



Steve Tshwete
Local Municipality



**SUPPLY CHAIN
MANAGEMENT
QUARTERLY REPORT
OCTOBER TO DECEMBER 2017**

Report by the Executive Director Financial Services

1. The purpose of this report is to report in accordance to section 6(1) and 6(2) of the supply chain policy to Council on the implementation of the supply chain management policy of the municipality for the first quarter as from October to December 2017.

2. **BACKGROUND:**

2.1 The Council must maintain oversight over the implementation of the Supply Chain Management policy.

2.2 For the purpose of such oversight the accounting officer must at the end of each quarter of the financial year, submit a report on the implementation of the Supply Chain Management policy to the Executive Mayor.

3. **REPORT:**

The quarterly report on the implementation of supply chain management policy of the municipality for the first quarter ending 31 December 2017 consists out of the following

3.1 Compliance and progress relating to the supply chain management policy for the quarter

3.2 In view of the above attached are the following annexures:

3.2.1 **ANNEXURE A** is the report regarding procurement of goods/services such as awards and contract above R100 000.00 to National Treasury October to December 2017.

3.2.2 **ANNEXURE B** is the report regarding the section 40 deviations that was approved during the period of the report as from October to December 2017

3.2.2 **ANNEXURE C** is the report regarding the number of items that was processed through the Bid Committees during the period of the report as from October to December 2017.

4. **CONTENT:**

4.1 Monthly stores return for the three months:

Manually done – not yet available on MSCOA

4.2 Statistical Information

- Number of orders placed – 427
- Number of orders followed-up (expedited) – 57
- Number of orders with dissatisfaction – goods returned – 12

- Number of suppliers not performed timely – 14
- Number of information sessions held relating to CSD: 0 (Provincial Treasury) continuously communicated to Treasury & service providers.

4.3 Amount paid to suppliers processed

	Amount of payments to suppliers processed
October 2017	R 10 575 057.13
November 2017	R 6 245 865.71
December 2017	R 3 675 357.33

5. **ANNEXURES:**

- 5.1 **Annexure A** is the report regarding procurement of goods/services such as awards and contract above R100 000.00 to National Treasury October to December 2017.
- 5.2 **Annexure B** is the report regarding the section 40 deviations that was approved during the period of the report as from October to December 2017
- 5.3 **ANNEXURE C** is the report regarding the number of items that was processed through the Bid Committees during the period of the report as from October to December 2017.

6. **RECOMMENDATION BY THE ACTING MUNICIPAL MANAGER**

- 6.1 That the quarterly report on the implementation of Supply Chain Management policy of the municipality for the third quarter ending 31 December 2017, be noted.

ANNEXURE "A"

SCM Reports for procurement of goods/ services such as awards /contracts above R 100 000.00 to National Treasury for the month October to December 2017:

OCTOBER 2017

BBBEE Status	Quantity	Value
Level 0 / unknown	4	R 1 624 278.40
Level 1	7	R 75 507 746.91
Level 2	2	R 1 151 227.86

NOVEMBER 2017

BBBEE Status	Quantity	Value
Level 0 / unknown	1	R 200 000.00
Level 1	4	R 871 351.58
Level 4	1	R 1 535 854.04

DECEMBER 2017

BBBEE Status	Quantity	Value
Level 0 / unknown	3	R 2 223 100.84

ANNEXURE "B"

SECTION 40 REPORTS FOR OCTOBER TO DECEMBER 2017

OCTOBER 2017

Categories per SCM Regulations	Nr	% of Total	Value	% of Rand value
In an Emergency	6	35.3	R 112 599.61	8.57
Single provider	0	0	R 0.00	0
Acquisition of special works	0	0	R 0.00	0
Acquisition of animals for zoos	0	0	R 0.00	0
Other exceptional cases	11	64.7	R 1 200 993.47	91.43
Minor deviation from standard process	0	0	R 0.00	0
Total Number of Section 42 Awards	17	100	R 1 313 593.08	100

NOVEMBER 2017

Categories per SCM Regulations	Nr	% of Total	Value	% of Rand value
In an Emergency	1	7.69	R 57000.00	43.10
Single provider	0	0	R 0.00	0
Acquisition of special works	0	0	R 0.00	0
Acquisition of animals for zoos	0	0	R 0.00	0
Other exceptional cases	12	92.31	R 75 245.00	56.90
Minor deviation from standard process	0	0	R 0.00	0
Total Number of Section 42 Awards	13	100.0	R 132 245.00	100.0

DECEMBER 2017

Categories per SCM Regulations	Nr	% of Total	Value	% of Rand value
In an Emergency	0	0	R 0.00	0
Single provider	0	0	R 0.00	0
Acquisition of special works	0	0	R 0.00	0
Acquisition of animals for zoos	0	0	R 0.00	0
Other exceptional cases	15	100	R 77 496.82	100
Minor deviation from standard process	0	0	R 0.00	0
Total Number of Section 42 Awards	15	100.0	R 77 496.82	100.0

ANNEXURE "C"**BID COMMITTEES FOR OCTOBER TO DECEMBER 2017****BID SPECIFICATION COMMITTEE**

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
1.Number of items on Agenda	12	10	2	24
2.Number of items approved	5	9	1	15
3.Number of items deferred	7	1	1	9
4. Percentage items approved	42%	90%	50%	63%

BID EVALUATION COMMITTEE

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
1.Number of items on Agenda	15	16	10	41
2.Number of items approved	8	13	5	26
3.Number of items deferred	7	3	5	15
4. Percentage items approved	53%	81%	50%	63%

BID ADJUDICATION COMMITTEE

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
1.Number of items on Agenda	7	9	10	26
2.Number of items approved	6	7	6	19
3.Number of items deferred	1	2	4	7
4. Percentage items approved	86%	78%	60%	73%