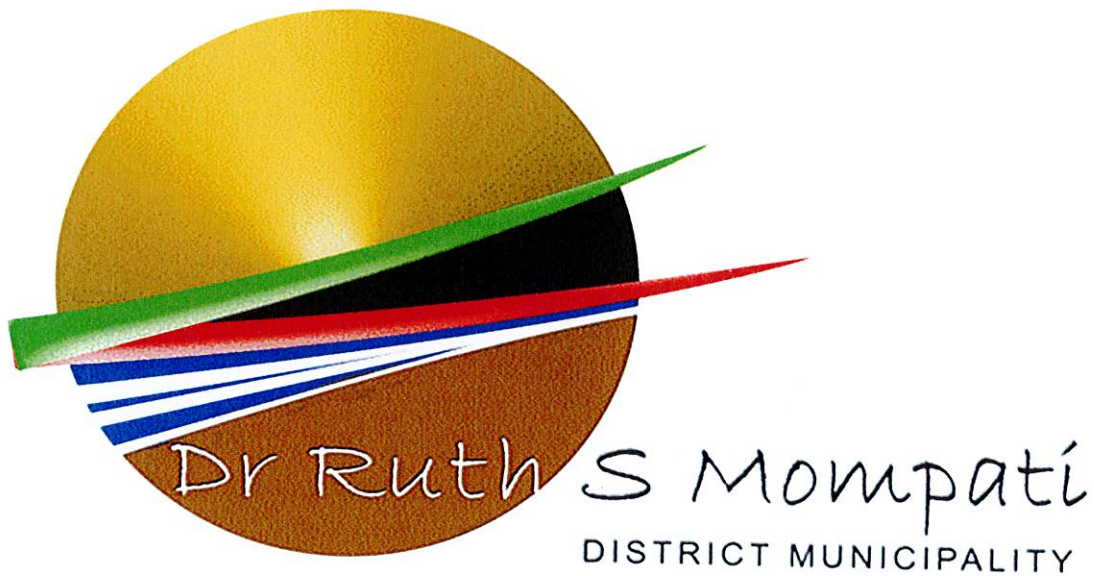


**REPORT ON THE IMPLEMENTATION OF THE SCM POLICY
DR RUTH SEGOMOTSI MOMPATI DISTRICT
MUNICIPALITY**



AS AT 31 DECEMBER 2019

Supply Chain Management Implementation Report prepared in line with the MFMA:
Supply Chain Management Regulation No 6(3).

PART A

1.1 Introduction and Background

According to SCM Regulation 3, a municipality is expected to review the implementation of the SCM policy on an annual basis. This review will enable the municipality to strengthen the internal controls. The reviewed SCM policy must include all the relevant SCM reforms and regulation. The Dr. Ruth S. Mompati District Municipality has last reviewed the SCM Policy in 28 February 2018 which was effective from the 01 July 2018.

1.2 Objective of the report

The objective of this report is to comply with Section 6 of the Municipal Supply Chain Regulations which states that:

