

Mhlontlo Local Municipality



Supply Chain Management Report

Quarter 1

2020/21 Financial Year

Prepared in terms of Municipal Finance Management Act no 56 of 2003, Chapter 11, National Treasury Regulations (6), and Preferential Procurement Policy Framework Act as amended with effect from the 07th of December 2011

PURPOSE

The purpose of this report is to ensure that council maintains oversight role over the implementation of the Supply Chain Management Policy.

BACKGROUND

The supply chain management policy and procedures applied by the municipality are in line with MFMA. The main pillars are:

- To ensure the efficient and effective uniform planning for procurement of all goods, services and works, required.
- Ensure a uniform management and disposal of goods and assets through a supply chain process
- Ensure and monitor good governance through supply chain processes.
- To ensure that Mhlontlo Municipality's strategic objectives as outlined in the IDP are achieved.

REVIEW OF THE POLICY

At least annually, the Accounting Officer must review implementation of the policy and table it to council for adoption. The current financial year's review was done and adopted by council on the 31st of May 2020 (Resolution No 162/16-19).

SUPPLY CHAIN MANAGEMENT UNIT

This unit operates under the Chief Financial Officer (CFO) and a Deputy Director reporting directly to the CFO. The Supply Chain Management Unit consists of one Deputy Director, one Assistant Director and one Financial Management Intern.

LIST OF ACCREDITED PROVIDERS

The municipality's policy stipulates the following:

- 1) The Accounting Officer must-
 - a) Keep a list of accredited prospective service providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotation and;
 - b) At least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective service providers of goods and services to apply for evaluation and listing as accredited prospective providers;
 - c) Specify the listing criteria for accredited prospective providers; and

- d) 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
- 2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of service. Prospective providers must be allowed to submit applications any time.
- 3) The list must be compiled per commodity and per type of service.

TRAINING OF SUPPLY CHAIN MANAGEMENT PRACTITIONERS

The supply chain management policy also requires that all supply chain management practitioners must be trained.

- Trainings have taken place this quarter for our municipal staff (Infrastructure Procurement).

DELEGATION OF SUPPLY CHAIN MANAGEMENT POWERS AND DUTIES

- (1) The accounting officer shall, in terms of section 79 Or 106 of the Act, sub-delegate any supply chain management powers and duties in writing, including those delegated to the accounting officer in terms of this policy, but any such sub-delegation must be consistent with sub-paragraphs (2) and (4) of the policy.

The Accounting Officer has not delegated any supply chain management powers and duties.

BID COMMITTEE STRUCTURES

The following committees have been established:

- Specifications Committee, Evaluation Committee, Adjudication Committee

Bids awarded of R200 000.00 and above.

PROJECT NAME	ADVERT CLOSING DATE	AWARDING DATE	NUMBER OF DAYS TO AWARD	DEPARTMENT	AMOUNT	SUPPLIER NAME
Supply and Delivery of 2 Tractor Machinery	02/03/2020	20/07/2020	80 days	LED	R 1 131 025.00	Landini Eastern Cape
Supply and Delivery of Stationery	02/03/2020	22/07/2020	82 days	BTO	R 115 172.9	Tripple M Services
GRAP Compliant Asset Register for 8 Months	09/06/2020	13/07/2020	23 days	BTO	R 1 057 490.80	EMS Solution
Supply and Delivery of Sewing Material, Machinery and Equipment	09/06/2020	20/07/2020	28 days	LED	R 233 032.00	LLV Investments
Supply and Delivery of Cleaning Material	09/06/2020	22/07/2020	26 days	BTO	R 10 603.60	Ditsibi Procurement
Spring Cleaning	28/02/2020	20/07/2020	28 days	Corporate Services	R 1 250 000.00	Linam and Lolo PTY LTD
Development of Wall to Wall	13/03/2020	20/07/2020	87 days	LED	R 519 000.00	TPS Development Projects
Supply and delivery of Hook Bins	18/03/2020	13/07/2020	79 days	Community Services	R 877 500.00	SEY Business Consulting
Provision of Co-sourced Internal Audit Services for 2yrs	31/07/2020	31/08/2020	21 days	MM	R1 943 509.00	Vuyelwa-Mtha-Inga Business Advisory
Construction of Mthonyameni to	17/07/2020	31/08/2020	31 days	ISD	R 7 682 920.51	Manyobo Group

Mqobiso Access Road						
Tsolo Bulk Storm Water	28/07/2020	31/08/2020	23 days	ISD	R 17 346 951.93	Mayibuye I-Afrika Trading
Supply and delivery of 12 Laptops and 2 Printers	13/08/2020	31/08/2020	15 days	Corp Services	R311 111.04	Khanya Africa Networks
Provision Insurance Services	25/06/2020	07/08/2020	17 days	BTO	R562 688.00	Lateral Unison Insurance Brokers

QUALITY CERTIFICATE

I, _____ (Full Names), the Municipal Manager of Mhlontlo Municipality hereby certify that the **SCM Quarterly Report** for the quarter ending 30 September 2020 has been prepared in accordance with the Local Government: Municipal Systems Act 2003 (Act 56 of 2003) and regulations made under the Act.

T.P. Mase

MUNICIPAL MANAGER

DATE

RECEIPT BY THE MAYOR

I, _____ (Full Names), the Mayor of Mhlontlo Local Municipality, hereby accept the **SCM Report** of the municipality for the quarter ending 30 September 2020 as presented by the Municipal Manager in terms of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

Cllr. N. Dywili

MAYOR

DATE