Make use of any Treasury guidelines determining standards for municipal supply chain management policies, and submit to the council that guidelines standard or modified version therefore, as a draft policy.	Accounting Officer	Chief Financial Officer	YES	SCM policy approved and adopted by council on 30 June 2015. Implementation date effective 1 July 2015.
3(2)(b)	Ensure that a draft policy submitted to council that differs from the guideline standard complies with Regulation 2.	Accounting Officer	Chief Financial Officer	YES	SCM policy approved and adopted by council on 30 June 2015. Implementation date effective 1 July 2015
3(1)(c)	Report any deviation from the guideline standard to the National Treasury and relevant provincial treasury	Accounting Officer	Chief Financial Officer	YES	No deviations from National Treasury guidelines
3(4)	Must, in terms of section 62(1)(f)(iv) take all reasonable steps to ensure that the municipality has and implements a supply chain management policy as set out in Regulation 2.	Accounting Officer	Chief Financial Officer	YES	SCM policy approved and adopted by council on 30 June 2015. Implementation date effective 1 July 2015
5(2)(a)	Make a final award above R10 million (VAT included).	Municipal Council	Accounting Officer (after considering recommendation Of Bid Adjudication Committee)	YES	May not be sub-delegated.
5(2)	Make a final award above R200 000(VAT included), but not exceeding R10 million (VAT included).	Municipal Council	Accounting Officer	YES	Bid Adjudication Committee meets every second week and/or as needed.
5(2)	Make a final award not exceeding R200 000(VAT included) including the appointment of consultants	Municipal Council	Accounting Officer	YES	Bid Adjudication Committee meets every second week and/or as needed.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OF DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
5(3)	Submit to the officials referred to in subsection (4) within five days of the end of each month a written report containing particulars of each final award, except procurements made out of petty cash, made during that month, including – (a) the amount of the award; (b) the name of the person to whom the award was made; (c) the reason why the award was made to that person; and		Chief Financial Officer	YES	Reported on monthly basis to CFO, MM & Council
6(1)	Maintain oversight over the implementation of the supply chain management policy	Municipal Council	Power By Council	YES	Reported to council on 30 July 2015
6(2)(a)(i)	Submit a report to council within 30 days of the end of each financial year on the implementation of the supply chain management policy of the municipality.	Accounting Officer	Chief Financial Officer	YES	Reported to council on 30 July 2015
6(3)	Submit a report to the mayor of the municipality within ten days of each quarter on the implementation of the supply chain management policy.	Accounting Officer	Chief Financial Officer	YES	Report to council
7(1)	Establish a supply chain management unit.	Municipal Council	Chief Financial Officer	YES	2 x Store officials, 4 SCM Officials
12(2)(a)	Allow the Accounting Officer to low, but not to increase, the different threshold values specified in subregulation(1).	Accounting Officer	Chief Financial Officer	YES	
12(2)(b)	Direct that: (i) written quotation be obtained for any specified procurement of a transaction value lower than R2000; (ii) formal written price quotation be obtained for any specific procurement of a transaction value lower than R30 000, or (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000.	Accounting Officer	Chief Financial Officer	YES	The SCM unit is responsible for procurement within these thresholds
14(1)(a)(i)	Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality through written quotations and formal written price quotations.	Accounting Officer	Chief Financial Officer	YES	Cape Agulhas municipality maintains its own database of prospective suppliers

