

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION: APRIL TILL JUNE 2019

District:	Lejweleputswa	Municipality:	Tswelopele Local Municipality	Reporting Date:	10 July 2019
------------------	---------------	----------------------	-------------------------------	------------------------	--------------

ESTABLISHMENT OF SCM

Area	Ref.	Background	STRUCTURE	FILLED	VACANT	COMMENTS
1	SCM Reg 7	Is there a dedicated and functional supply chain management (SCM) unit?	Yes	3	2	The municipality is in the process of filling the vacant positions of the Principal Clerk Procurement and Manager: SCM and Assets and it is envisaged that the process will be completed within the 2019/2020 financial year.
Area	Ref.	Background	REVIEWED (YES/NO)	DATE OF REVIEW	IF NOT REVIEWED, REASONS THEREOF	COMMENTS
2	SCM Reg 3	Reviewed and approved SCM Policy in line with National Treasury's Model Policy.	Yes	27-Jun-19		

DEMAND MANAGEMENT

Area	Ref.	Background	IS THERE AN APPROVED PROCUREMENT PLAN IN PLACE (Y/N)	DATE OF APPROVAL	IF NOT, REASONS THEREOF	COMMENTS
3	Circular 62	Procurement plan for the current financial year in respect of the procurement of goods, services and infrastructure projects which exceed R200 000 (all applicable taxes included) approved by the accounting officer.	Yes	01-May-19		

ACQUISITION MANAGEMENT

Area	Ref.	Background	LAST REVIEW DATE	NEXT REVIEW DATE	NUMBER OF REGISTERED SUPPLIERS	COMMENTS
4	SCM Reg14	Functional list of accredited prospective providers of goods and services maintained and used for verbal quotations and formal written price quotations.				The Municipality is only using Centralised Supplier Database

BID COMMITTEES

Area	Ref.	Background	BID COMMITTEE IN PLACE (Y/N)	NAMES OF MEMBERS	DESIGNATIONS	COMMENTS
------	------	------------	------------------------------	------------------	--------------	----------

5	SCM Reg 27	Functional ad hoc Bid Specification Committees (BSC) in operation and composed of one or more officials of the municipality, preferably the manager responsible for the function involved.	Yes	1. PJ Loape 2. M Putsoa 3.K Mahase 4. Mantoa Masiteng	1. SCM Practitioner 2. Technical Officer Hoopstad 3. IT Technician 4. Financial Intern	The Bid Specification Committee do not have the chairperson appointed.
6	SCM Reg 28	Bid Evaluation Committee appointed.composed of at least one SCM practitioner of the municipality.	Yes	1. Kobus Keyser (chairperson) 2. PJ Loape 3.TA Makoko 4.M Masiteng 5.MN Makwetla	1. Technical Officer (Bultfontein)2. SCM Practitioner 3. Asset Management Practitioner 4. Financial Intern 5.	None
7	SCM Reg 29	Bid Adjudication Committee appointed composed of at least four senior managers of the municipality.	Yes	1.Mr. Lefa Moletsane, 2.TM Moepe 3. Mr. B Dikoko, 4. MG January 5. C Ndlovu, 6. I van Aardt	1. CFO, 2. Manager: Environmental Services 3.Director: Infrastructure Service 4. Manager Community Development 5.Manager:SCM	None
CIDB						
Area	Ref.	Background	REGISTRATION WITH CIDB'S ITENDER (Y/N)	PROJECTS REGISTERED	IF NOT, REASONS THEREOF	COMMENTS
8	CIDB Regulations, Regulation 18(1) & 18(1A)	Registration of construction works contracts above R200 000 in the CIDB register of projects.	None			None
REGULATION 32 CONTRACTS						
Area	Ref.	Background	DESCRIPTION	AMOUNT	INSTITUTION	COMMENTS
9	MFMA Reg 32	Procurement of goods and services under a contract secured by another organ of state.	NONE			There were no contracts procured through contracts secured by another organ of state
DEVIATIONS FROM PROCUREMENT PROCESSES						
Area	Ref.	Background	DESCRIPTION	AMOUNT	UPLOADING ON THE WEBSITE (Y/N)	COMMENTS
10	MFMA Reg 36	Deviations from the procurement processes approved by the accounting officer.	Yes	605 835,38		Deviation for quarter 4 (April, May, June 2019)
UNSOLICITED BIDS						
Area	Ref.	Background	DESCRIPTION	AMOUNT	REASONS	PUBLIC PARTICIPATION (Y/N)
11	MFMA Reg 37	If an unsolicited bid(s) has been considered was it because: - the product or service offered was a demonstrably or proven unique innovative concept; - will be exceptionally beneficial to, or have exceptional cost advantages for the municipality?	NONE			There were no unsolicited bids during the quarter under review.
DISPOSAL MANAGEMENT						

Area	Ref.	Background	ASSET(S) DISPOSED	DISPOSAL METHOD	COST PRICE	BENEFICIARY
12	MFMA Reg 40	Assets disposal.	None			

CONTRACT AND PERFORMANCE MANAGEMENT

DISPUTES

Area	Ref.	Background	CONTRACT NUMBER	NATURE	STATUS	OUTCOME
13	SCM Reg 50	Resolution of SCM related disputes.	Yes	Tender awarding grievances from Razzmattazz on 1.3 km Paved Road Tender 2. Durcharme on GRAP Compliant AFS tender and Fezi Auditors on GRAP Compliant AFS and FAR	Response to why the tender were not awarded was given.	still pending or still waiting for follow up letters from bidders

ACTIVE CONTRACTS

Area	Ref.	Background	DESCRIPTION	AMOUNT	DURATION	EXPIRY DATE
14	MFMA Sec. 116	Contract management.	GRAP Compliant Annual Financial Statements for 2018-2019 : RFP/TSW01/2018-2019)	995 817,50	1 Year	30-Dec-19
			Phahameng/Bultfontein - The Construction of 1.3KM Road and related stormwater.	7 931 993,33	6 Months	30-Nov-19
			Preparation of GRAP Compliant Fixed Asset Register for 2018/2019 financial year	900 900,00	1 Year	30-Dec-19

CONTRACT VARIATIONS						
Area	Ref.	Background	DESCRIPTION	AMOUNT	REASONS	PERCENTAGE
15	MFMA Circular 62	Expansion or variation of orders against the original contract restricted to: - not more than 20% for construction related goods, services and/or infrastructure projects; - 15% for all other goods and/or services of the original value of the contract?	NONE			
LOGISTICS MANAGEMENT						
Area	Ref.	Background	APPROVED LOGISTICS MANAGEMENT PROCEDURES IN PLACE (Y/N)	IF NOT REASONS THEREOF		COMMENTS
16	MFMA Reg 39	Are there documented and approved SCM procedures for stores and warehouse management including: - the setting of inventory levels, - placing of orders, - receiving and distribution of goods, - expediting orders?	Yes	Such Procedures are available and filed		
UNAUTHORISED, IRREGULAR & FRUITLESS EXPENDITURE						
Area	Ref.	Background	DESCRIPTION	AMOUNT	BENEFICIARY/ SUPPLIER	TYPE OF PROHIBITED EXPENDITURE
17	MFMA Sec. 1	A register of unauthorised, irregular, fruitless and wasteful expenditure must be maintained for all transactions falling within the UIF category.	YES	161 251,74		Irregular Expenditure
				1 480 644.77		Fruitless and wasteful Expenditure

ADDITIONAL MATTERS: