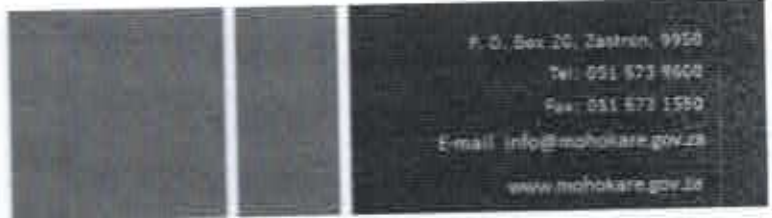




MOHOKARE
LOCAL MUNICIPALITY



P. O. Box 20, Zastron, 9950
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www.mohokare.gov.za

Ref: 4/11/1

10 April 2017

The Mayor
Mohokare Local Municipality
Mrs. I Mehlomakhulu

Dear Madam

RE: ACKNOWLEDGEMENT OF RECEIPT

I IRENE 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

- Quarter 3: Supply Chain Implementation Report


Signature

10 / April / 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:

Xhathip

Name of Municipality:

Mphokare

Name of Municipal Entity/ Entities:

Reporting Date:

Monday, 10 April 2017

Contact information

Name of Chief Financial Officer:

Mr P.M Dyonase

Contact telephone number:

(051) 673 9600

Contact e-mail address:

pdyonase@mphokare.gov.za

Name of Accounting Officer:

Mr S Thomas

Contact telephone number:

(051) 673 9600

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SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION REPORT

ACCOUNTING OFFICER'S LETTER

for the quarter ended
31 March 2017

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:

Accounting Officer/ Municipal Manager

Date: 10 / APRIL / 2017

SUPPLY CHAIN MANAGEMENT

District: **Xhariep** Municipality: **Mohokare** Reporting Date: **Monday, 10 April 2017**

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?	SCM Manager, SCM Accountant, Demand and Acquisition Officer, Demand & Acquisition Clerk	SCM Accountant and Demand & Acquisition Officer	SCM Manager and Demand & Acquisition Clerk	
		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	Approved on the 26 May 2016	Reviewed and Approved	

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	30-Jun-16		

ACQUISITION MANAGEMENT						
Area	Ref.	Background	LAST REVIEW DATE	NEXT REVIEW DATE	NUMBER OF REGISTERED SUPPLIERS	COMMENTS
4	SCM Reg 14	Functional list of accredited prospective providers of goods and services maintained and used for verbal quotations and formal written price quotations.	Daily	Daily		The list is reviewed and updated on daily basis as and when the applications are received. Moreover, the CSD is now effective.

BID COMMITTEES		Background	BID COMMITTEE IN PLACE (Y/N)	NAMES OF MEMBERS	DESIGNATIONS	COMMENTS
Area	Ref.					
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.		<ol style="list-style-type: none"> 1. E. Buysse 2. P. Jansenjebo 3. R. Van Pieren 4. S. Sharma 5. T. Baerle 	<ol style="list-style-type: none"> 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.		<ol style="list-style-type: none"> 1. V. Ramotsahi 2. L. Sebataane 3. T. Fobane 4. J. Dyari 5. M. Kuboko 	<ol style="list-style-type: none"> 1. HR Manager-Chairperson 2. SCM Accountant-Member 3. Manager: Water & Sanitation-Member 4. Water Quality Samples-Member 5. Electrical Technician-Member 	Mr S Majonge, the chairperson of the Evaluation Committee has resigned just before the end of quarter 1 and Mrs V Ramotsahi 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.		<ol style="list-style-type: none"> 1. P. Dyonaaat L. Nqoko Taomotse Mantsi 	<ol style="list-style-type: none"> 2. CFO-Chairperson 3. Corporate Services Director-Member 4. Technical Director-Member 5. Community Services Director-Member 	
CIDB						
8	Area Ref.	Background Registration of construction works contracts above R200 000 in the CIDB register of projects.	REGISTRATION WITH CIDB'S TENDER (Y/N)	PROJECTS REGISTERED	IF NOT, REASONS THEREOF	COMMENTS
	CIDB Regulations, Regulation 18(1) & 18(1A)		YES	<ol style="list-style-type: none"> 1. SCM/MOH/05/2017 2. SCM/MOH/07/2017 3. SCM/MOH/08/2017 4. SCM/MOH/09/2017 5. SCM/MOH/10/2017 6. SCM/MOH/11/2017 7. SCM/MOH/12/2017 8. SCM/MOH/13/2017 9. SCM/MOH/14/2017 10. SCM/MOH/15/2017 11. SCM/MOH/16/2017 12. SCM/MOH/17/2017 	None	

REGULATION 32 CONTRACTS						
Area	Ref.	Background	DESCRIPTION	AMOUNT	INSTITUTION	COMMENTS
g		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						
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.	1. R 4 750,00 2. R 12 485,70 3. R 5 763,50 4. R 11 491,20 5. R 5 265,00 6. R 6 493,19		Deviations are reported to Sec 79 committee 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 0.000	No unsolicited bid(s) has been considered.	
DISPOSAL MANAGEMENT					
Area	Ref.	Background	ASSET(S) DISPOSED	DISPOSAL METHOD	BENEFICIARY
12	MFMA Reg. 40	Assets disposal.		R. 0.000	
CONTRACT AND PERFORMANCE MANAGEMENT					
DISPUTES					
Area	Ref.	Background	CONTRACT NUMBER	NATURE	STATUS
13	SCM Reg. 50	Resolution of SCM related disputes.			None
ACTIVE CONTRACTS					
Area	Ref.	Background	DESCRIPTION	AMOUNT	DURATION
14	MFMA Sec. 116	Contract management.	See attached register		
CONTRACT VARIATIONS					
Area	Ref.	Background	DESCRIPTION	AMOUNT	REASONS
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					
OUTCOME					
There were no SCM disputes for this quarter.					
EXPIRY DATE					
PERCENTAGE					

Area	Ref.	Background	APPROVED LOGISTICS MANAGEMENT PROCEDURES IN PLACE (Y/N)	IF NOT REASONS THEREOF	COMMENTS	
16	MFMA Reg 39	<p>Are them 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	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.	See attached registers			

ADDITIONAL MATTERS: