MEMORANDUM

DEPARTEMENT: FINANSIES & KORPORATIEWE DIENSTE
AFDELING: VOORSIENINGSKANAAL BESTUUR

VOORLEGGING:	UITVOERENDE BURGERMEESTER
VAN:	VOORSIENINGSKANAAL BESTUUR
NAVRAE:	KEITH J GERTSE
VERWYSING:	SCM – Q2
ONS VERWYSING:	S19/1
DATUM:	10 JANUARIE 2017

ONDERWERP: Implementering van SCM Stelsel Laingsburg Munisipaliteit:

Kwartaal 2: 01 Oktober 2016 – 31 Desember 2016

Agtergrond
Op 'n kwartaallikse basis word vereis van die SCM Eenheid om verslag te doen oor die implementering van die Raad se goedgekeurde SCM Beleid. Hierdie verslag bied 'n kort opsomming oor die nakoming van die verskillende SCM Regulasies, sowel as stelsels en prosedure wat geïmplementeer word.

Aanhegsel
Die aangehegte dokument dien as 'n hersiening van die afgelope 3 maande se implementering van die Munisipale Voorsieningskanaal Bestuursbeleid. Verwys asseblief na die aanhegsel vir 'n omvattende oorsig oor die implementering van die SCM stelsel vir die tydperk 01 Oktober 2016 – 31 Desember 2016.

Delegasies
Die huidige delegasie raamwerk en register was tans geïmplementeer word is as volg:

R 0 – R 10 000:	Mnr. Keith Gertse
R 10 000 – R 30 000:	Mnr. Gert Bothma
R 30 000 – R 200 000:	Me. Alida Groenewald
R 200 000 + :	Me. Alida Groenewald

Vir effektiewe uitvoering van die SCM stelsel gaan die huidige delegasies hersien word en dan voorgelê word aan die Munisipale Bestuurder. Die delegasie raamwerk lys tot op watter bedrag elke amptenaar 'n bestelling mag goedkeur vir aankope. Om die aankoop proses egter te aktiveer moet 'n offisiële rekwisisie uitgereik word, wat deur die betrokke Bestuurder eers goedgekeur moet word. Slegs daarna word die proses begin om kwotasies aan te vra. Daarna moet die kwotasies deur die betrokke Bestuurder wie die proses ge-inisieer het goedgekeur word. Slegs daarna word die bestelling uitgereik.

Dit beteken ons as die SCM Eenheid speel net 'n fasiliterende rol en het geen besluitnemings magte om te bepaal aan watter verskaffer 'n toekenning gemaak moet word nie.

Verskaffers Databasis

Ingevolge MFMA Omsendbrief 81 gebruik Laingsburg Munisipaliteit sedert 01 Julie 2016 die Gesentraliseerde Verskaffers Databasis (CSD).

Huidiglik is daar 33 van die plaaslike besighede op die CSD stelsel geregistreer. Dit is 'n groei van 8 besighede vanaf 25.

Weens die uitdaging om plaaslike opkomende besighede op hierdie stelsel te registreer word 'n periode van 7 dae aan verskaffers gegun om hulle te registreer. Hierdie toegewing word slegs gedoen wanneer 'n verskaffer vir 'n toekenning kwalifiseer. Hierdie toegewing word gegun om nie enige plaaslike opkomende besighede te benadeel nie.

Die 33 plaaslike besighede is as volg:

VERSKAFFER NR.	GEREGISTREERDE NAAM	HANDELSNAAM
MAAA0360430	Wagendrift Lodge	Wagendrift Lodge
MAAA0177385	Bertie Johan Van As	Bertie van As
MAAA0177405	Ockert Gerbrandt Conradie	OG Conradie
MAAA0219175	Aloma Lourens	
MAAA0349326	Elizabeth Laban	Elizabeth Morkel
MAAA0169550	Market Demand Trading 319	Laings Lodge
MAAA0317717	Ray's Towing	Ray's Towing
MAAA0349669	Pre-Vaas Construction	Pre-Vaas Construction
MAAA0177898	AgriReap	AgriReap
MAAA0177555	Martin Helmut Mauermann	Martin Mauermann
MAAA0386321	Conradie en Du Toit Motors	Karoo Bande
MAAA0219513	Jonathan George Barends	Sparkling Clean Carwash
MAAA0366272	Cecelia van der Merwe	Granaat
MAAA0342512	Winston Bourbon-Leftley	Rondekop Plase Trust
MAAA0163516	Koup Produsente Koöperasie	Koup Produsente
MAAA0177525	Frans Hendrik Botes	FH Botes
MAAA0177469	Christiaan Jan-Abraham van der Vyver	Christiaan van der Vyver
MAAA0097010	Dorkas Enterprise	
MAAA0138576	Gert Hoon	
MAAA0177442	Jan Gerhardus Du Toit	JG du Toit
MAAA0081675	Eerstegeluk Boerdery	
MAAA0325238	Annalie Theron Gastehuise	Herambi Guest House
MAAA0009446	Masiqhame Trading 1540	
MAAA0324888	Tishbi	OK Laingsburg

