



# **THE UMHLABUYALINGANA LOCAL MUNICIPALITY**

## **SCM REPORT 2016/2017 FINANCIAL YEAR**

**JUNE 2017**

**QUARTER 4**

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## 1. INTRODUCTION

The municipality must, in terms of section 111 of the MFMA must implement a supply chain management policy that;

- (a) Gives effect to;
  - (i) Section 217 of the Constitution and
  - (ii) Part 1 of Chapter 11 and other applicable provisions of the act
- (b) Is fair, equitable, transparent, competitive and cost effective.

The accounting officer must in terms of section 62(f) (iv) of the MFMA take all reasonable steps to ensure that the municipality implements a supply chain management policy as set out in regulation 2. The accounting officer must further report any deviation from the guideline standard of the SCM to the National Treasury and Provincial Treasury.

The accounting officer in terms of SCM policy must, within 10 working days after the end of each quarter, submit a report on the implementation of the supply chain management policy to the Council to exercise oversight role in the implementation of the Supply Chain management Policy.

The SCM report is brought to council for consideration and condones any deviation to the Supply Chain Management policy, for the accounting officer to report those deviations to National and Provincial Treasury as stated in Paragraph 2.

## 2. MEMBERS OF BID COMMITTEES

The members of the bid committees as appointed by the accounting officer for 2016/2017 financial year are as follows:

### 2.1. Members of the Bid Specification Committee

- |                         |                               |               |
|-------------------------|-------------------------------|---------------|
| (a) Mrs N.P. Mkhabela   | - Financial Manager           | [Chairperson] |
| (b) Mrs N.F. Mngomezulu | - Community Liaison Officer   | [Member]      |
| (c) Mr S.S. Thwala      | - Disaster Management Officer | [Member]      |
| (d) Mr S. Shange        | - Manager Community Services  | [Member]      |

### 2.2. Members of the Bid Evaluation Committee

- |                     |                     |               |
|---------------------|---------------------|---------------|
| (a) Mr N.M. Mthembu | - SCM Manager       | [Chairperson] |
| (b) Mr T.P. Masinga | - SCM Officer       | [Member]      |
| (c) Mrs N. Mnqayi   | - LED Manager       | [Member]      |
| (d) Mr S.S. Gina    | - Budget Officer    | [Member]      |
| (e) Ms F.S. Qwabe   | - Technical Manager | [Member]      |

### 2.3. Members of the Bid Adjudication Committee

- |                     |                 |               |
|---------------------|-----------------|---------------|
| (a) Mr N.P.E. Myeni | - CFO           | [Chairperson] |
| (b) Ms N.V.F. Msane | - HOD Corporate | [Member]      |
| (c) Mr M.S. Qwabe   | - HOD Technical | [Member]      |
| (d) Mr M.S. Mnguni  | - HOD Community | [Member]      |

### 3. RANGE OF PROCUREMENT PROCESSES

In terms of the Supply Chain Management Policy Adopted by Council, the following Procurement Process must be followed:

<b>Range of Procurement Process</b>	<b>Type of Transaction</b>	<b>Requirement for Transaction</b>	<b>Official Authorising</b>
R1 up to R2 000.00	Petty Cash	Till Slip and request	Departmental HOD/MM
R2 000 up to R10 000	Quotations	Written or Verbal quotations	Departmental HOD/MM
All transaction exceeding R30 000 below R200 000	Quotations	Minimum of 3 formal written Quotations, Valid Tax clearance and they must all be advertised at least 7 days on notice boards and website.	Departmental HOD/MM
R200 000 above	Tender	Competitive Bidding Process to be followed.	MM

#### 4. AWARDS ABOVE R100,000.00 BUT LESS THEN R200,000.00

<b>UMHLABUYALINGANA MUNICIPALITY</b>				
<b>SCM REPORT - May 2017</b>				
<b>1.1 Orders Awarded Above Prescribed Amount (100 000.00)</b>				
<b>ORDER NO</b>	<b>DESCRIPTION</b>	<b>SUPPLIER NAME</b>	<b>ORDER DATE</b>	<b>AMOUNT</b>
PO05143	Poverty Alliviation	DE NHLAKS TOUCH(PTY)LTD	11 May 2017	133 000,00
PO05196	Community Upliftment	KWANGWANASE CONSTRUCTION	31 May 2017	177 229,64
PO05198	Poverty Alliviation	HLABATHI CONSTRUCTION	05 May 2017	196 301,00
PO05117	IT Analysis (Website)	NGUBANE GOURLEY AND ASSOCIATES	07 May 2017	166 320,00
				<b>672 850,64</b>

