

# Mhlontlo Local Municipality



## Supply Chain Management Report

### Quarter 4

### 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 07<sup>th</sup> 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 31<sup>st</sup> 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 forma 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.

### Bids awarded of R200 000.00 and above.

PROJECT NAME	ADVERTISING CLOSING DATE	AWARDING DATE	NUMBER OF DAYS TO AWARD	DEPARTMENT	AMOUNT	SUPPLIER NAME
Supply and delivery of 600 000 refuse bags	09/04/2021	26/05/2021	28 days	Comm Service	R514 079.67	The aggregators mind PTY LTD
Leasing of printing machinery for period of 36 months	24/03/2021	26/05/2021	43 days	Corp Services	R1 323 501.12	Genbiz trading 1001 PTY LTD
Upgrade of current website for Mhlontlo Municipality for period of 36 months	09/04/2021	26/05/2021	28 days	Corp Services	R861 220.05	ICT Choice
Training of sewing for 30 beneficiaries	03/05/2021	28/05/2021	13 days	LED	R299 000.00	Ceeyes institutes of fashion
Construction of Tar-Suthwini access road	26/03/2021	31/05/2021	39 days	ISD	R6 942 283.35	Afrizona JV cool mker

Supply and delivery of 1-hectare stock proof fence materials	06/05/20 21	28/05/20 21	13 days	LED	R1 604 662. 00	Seku woodz and boardz
Forensic investigation for land and encroachment	05/05/20 21	14/06/20 21	28 days	MM	R2 299 770. 00	SVZ consulting
Goqwana-Jojweni access road	16/03/20 21	22/06/20 21	45 days	ISD	R4 507 111. 48	Sango Civils and Plant hire PTY LTD
Supply and installation of main building generator for Mhlontlo	04/05/20 21	21/06/20 21	33 days	Corp Services	R999 600.00	Veemzie PTY LTD
Provision of plant hire for maintenance of rural roads for period of 3 years	19/04/20 21	21/06/20 21	43 days	ISD	Rates	Bravery Logistics JV DLM88XV construction
Provision of plant hire for maintenance of rural roads for period of 3 years	19/04/20 21	21/06/20 21	43 days	ISD	Rates	ZZZZ building and civil
Provision of plant hire for maintenance of rural roads for period of 3 years	19/04/20 21	21/06/20 21	43 days	ISD	Rates	PMLG JV Malandelwa
Maintenance of access roads for period of 3 years	19/04/20 21	21/06/20 21	43 days	ISD	Rates	ZZZZ building and civil

Maintenance of access roads for period of 3 years	19/04/20 21	21/06/20 21	43 days	ISD	Rates	Ntingi Legacy PTY LTD
Maintenance of access roads for period of 3 years	19/04/20 21	21/06/20 21	43 days	ISD	Rates	Onje trading

## 1. DATABASE MANAGEMENT

The Central Supplier Database (CSD) system functions as a single database to serve as the source of all supplier information for national-, provincial- and local government as well as State Owned Entities (SOE's).

All suppliers are encouraged to register on the Central Supplier Database (CSD) as matter of urgency. The CSD is a self- registration process, which can be completed online.

Suppliers can go to the following web address to register [www.csd.gov.za](http://www.csd.gov.za).

As per National Treasury, with effect from 1 July 2016, Municipalities and Municipal Entities must use the CSD supplier number starting with (MAAA) which is auto generated by the Central Database System after successful registration and validation of the prospective provider as mandatory requirement as part of listing criteria for accrediting prospective provider in line with Section 14(1) (b) of the Municipal Supply Chain Management Regulations.

## 2. Suppliers Day.

Suppliers Day held on the 18<sup>th</sup> of June 2021 at Tsolo Junction meeting started at 11h00. More than 100 suppliers in attendance.

# QUALITY CERTIFICATE

I, \_\_\_\_\_ (Full Names), the Municipal Manager of Mhlontlo Municipality hereby certify that the **SCM Quarterly Report** for the quarter ending 30 June 2021 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 June 2021 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