REG. NO.	CRYPTIC DESCRIPTION OF POWER OF DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
14(1)(a)	Invite prospective providers of goods and services at least once a year through newspaper commonly circulating locally, the website of the municipality	Accounting Officer	Chief Financial Officer	YES	Was advertised in newspaper and website: During July 2015. The municipalities in the Overberg region published a joint advert for the registration on the Western Cape Supplier Database.
14(1)(b)	Specify the listing criteria for accredited prospective providers.	Accounting Officer	Chief Financial Officer	YES	A list of criteria is on the municipal website
14(1)(c)	Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.	Municipal Council	Accounting Officer	YES	Check as part of tender evaluation process
Chief	Update the list of prospective providers at least quarterly to include any additional prospective providers and any new commodities or types of services.	Municipal Council	Chief Financial Officer	YES	Monthly Update of database.
16(c)	If it is not possible to obtain at least three written quotations, record and report quarterly to the accounting officer, or another official designated by the accounting officer, the reasons for this.	Accounting Officer	Chief Financial Officer	YES	
16(d)	Record the name of potential providers requested to provide written quotation with their quoted prices.	Accounting Officer	Chief Financial Officer		
17(1)(c)i	Record the reasons for not obtaining at least three formal written price quotations.	Accounting Officer	Chief Financial Officer		
17(1)(c)ii	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	Manager: Supply Chain Management		
17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Chief Financial Officer		
17(2)	Report to the CFO within three days at the end of the month on any approvals given during that month by that the designed official referred to in sub-regulation (1)(c).	Chief Financial Officer	Manager: Supply Chain Management		
18(b)	Must promote ongoing competition amongst providers, including by inviting providers to submit quotations on a rotation basis, when using the list of accredited prospective providers.	Accounting Officer	Chief Financial Officer	YES	Rotation is done via Memorandum
18(c)	Must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused.	Accounting Officer	Chief Financial Officer	YES	Has controls and procedures in place to combat abuse Standard Operating Procedures (SOP's) have been drafted

Reported on monthly base to CFO, MM and Council

REG. NO.	CRYPTIC DESCRIPTION OF POWER OF DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
18(d)	Notify the Accounting Officer or CFO in writing on a monthly basis of all written quotations and formal written price quotations accepted by the official acting in terms of a sub-delegation.	Chief Financial Officer	Manager: Supply Chain Management	YES	reported monthly
22(2)	Determine a closure date for submission of bids which is less than the 30 or 21 day requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.	Accounting Officer	Relevant Department	YES	Closing date for submission of bids are 21 days, if shorter period is required, the relevant department must provide reasons in writing
23(c)	(i) record in a register all bids received in time; (ii) make the register available for public inspection (iii) publish the entries in the register and the bid results on the website of the municipality.	Accounting Officer	Manager: Supply Chain Management	YES	Has a tender register in place where received tenders are recorded in, as well as website.
24(1)	Negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation – (a) does not allow any preferred bidder a second or unfair opportunity, (b) is not to the detriment of any other bidder; and (c) does not lead to a higher price than the bid submitted. Minutes of such negotiations must be kept.	Accounting Officer	Relevant Department	YES	
26(b)	Appoint the members of the bid specification, evaluation and adjudication committees, taking into account Section 117 of the MFMA.	Accounting Officer		YES	Bid specification & evaluation committee per user department. Bid adjudication committee is fixed and chaired by CFO
26(1)(c)	Appoint a neutral or independent observer to a bid specification, evaluation or adjudication committee for an attendance and oversight process when this is appropriate for ensuring fairness and promoting transparency.	Accounting Officer		Yes	Accounting Officer appoints a second
26(3)	Apply the committee system to formal written price quotations.	Accounting Officer	Chief Financial Officer	YES	Above R30 000
27(1)	Compile specifications for the procurement of goods and services by the municipality.	Accounting Officer	Bid Specifications Committee	YES	Not to be sub-delegated
27(2)(g)	Approve specifications compiled by the bid specification committee prior to publication of the invitation for bids.	Accounting Officer	Accounting officer	YES	The specifications are accompanied with the minutes of the meeting. Meeting are held on an ad hoc basis

REG. NO.	CRYPTIC DESCRIPTION OF POWER OF DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
28(1)(a)	Evaluate bids in accordance with – (i) the specifications for a specific procurement ; and (ii) the points system as must be set out in the supply chain management policy of the municipality in terms of Regulation 27(2)(f) and a prescribed in terms of the Preferential Procurement Policy Framework Act.	Bid Evaluation Committee	Bid Evaluation Committee	YES	Meeting are held on an ad hoc basis
28(1)(b)	Evaluate each bidder's ability to execute the contract.	Bid Evaluation Committee	Bid Evaluation Committee	YES	Not to be sub-delegated
28(1)(c)	Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.	Bid Evaluation Committee	Bid Evaluation Committee	YES	Has a screening list that has to be completed
28(1)(d)	Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.	Bid Evaluation Committee	Bid Evaluation Committee	YES	Not to be sub-delegated
29(1)(a)	Consider the report and recommendations of the bid evaluation committee where the award value exceeds R200 000 (VAT incl).	Accounting Officer	Bid Adjudication Committee	YES	Not to be sub-delegated.
29(1)(b)(i)	For bids above R10 million, the SCMBAC will make recommendation to the Municipal Manager to make the final award.	Accounting Officer		YES	Not to be sub-delegated
29(1)(b)(ii)	Make another recommendation to the accounting officer on how to proceed with the relevant procurement.	Bid Adjudication Committee	Bid Adjudication Committee	YES	Not to be sub-delegated
29(3)	Appoint the chairperson of the bid adjudication committee.	Accounting Officer	Chief Financial Officer	YES	In terms of paragraph 7.7.3 (CFO)
29(5)(a)	If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid – (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and (ii) notify the accounting officer.	Accounting Officer	Bid Adjudication Committee	YES	Not to be sub-delegated
29(5)(b)	(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in	Accounting Officer	Accounting Officer	YES	Reason are submitted in writing