<b>UMHLABUYALINGANA MUNICIPALITY</b>				
<b>SCM REPORT - JUNE 2017</b>				
<b>See Annexure A for all official committed orders and their TOTALS for JUNE 2017</b>				
<b>1.1 Orders Awarded Above Prescribed Amount (100 000.00)</b>				
<b>ORDER NO</b>	<b>DESCRIPTION</b>	<b>SUPPLIER NAME</b>	<b>ORDER DATE</b>	<b>AMOUNT</b>
PO05280	Buildings /Technical Services	Yes and Amen	07 June 2017	R196 241,50
PO05282	Municipal Access Roads	SNX Contractors	29 June 2017	R173 800,00
				<b>R370 041,50</b>

## 5. SCM REGISTER (DEVIATIONS )

UMHLABUYALINGANA MUNICIPALITY						
Deviation Register 2016/2017						
May-17						
DATE	REQ NO	ORDER NO	SERVICE PROVIDER	REASON FOR DEVIATION	STATUS	AMOUNT
2-May	REQ08050	PO05059	Ilanga News Paper	Preferred Supplier	Approved	16 868,86
26-May	REQ08034	PO05059	Independent News Paper	Preferred Supplier	Approved	4 695,09
30-May	REQ08284	PO05182	Govertment Printing	Service of the State	Approved	9 000,00
30-May	REQ08052	po05184	Independent News Paper	Preferred supplier	Approved	6 165,12
31-May	REQ07965	po05185	Zululand Obsever	Preferred supplier	Approved	9 467,70
31-May	REQ08302	PO05188	Ilanga News Paper	Preferred Supplier	Approved	9 758,40
31-May		PO05189	Independent News Paper	Preferred Supplier	Approved	5 136,10
						<b>61 091,27</b>

UMHLABUYALINGANA MUNICIPALITY							
Deviation Register 2016/2017							
Jun-17							
DATE	REQ NO	DEV NO	ORDER NO	SERVICE PROVIDER	REASON FOR DEVIATION	STATUS	AMOUNT
9-Jun	REQ08344		PO05206	Zululand Obsever	Preferred supplier	Approved	6 311,80
9-Jun	REQ08337		PO05207	Indipendent Newspaper	Preferred Supplier	Approved	17 640,36
9-Jun	REQ08335		PO05208	Zululand Obsever	Preferred supplier	Approved	26 218,30
9-Jun	REQ08338		PO05210	Indipendent Newspaper	Preferred supplier	Approved	7 341,14
7-Jun	REQ08340		PO05212	Ilanga Newspaper	Preferred supplier	Approved	6 342,96
12-Jun	REQ08348	0272	PO05217	DMI CT	Only service provider	Approved	49 000,00
7-Jun	REQ08355		PO05218	Ilanga Newspaper	Preferred supplier	Approved	5 855,04
9-Jun	REQ08357		PO05219	Indipendent Newspaper	Preferred supplier	Approved	6 459,13
21-Jun	REQ08350		PO05245	Truvelo Manufactures	Sole service provider Ikzn	Approved	10 503,38
							<b>135 672,11</b>

## **6. TENDER REPORTS (BSC, BEC & BAC)**

### **6.1. TENDERS ON SPECIFICATION COMMITTEE**

- NONE

### **6.2. TENDERS ON EVALUATION COMMITTEE**

- NONE

### **6.3. TENDERS ON ADJUDICATION COMMITTEE**

- NONE

## **7. REPORT ON IMPLEMENTATION OF PROCUREMENT PLAN**

FOR QUARTER 4 OF 2016/2017, PROCUREMENT ACTIVITIES WERE A RESULT OF IMPLEMENTATION OF MUNICIPAL PROCUREMENT PLAN; HOWEVER THERE ARE STILL GAPS TO BE FILLED AS THERE ARE DEPARTMENTS DUE TO SUBMIT THEIR ADJUSTED PROCUREMENT PLANS FOR 2016/2017 AND IT BECOMES DIFFICULT TO PROCURE THEIR GOODS AND/ OR SERVICES. IT MUST BE EMPHASIZED THAT ALL END-USER DEPARTMENTS MUST COMMIT THAT ALL THEIR PROCUREMENT ACTIVITIES WILL BE DONE ACCORDING TO THEIR PROCUREMENT PLANS SUBMITTED TO ENSURE THAT THE MUNICIPALITY COMPLIES WITH ALL SCM COMPLIANCES.