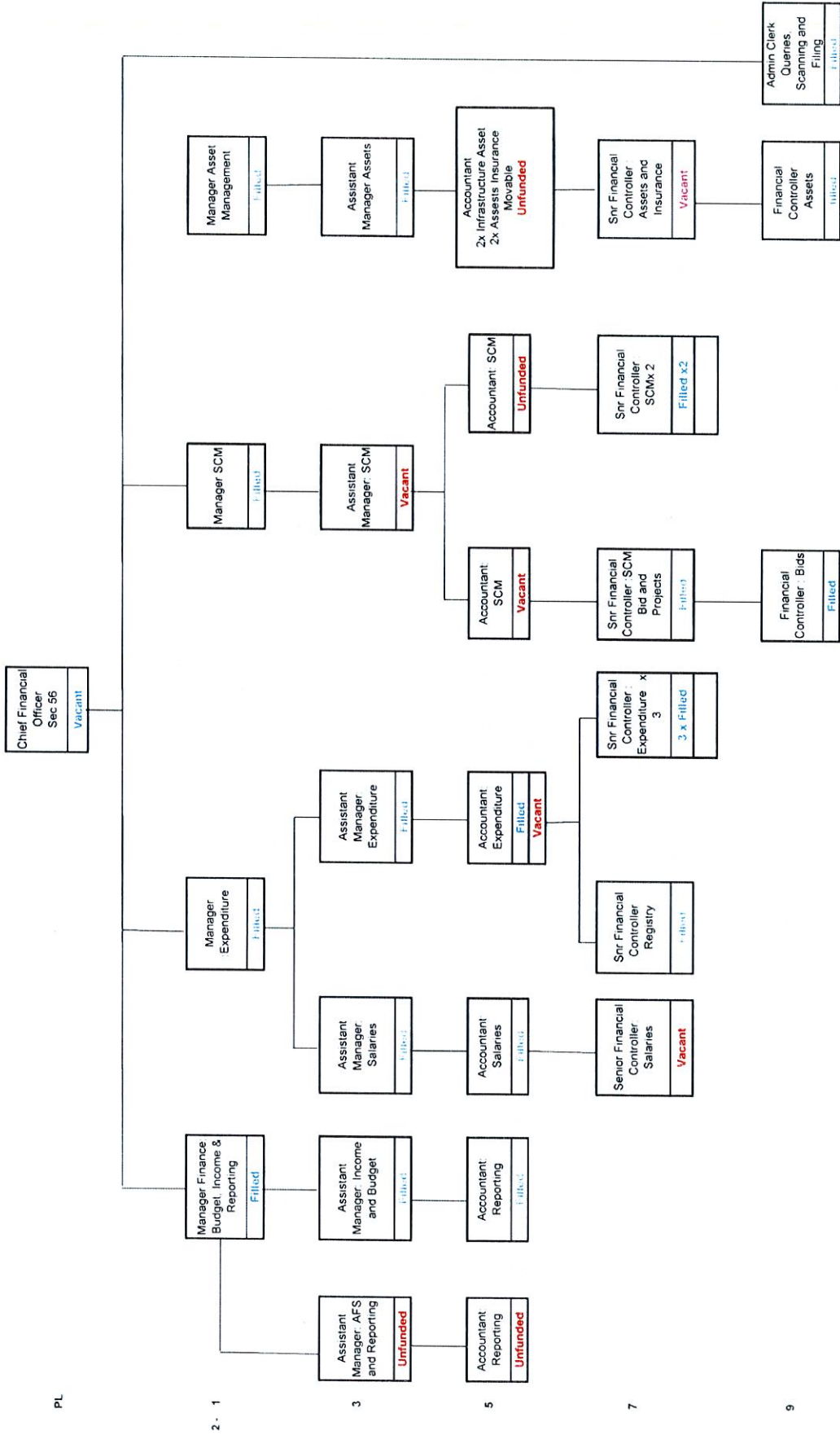
The Accounting Officer of a municipality must within 10 days of the end of each quarter, submit a report on the implementation of the SCM policy to the Mayor.

PART B

2. Supply Chain Institutional Arrangements

Supply Chain Management functions have been centralised under the Budget and Treasury Office of the municipality under the leadership of the Chief Financial Officer. Currently there are 02 positions of supply chain practitioners on the organogram as follows:

Budget & Treasury



PL

2 - 1

3

5

7

9

2.1 Policy and Procedures for Supply Chain Management

The SCM policy has not been reviewed annually as required by the SCM Regulations; however the policy has been reviewed and implemented from 01 July 2018. This amounts to non-compliance and threatens the internal controls of the municipality.

2.2 Establishment of the SCM Unit

According to our Supply Chain Policy and SCM Regulation no 7, each municipality must have a supply chain management unit which deals with the following elements of supply chain management:

- Demand Management
- Acquisition Management
- Logistics Management
- Assets and Disposal Management
- SCM Performance and Risk Management

SCM Regulation 7 was fully implemented from 01 July 2017 in line with our policy. Due to lack of sufficient resources, the unit only implements some of the elements. All elements of Supply Chain Management are implemented except logistics management.

The SCM unit is established and all SCM functions are centralised (Acquisition activities are performed by the SCM unit). All quotations are sourced from one central point to ensure that all the SCM legislative requirements are addressed.

2.3 Establishment of Bid Committees

The bid committees are in place, but they are not necessarily in line with the suggested committee members as the policy stipulates. The Bid Specification and the Bid Evaluation Committees are in line with policy. The Bid Adjudication Committee as suggested by the policy should comprise at least 4 senior managers; our Bid Adjudication Committee consists of four senior managers and other managers and officials. However, the bids committees have been functioning well, and have identified areas where they need to improve.

A declaration form in terms of S7 (2) of the Municipal Systems Act of 2000 has been circulated to all the Bid Committee Members for them to declare their interest and to be signed under Oath. The forms have been completed and returned to the SCM Officer.

At all Bid Committee Meetings, members sign an attendance register and declare and undertake the following:

2.4 Supplier Database

The municipality must:

- (a) Ensure that the suppliers are registered on the web based central supplier database. Suppliers can use the following link to register: www.csd.gov.za
- (b) Ensure that system vendors follow the National Treasury Integration Job Aid file which will ensure that the municipal financial system are integrating with the web based central supplier database.
- (c) Ensure that the supplier chain management officials and other officials use the central supplier database online search engines.

The municipality must use the central supplier database supplier number starting with (MAAA) which is auto generated by the central supplier database system after the successful registration and validation of the prospective provider as mandatory requirement as part of the listing criteria for accrediting prospective provider in line with section 14(1)(b) of the Municipal Supply Chain Management Regulations

3. The Procurement Plan

Not all departments within the municipality have submitted their procurement plans for financial year 2019/20. Budget and Treasury, Community Services, EDTA, Corporate Services, IDP and PIMS are the only department that has submitted the procurement plan. Office of the MM and Engineering department have not yet submitted procurement plans .The procurement plan is specifically required to address the procurement of goods and services of the value above R200 000.00.

PART C

SCM Performance Monitoring

3.1 Extension of Contracts

RDM2016-017A1: Provision of Professional Services - Rural Water Supply Programme

BVI OJM JV

RDM2016-017A: Provision of Professional Services - Rural Water Supply Programme

Aseda Consulting Engineers

RDM2016-017A2: Provision of Professional Services - Rural Water Supply Programme

Tsela Tsweu Consulting Engineers (Pty) Ltd

3.4 Deviations and Ratification of Minor Breaches of Procurement Processes in terms of S36 of the SCM Regulations

No contract was awarded this quarter

3.5 Procurement of Goods and Service under contract secured by other organ of state as per S32 of SCM Regulations

No contract was awarded this quarter



DEVIATIONS AND RATIFICATION REPORT FOR THE PERIOD APRIL TO JUNE 2018

SUPPLY CHAIN MANAGEMENT REGULATION 36(1) A/DEVIATIONS

Name of the municipality	Description of Goods/Service	Contracted service provider	Value of the project (VAT inclusive)	Reason for deviation	Month
Dr RSM DM	Emergency repairs of Bloemhof Fire station Steel door of Machine Bay	G049 – Greyling Herstedienste	R29 655.02	SCM regulations S36a(i)	2019/12/05
Dr RSM DM	IT Auditing For Non – IT Auditors Mr M Tlholo and Mr M Mashati from 09 – 11 December 2019	L551 – Leadership Academy	R15 046.20	The course is provided by the Leadership Academy only and it is therefore not possible to obtain three quotation as required SCM regulations S36a(ii)	2019/12/05
Dr RSM DM	Books for training of 10 fire fighters	C246 – Skill Strain Distribution	R29 000.00	Skill strain is the sole provider as per SCM regulations S36a(ii)	2019/12/02
Dr RSM DM	Sage training for 10 officials from BTO and HR	S730 - Sage VIP	R76 864.50	Only one quotation was Sourced as Sage is the contracted for the the Payroll system used by the Municipality	2019/11/11
Dr RSM DM	Repair and	O005 – Orange	R57 960.15	Orange Toyota is the sole	2019/10/25

	Maintenance of Toyota Land Cruiser HKZ 274 NW	Toyota		provider as per SCM regulations S36a(ii)	
Dr RSM DM	Code 14 Drivers license Training for 7 fire fighters	L556 - L & C De Necker Bestuurskool	R38 241.00	L & C De Necker Bestuurskool is the sole provider as per SCM regulations S36a(ii)	2019/11/13
Dr RSM DM	50 000KM Kilometer services for Mercedes Benz HPW 255 NW Molopo Fire Station Engine	C022 – Cargo Klerksdorp	R1.00	Cargo Klerksdorp is the sole provider as per SCM regulations S36a(ii)	2019/11/20

3.5 Deviations as per S114 of the MFMA

No S114 deviations during the quarter.

3.6 Procurement of Goods and Services under contract secured by other organs of states as per S32 of Supply Chain Management Regulations

None

3.7 Bid Register report

As per attached Bids register

3.8 Quotation Register report

As per attached quotation register

Dr Ruth S Mompoti District Municipality Quotation Register List

Printing details: MolekanyoS on 2019/12/10

QUOTATION DETAIL

Quotation no	Description	Quotation document detail				Advert details				Awarded			
		Closing date	Project manager	Contact person	Contact tel no	Availability date	Validity y days	Supplier	PDI %	BBEE %	Order no	Amount (Incl VAT)	Status
SCMRDM2054	Supply of bulk cleaning materials and chemicals (Re-Advert)	2019/10/24	TebogoT	Tshepo	539 286 468	2019/10/17	60	TPM 07 Clothing and Projects	-	-	-	1 63 190,00	awarded
SCMRDM2056	Supply and Delivery of cartridges for Dr Ruth S Mompoti District Municipality (Re-Advert)	2019/10/24	TebogoT	Tshepo	539 286 468	2019/10/17	60	Lionnaire Industries (Pty) Ltd	-	-	-	121 370,14	awarded
SCMRDM2056	Supply and Delivery of diaries	2019/11/21	OshelengS	Segomoco Osheleng	539 286 400	2019/11/14	60	KDS Trading Enterprise	-	-	-	72 750,00	awarded
Total quotation value awarded											72 750,00		
Average quotation value awarded											72 750,00		

SCM REASON

Dr Ruth S Mompoti District Municipality

Bid Register List (2019/10/01 to 2019/12/30)

Printing detail: Malekanyo on 2019/07/04

BID DETAIL

Bid no	Description	Construction contract (Y/N)	Project manager	Consultant	CDB	Contact person	Contact tel no	Supplier	Awarded			Status
									PDI %	BBBEE %	Resolution no	
RDM2018-002A5	Provision of Professional Engineering services for the Rural water Programme (2020 -2023) -Engineering Consultants		Jack Monnakgothu				053 928 6422	BVI Consulting Engineers Northern Cape (Pty) Ltd				awarded
RDM2018-002A4	Provision of Professional Engineering services for the Rural water Programme (2020 -2023) -Engineering Consultants		Jack Monnakgothu				053 928 6422	Tsela Tsweu Consulting Engineers (Pty) Ltd				awarded
RDM2018-002A3	Provision of Professional Engineering services for the Rural water Programme (2020 -2023) Project Managres	Y	Jack Monnakgothu	-			053 928 6422	Fhisol Engineers				awarded

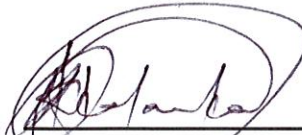
Total bid value awarded

Average bid value awarded # DIV/01



Prepared By

08/01/2020
Date



Reviewed By:

09/01/2020
Date

I Jerry Mononela Municipal Manager of Dr Ruth S Mompoti District Municipality, hereby certify that this report and the supporting documentation are prepared in terms of SCM Regulation 6(3).

Print Name: Jerry Mononela

Municipal Manager of Dr Ruth S Mompoti District Municipality

Signature:  _____

Date :

ACKNOWLEDGEMENT OF RECEIPT BY THE EXECUTIVE MAYOR

I, **Cllr BOITUMELO LESEGO MAHLANGU**, the Executive Mayor of Dr Ruth Segomotsi Mompati receive this report in line with the SCM Regulation Section 6(3) of the MFMA.

Signature  _____

Date _____