



MOHOKARE
LOCAL MUNICIPALITY

P. O. Box 20, Zastron, 9950
Tel: 051 673 9600
Fax: 051 673 1550
E-mail: info@mohokare.co.za
www.mohokare.co.za

Ref: 4/11/1

10 January 2017

The Mayor
Mohokare Local Municipality
Mrs. I Mehlomakhulu

Dear Madam

RE: ACKNOWLEDGEMENT OF RECEIPT

I IRITIE Mehlomakhulu hereby acknowledge receipt of the report Finance (SCM).

Background

SCM REGULATION 6(3)(4)

(3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality or the board of directors of the municipal entity, as the case may be.

(4) The reports of a municipality must be made public in accordance with section 21A of the MSA. The reports of a municipal entity must be made public in a similar way

Report received

1. Quarter 2: Supply Chain Implementation Report

Signature

10. January. 2017
Date

MAYOR
Designation

Issued by:	Management Representative		Document Name:	Acknowledgement on Receipt
Approved by:	Municipal Manager		Document Number:	CSEADM001
Issue Date:	20 January 2016		Revision Number:	03/2016
Review date:	1 June 2018		Copy:	Controlled Copy

SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION REPORT

District:

Kharlep

Name of Municipality:

Mohokare

Name of Municipal Entity/ Entities:

Reporting Date:

Tuesday, 10 January 2017

Contact Information

Name of Chief Financial Officer:

Mr P.M Dyongse

Contact telephone number:

(051) 673 9600

Contact e-mail address:

pkh@mmofmohokare.gov.za

Name of Accounting Officer:

Mr T.C Panyani

Contact telephone number:

(051) 673 9600

Contact e-mail address:

panyani@mmofmohokare.gov.za



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SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION REPORT

ACCOUNTING OFFICER'S LETTER


for the quarter ended
10 January 2016

THE MAYOR

The attached report is submitted in line with Section 6 of Supply Chain Regulations which states that the Accounting Officer of the Municipality must within 10 days of the end of each quarter, submit a report on the implementation of SCM policy to the Mayor.


Based on the review performed, I can conclude that the contents of the report are accurate and represent the activities of the Supply Chain Management unit of the Municipality fairly.

Yours faithfully



Chief Financial Officer

Date: 10 / JANUARY / 2017


Accounting Officer/ Municipal Manager

Date: 10 / JANUARY / 2017

SUPPLY CHAIN MANAGEMENT

District: Xhariep	Municipality: Mthokare	Reporting Date: Tuesday, 10 January 2017
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ESTABLISHMENT OF SCM		BACKGROUND	STRUCTURE	FILLED	VACANT	COMMENTS
Area	Ref.	Is there a dedicated and functional supply chain management (SCM) unit?	SCM Manager, SCM Accountant, Demand and Acquisitions Officer, Demand & Acquisition Clerk	SCM Accountant and Demand & Acquisition Officer	SCM Manager and Demand & Acquisition Clerk	
1	SCM Reg 7					
DEMAND MANAGEMENT		BACKGROUND	REVIEWED (YES/NO)	DATE OF REVIEW	IF NOT REVIEWED, REASONS THEREOF	COMMENTS
Area	Ref.	Reviewed and approved SCM Policy in line with National Treasury's Model Policy.	YES	Approved on the 26 May 2016	Reviewed and Approved	
2	SCM Reg 3					
ACQUISITION MANAGEMENT		BACKGROUND	IS THERE AN APPROVED PROCUREMENT PLAN IN PLACE (Y/N)	DATE OF APPROVAL	IF NOT, REASONS THEREOF	COMMENTS
Area	Ref.	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	30 Jun 16		
3	Circular 62					
ACQUISITION MANAGEMENT		BACKGROUND	LAST REVIEW DATE	NEXT REVIEW DATE	NUMBER OF REGISTERED SUPPLIERS	COMMENTS
Area	Ref.	Functional list of accredited prospective providers of goods and services maintained and used for verbal quotations and formal written price quotations.	Daily	Daily	11	The list is reviewed and updated on daily basis as and when the applications are received, however the number given is only for quarter two. Moreover the CSD is now used as the centralised supplier database.
4	SCM Reg 24					

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.		1. P. Ruyeywa 2. P. Lerinyelwa 3. R. Van Pletzen 4. S. Shumane 5. T. Havelle	1. LED Manager-Chairperson 2. Demand & Acquisition Officer-Member 3. Admin Manager-Member 4. Senior PMU Technician-Member 5. PMS Manager-Member	
6	SCM Reg 28	Bid Evaluation Committee appointed/composed of at least one SCM practitioner of the municipality.		1. V. Ramotsabi 2. L. Sebatane 3. T. Fobane 4. I. Dyam 5. M. Raboko	1. HR Manager-Chairperson 2. SCM Accountant-Member 3. Manager: Water & Sanitation-Member 4. Water Quality Sampler-Member 5. Electrical Technician-Member	Mr. Sandile Mapelele, The chairperson of the Evaluation Committee has resigned just before the end of quarter 1, and Mrs Ramotsabi was appointed as the chairperson of the committee
7	SCM Reg 29	Bid Adjudication Committee appointed/composed of at least four senior managers of the municipality.		1. P. Dymase L. Ngokob Thamotsep Marais Lunye	2. 1. CFO-Chairperson 2. Corporate Services Director-Member 3. Technical Director-Member 4. Community Services Director-Member 5. Committee Officer-Scriber	
CIDB						
Area	Ref.	Background	REGISTRATION WITH CIDB'S (TENDER) (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.	YES	SCM/MOH/102/2016: Upgrading of Mofutshhepe Sports Ground: Soccer Pitch.	None	
REGULATION 32 CONTRACTS						
Area	Ref.	Background	DESCRIPTION	AMOUNT	INSTITUTION	COMMENTS

Area	Ref.	Background	Description	Amount	Uploading on the Website (Y/N)	Comments
9	MFMA Reg 32	Procurement of goods and services under a contract secured by another organ of state.				No goods were procured under a contract secured by another organ of the state for this quarter
DEVIATIONS FROM PROCUREMENT PROCESSES						
10	MFMA Reg 36	Deviations from the procurement processes approved by the accounting officer.	<p>1. Water Bacteriology analysis</p> <p>2. Repairs & Maintenance : CGL 754 FS</p> <p>3. Repairs & Maintenance : Isuzu FLF 845 FS</p> <p>4. Repairs & Maintenance : Alstom Motor</p> <p>5. Repairs & Maintenance : Water Pumps</p> <p>6. Service : Isuzu FHG 824 FS</p> <p>7. V & Weld cracks</p> <p>8. Transport</p> <p>9. Transport</p> <p>10. Repairs : Pump 67426-431/2</p> <p>11. Repairs : Motor control centre</p> <p>12. Repairs & Maintenance : Ford Tracto DXY 611 FS</p> <p>13. Repairs : FHG 824 FS</p> <p>14. Repairs [Hydrolic Pump]: Comactor truck CZB 535 FS</p> <p>15. Repairs : 75 kw Alstom motor</p> <p>16. Transport</p> <p>17. Water Bacteriology Analysis</p> <p>18. Transport</p>	<p>1. R 13 887.20</p> <p>2. R 47 000.00</p> <p>3. R 2 656.94</p> <p>4. R 24 792.00</p> <p>5. R 2 240.00</p> <p>6. R 9 001.51</p> <p>7. R 3 000.00</p> <p>8. R 3 000.00</p> <p>9. R 6 400.00</p> <p>10. R 5 800.00</p> <p>11. R 14 387.00</p> <p>12. R 1.00</p> <p>13. R 3 905.88</p> <p>14. R 13 694.00</p> <p>15. R 9 801.00</p> <p>16. R 10 000.00</p> <p>17. R 44 457.10</p> <p>18. R 3 000.00</p>	<p>1.N</p> <p>2.N</p> <p>3.N</p> <p>4.N</p> <p>5.N</p> <p>6.N</p> <p>7.N</p> <p>8.N</p> <p>9.N</p> <p>10.N</p> <p>11.N</p> <p>12.N</p> <p>13.N</p> <p>14.N</p> <p>15.N</p> <p>16.N</p> <p>17.N</p> <p>18.N</p>	Deviations are reported to Sec 79 committees then taken to Council
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?			R 0,00	No unsolicited bid (s) has been considered	
DISPOSAL MANAGEMENT							
Area	Ref.	Background	ASSET(S) DISPOSED	DISPOSAL METHOD	COST PRICE	BENEFICIARY	
12	MFMA Reg 40	Assets disposal.			R 0,00		
CONTRACT AND PERFORMANCE MANAGEMENT							
DISPUTES							
Area	Ref.	Background	CONTRACT NUMBER	NATURE	STATUS	OUTCOME	
13	SCM Reg 50	Resolution of SCM related disputes.			None	There were no SCM disputes for this quarter	
ACTIVE CONTRACTS							
Area	Ref.	Background	DESCRIPTION	AMOUNT	DURATION	EXPIRY DATE	
14	MFMA Sec. 116	Contract management.	See attached register.				
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?					
LOGISTICS MANAGEMENT							

Area	Ref.	Background	APPROVED LOGISTICS MANAGEMENT PROCEDURES IN PLACE (Y/N)	IF NOT REASONS THEREOF	COMMENTS
16	MFMA Reg. 39	<p>Are there documented and approved SCM procedures for stores and warehouse management including:</p> <ul style="list-style-type: none"> - the setting of inventory levels - placing of orders - receiving and distribution of goods - expediting orders? 		<p>There is no documented and approved SCM procedure for stores and warehouse, however the re-order level of the stock is done by the end-user as they are the one who knows what to be ordered as per their departmental needs.</p>	
UNAUTHORISED, IRREGULAR & FRUITLESS EXPENDITURE					
Area	Ref.	Background	DESCRIPTION	AMOUNT	BENEFICIARY/ SUPPLIER
17	MFMA Sec. 1	<p>A register of unauthorised, irregular, fruitless and wasteful expenditure must be maintained for all transactions falling within the UIF category.</p>	See attached registers		
ADDITIONAL MATTERS:					