



TO/AAN: Provincial Treasury

CC: Auditor General
Mr. J.Willemse (Acting: Municipal Manager)

FROM/VAN: Mr Sylvester De Wee : Supply Chain Officer

DATE/DATUM: 09 January 2016

ENQUIRIES/NAVRAE: Mr Sylvester De Wee : Supply Chain Officer

RE : QUARTERLY SUPPLY CHAIN REPORT

DEPARTMENT OF FINANCE

SECTION SCM: SUPPLY CHAIN MANAGEMENT

QUARTERLY REPORT: October, November and December 2017

IMPLEMENTATION OF THE MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

The local Government Municipal Finance Management Act (No.56 of 2003) requires a municipality to draft a supply chain management policy which gives effect to the provision of the legislation.

Section 112 of the MFMA further stipulated that the Policy must be fair, equitable, transparent and competitive and comply with the prescribed regulatory framework.

To give effect to the MFMA the Bid Committee Members were served with appointment letters, code of conduct and the Confidential Financial public forms to be filled and signed

SCM STAFF

1X Supply Chain Officer

1X Finance Intern (Rotational)

TRAINING

It is imperative that training for SCM staff to be conducted as supply chain management is a highly specialised field.

BID COMMITTEES

IKheis Municipality has established the following bid committees

- **Bid Specifications**
 - Assets Officer
 - Asst. Expenditure Accountant
 - Creditors Clerk
 - Risk Clerk

- **Bid Evaluation**
 - Director: Technical Services
 - Supply Chain Officer (Secretary)
 - Debtors Clerk
 - Finance Intern
 - Asst. Income Accountant

- **Bid Adjudication**
 - Acting: Chief Financial Officer
 - Director: Community Services
 - Head: Legal and Policy's
 - Budget and Treasury Officer

No specific days were established for bid committee meetings, committee meetings are only schedule on request for completing of competitive advertised tenders.
Urgent training for new Bid Committee members.

DEVIATIONS FOR THE OCTOBER, NOVEMBER AND DECEMBER MONTH

Deviations Register

MONTH	AUTHORISED BY ACCOUNTING OFFICER / DELEGATED OFFICER	TRANSACTION AMOUNT	REASON
October 2016	Yes	R 72 410.41	Deviations
November 2016	Yes	R 7 000.00	Deviations
December 2016	Yes	R 43 206.68	Deviations
TOTAAL		R 122 617.09	

FRUITLESS AND WASTEFUL EXPENDITURE FOR OCTOBER, NOVEMBER AND DECEMBER MONTH

Fruitless and Wasteful Expenditure

MONTH	AUTHORISED BY ACCOUNTING OFFICER / DELEGATED OFFICER	TRANSACTION AMOUNT	REASON
October 2016	No	R 2 121.37	Interest
November 2016	No	R 1478.37	Interest
December 2016	No	R 336.57	Interest
TOTAAL		R 3936.31	

UNAUTHORISED EXPENDITURE FOR OCTOBER, NOVEMBER AND DECEMBER

Unauthorised Expenditure

MONTH	AUTHORISED BY ACCOUNTING OFFICER / DELEGATED OFFICER	TRANSACTION AMOUNT	REASON
October 2016	None	None	None
November 2016	None	None	None
December 2016	None	None	None
TOTAAL		R 0	

IRREGULAR EXPENDITURE

No irregular expenditure for the month of October, November and December 2016.

SEVEN DAYS NOTICE FOR THE MONTHS ABOVE THE THRESHOLD OF R30 000.00 UP TO R200 000.00

MMC training for Interns was advertised for seven days notice and had been awarded to MMS for written price quotation above the threshold of R 30 000.00 for October, November and December 2016.

WRITTEN PRICE QUOTATION EXCEEDING R100 000.00

MMS had been awarded for the written price quotation for the MMC Training for the interns for the month of October, November and December 2016.

NATIONAL TREASURY (CENTRAL SUPPLIER DATABASE)

The National Treasury has developed and implemented a database of suppliers from 01 July 2016.

Suppliers must be on the Central Supplier Database of National Treasury to be registered to make business with the Municipality.

The municipality / municipal entity should endeavour to publish the aforementioned information within ten (10) working days after closure of the bid and it must remain on the website of the municipality or municipal entity.

Adverts were placed on the notice board, website for at least thirty (30) days and in the newspaper to invite suppliers to register on the municipal database.

The Municipal Bidding Document (MBD 4) "Declaration of Interest" attached as Annexure C has been augmented to require bidders to submit the names of their directors / trustees / shareholders, their individual identity numbers, personal tax reference numbers and employee numbers of those who are in the service of the state as defined in the Municipal Supply Chain Management Regulations as part of their bid submissions.

Should it come to light that a false declaration was made by the bidder after the municipality had awarded the bid, the contract must be immediately suspended and payments made, recovered. False declarations by bidders can be viewed as a criminal offence and charges must be laid by the municipality with the South African Police Services for further investigation. Details will be reported to Council at its next meeting and information contained in the Annual Report of the municipality.

TENDERS AWARDED FOR THE MONTH

Section 32 Tender had been awarded to Namakwaland Construction CC for the Internal Streets in Sternham Phase 3 for the month of October, November and December 2016.

BIDS APPROVED

No bids had been approved for the month of October, November and December 2016.

GIFT REGISTER

No gift had been received for the month of October, November and December 2016.

DELEGATIONS OF POWERS

Sign letters for delegations of powers to official.

Conclusion

The SCM ensuring that the Municipality is financially viable to adhere to the policies, procedures for compliance and to prevent fruitless, wasteful and irregular expenditure.

Compiled by;



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Mnr. S A De Wee
Supply Chain Officer

Check by;



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Mr J. Willense
Acting Municipal Manager