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	(ii) Regulation 29(5)(a); and If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.				
29(6)	Refer any recommendation made by the evaluation committee or adjudication committee back to that committee for reconsideration of the recommendation.	Accounting Officer	Accounting Officer	YES	n/a
29(7)	Comply with Section 114 of the MFMA within ten working days.	Accounting Officer	Accounting Officer	YES	No tender were awarded in terms of section 114 of the MFMA
31(1)	Request the State Information Technology Agency (SITA) to assist the municipality with the acquisition of IT related goods or services through a competitive bidding process.	Accounting Officer	Manager: Supply Chain Management	YES	IT section is responsible for the purchasing of IT equipment for the municipality
31(2)	Enter into a written agreement to regulate the services rendered by, and the payments made to, SITA.	Accounting Officer	IT Official	YES	IT Official is responsible
31(3)	Notify SITA together with a motivation of the IT needs of the municipality if – (a) the transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million (VAT incl); or (b) the transaction value of a contract to be procured by the municipality whether for one or more years exceeds R50 million.	Accounting Officer	IT Official	YES	IT Official is responsible
31(4)	Submit to the Council, the National Treasury, the relevant provincial treasury and the Auditor General the SITA comments and the reasons for rejecting or not following such comments if the municipality disagrees with SITA's comments.	Accounting Officer	IT Official	YES	IT Official is responsible
32(1)	To procure goods or services for the municipality under a contract secured by another organ of state, but only if – (a) the contract has been secured by that organ of state by means of a competitive bidding process applicable to that organ of state; (b) the municipality has no reason to believe that	Accounting Officer	Chief Financial Officer	YES	No Contract in terms of SCM regulation 32 were awarded during this quarter.

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	such contract was not validly procured; (c) there are demonstrable discounts or benefits for the municipality; and (d) that other organ of state and the provider have consented to such procurement in writing.				
35(1)	Procure consulting services above the value of R200 000 (VAT incl) provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.	Accounting Officer	Bid Adjudication Committee	YES	
35(4)	Ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.	Municipal Council	Relevant Department	YES	
36(1)(a)	Dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only – (i) in an emergency; (ii) if such goods or services are produced or available from a single provider only; (iii) for the acquisition of special worker of art or historical objects where specifications are difficult to compile; (iv) acquisition of animals or zoos; or (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes.	Accounting Officer	Chief Financial Officer	YES	reported on monthly base
36(1)(b)	Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.	Accounting Officer	Chief Financial Officer	YES	
36(2)	Record the reasons for any deviations in terms of Regulations 36(1)(a) and (b); and Report them to the next meeting of the Council and include as a note to the annual financial statements. Decide to consider an unsolicited bid but only if –	Accounting Officer	Chief Financial Officer	YES	
37(2)		Municipal	Accounting Officer	YES	



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	<p>(a) the product or service offered is a demonstrably or proven unique innovative concept;</p> <p>(b) the product or service will be exceptionally beneficially to, or have exceptional cost advantages for, the municipality;</p> <p>(c) the person who made the bid is the sole provider of the product or service; and</p> <p>(d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.</p>	Council			
37(4)	Submit written comments received pursuant to Regulation 37(3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.	Municipal Council	Accounting Officer	YES	
37(5)	Consider the unsolicited bid.	Bid Adjudication Committee	Bid Adjudication Committee	YES	Not to be sub-delegated
37(5)	Award the bid or make recommendations to the accounting officer depending on the delegations to the adjudication committee.	Accounting Officer or Adjudication Committee	Bid Adjudication Committee for bids up to R10 million (VAT incl) and Accounting Officer for bids above R10 million (VAT incl) after consideration of recommendation of Bid Adjudication Committee	YES	Not to be sub-delegated
37(7)	Take into account where considering an unsolicited bid – (i) any comments submitted by the public; and any written comments and recommendations of the National Treasury or the relevant provincial treasury.	Bid Adjudication Committee	Bid Adjudication Committee	NO	No unsolicited bids was accepted
37(8)	Submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following any recommendations of the National Treasury or provincial treasury in regard to the unsolicited bid.	Accounting Officer	Chief Financial Officer	N/A	No unsolicited bids was accepted
38(1)(a)	Take all reasonable steps to prevent abuse of the supply chain management system.	Accounting Officer	Chief Financial Officer	YES	The National Treasury Code of Conduct has been educated to municipal staff at various formal and informal meetings
38(1)(b)	Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with the supply	Accounting Officer	Chief Financial Officer	YES	n/a

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	chain management policy, and when justified – (i) take appropriate steps against such official or other role player; or report any alleged criminal conduct to the South African Police Service.				
38(1)(c)	Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.	Accounting Officer	Manager: Supply Chain Management	YES	Checked as part of Evaluation process
38(1)(d)	Reject any bid from a bidder – (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any directors to the municipality are in arrears for more than three months; (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.	Accounting Officer	Chief Financial Officer	YES	Checked as part of Evaluation process
38(1)(e)	Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract.	Accounting Officer		YES	n/a
38(1)(f)	Cancel a contract awarded to a person if – the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or (i) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.	Accounting Officer	Manager: Supply Chain Management	YES	n/a
38(1)(g)	Reject the bid of any bidder if that bidder or any of its directors –	Accounting Officer	To all relevant delegates within the SCM unit	YES	n/a

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40(1)	<p>(i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;</p> <p>(ii) has been convicted for fraud or corruption during the last five years;</p> <p>(iii) has willfully neglected or reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or</p> <p>(iv) has been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).</p> <p>The Supply chain policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14&amp;90 of MFMA</p>	Municipal Council		YES	Municipality has to follow the Asset Transfer Regulations published by National Treasury, with effective date of 1 September 2008 on local authorities. Has amended the SCM policy.
40(2) a	<p>A Supply Chain management policy must specify the ways in which assets may be disposed of, including by –</p> <p>(i) Transferring the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets</p> <p>(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge</p> <p>(iii) Selling the asset</p> <p>(iv) Destroying the asset</p>	Municipal Council		YES	Has amended the SCM policy. Refer to Land Disposal Policy was review and approved on 29 May 2013
40(2) b	<p>Stipulate that –</p> <p>(i) Immoveable property may be sold only at market related prices except when public interest or the plight of the poor demands otherwise</p> <p>(ii) movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality</p>	Municipal Council		YES	Refer to Land Disposal Policy was review and approved on 29 May 2013

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44(3)(a)	Keep a register of all declarations in terms of Regulation 46(2)(d) and (e).	Accounting Officer	Manager: Supply Chain Management	YES	Declarations were completed by SCM officials as well as the user departments
46(3)(b)	Ensure that declarations from the accounting officer in terms of Regulation 46(2)(d) and (e) are recorded in the register.	Mayor	Chief Financial Officer	YES	Declarations are kept electronically at SCM section
46(5)	Adopt the National Treasury's code of conduct for supply chain management practitioners and other role players involved in supply chain management.	Municipal Council	Accounting Officer	YES	Code of conduct was issued to all user departments as well as SCM officials
47(2)	Report any alleged contravention of Regulation 47(1) to the National Treasury for considering whether the offending person, and any representative or intermediate through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.	Accounting Officer	Chief Financial Officer	YES	
48	Disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted to the municipality whether directly or through a representative or intermediate, by any person who is – (a) a provider or prospective provider of goods or services to the municipality; or (b) a recipient or prospective recipient of goods disposed or to be disposed, of by the municipality.	Accounting Officer	Manager: Supply Chain Management	YES	Refer to amended SCMPs
50(1)	Appoint an independent and impartial person to assist in the resolution of disputes and to deal with objections, complaints or queries as described more fully in Regulation 50(1).	Accounting Officer	Bid Appeals Committee	YES	
50(3)	Responsible to assist the person appointed in terms of Regulation 50(1) to perform his or her functions effectively.	Accounting Officer	Accounting Officer	YES	