MAAA0132077	Gouws Accountants	
MAAA0291364	Laingsburg – WC Local Municipality	Laingsburg Municipality
MAAA0009466	Bergsig Cement Products	
MAAA0177506	Gerhard Wachtendonck Roux	GW Roux
MAAA0009457	Cheslyn Transport and Projects	
MAAA0316290	Mariaan Van Eeden	Mariaan van Eeden
MAAA0211121	Mario Davy Smith	Mario Smith Attorneys
MAAA0394342	Castlehill Trading 232	Karoo Motors
MAAA0394599	Jinel Brandstof	Laingsburg Diensstasie

Dit dien gemeld te word dat die volgende besighede wie ons van gebruik maak is steeds nie op die CSD geregistreer nie:

1. Laingsburg Bandediens
2. Van Wyk Motors BK
3. RR Bhana Trust
4. PFP Van Eeden Elektries
5. Ubunthu Sekuriteit
6. Laingsburg Steers
7. Matjiesfontein Village (Lord Milner Hotel)
8. Laingsburg Country Hotel
9. Buffelsvlei Verhuring (Edms) Bpk
10. Huis Malan Jacobs
11. Laingsburg Engen Een Stop
12. Karoo Meubelmark
13. Spreekkamer
14. Doberman Sekuriteit

Verder is daar slegs drie plaaslike kontrakteurs geregistreer op die CSD:

1. Pre-Vaas Construction
2. Masiqhame Trading 1540
3. Cheslyn Transport and Projects

Die res van die plaaslike kontrakteurs is nie geregistreer op die CSD nie.

Bestellings

Vir die maand van Oktober 2016, het die Munisipaliteit 272 bestellings uitgereik ter waarde van R 3 981 950,20.

Vir die maand van November 2016, het die Munisipaliteit 205 bestellings uitgereik ter waarde van R 5 052 272,86.

Vir die maand van Desember 2016, het die Munisipaliteit 147 bestellings uitgereik ter waarde van R 2 122 095,01.

Munisipale Store
Ons het alreeds die elektroniese store stelsel op die finansiële stelsel geaktiveer. Opleiding vir die gebruik van die stelsel het geskied die 03 – 06 Oktober 2016. Voorraadopname is gedoen om die bestaande inventaris te verifieer vir opdatering op die stelsel.

Die grootste uitdaging wat in die pad staan om 'n behoorlike stoor in plek te stel is die gebrek aan stoorspasie. Tweedens moet daar ook dringend gekyk word na verouderde voorraad. Die stoorman moet opleiding ontvang om op die stoor stelsel te werk en die toegangs beheer na die store is ook nie veilig nie. Ons sit met 'n situasie waar byvoorbeeld meer as 'n Half Miljoen Rand se voorraad in die vorm van klippe buite op die werf van die Munisipaliteit lê waar enigeen dit kan steel of neem.

Dit is my voorstel dat ons 'n eksterne spesialis in kry om die situasie te assesseer en dan 'n behoorlike implementeringsplan op te stel en in werking te stel.

Tenders
Die volgende tender was gekanselleer as gevolg van onvoldoende spesifikasies vanaf die verbruikersdepartement sowel as die laagste aanvaarbare bod was 'n middelman in plaas van 'n gesertifiseerde handelaar:

1. T003/2016
   Die voorsiening en aflewering van 'n 1x nuwe 4x2 enkelkajuit bakkie en 1x nuwe vier deur sedan voertuig.

Afwykings
Die volgende afwykings was vir die kwartaal aangegaan:

1. Oktober 2016
   Daar was geen afwykings vir die maand van Oktober 2016 nie.

2. November 2016

Verskaffer	Beskrywing	Rede	Bedrag
WAM Technology CC	"Municipal Assistant"	Gaan help met die omkeer van die Blou en Groen Druppel	R 961,537.56
Gabion Baskets	Gabion Klippe	MIG gelde moes gespandeer word deur Infrastruktuur Departement	R 514,311.00

3. Desember 2016
   Daar was geen afwykings vir die maand van Desember 2016 nie.

Kontrak Bestuur
Kontrak bestuur bly steeds een van ons grootste uitdagings en die effek van die oudit bevindinge het 'n rimpeleffek wat tot ander bevindinge lei.

Ons konsultant Altimax tesame met die SCM Eenheid is besig met 'n omkeer plan om die bevindinge van die Ouditeur-Generaal aan te spreek met 'n skerp fokus op Kontrak Bestuur.

SCM Eenheid
Die SCM Eenheid bestaan tans uit vier voltydse werknemers as volg:

1. Senior SCM Beampte
2. SCM Beampte
3. SCM Beampte
4. Store Klerk

Aanbeveling
Hiermee word dit aanbeveel dat die Raad die aangehegte verslag oor die implementering van die goedgekeurde Voorsieingskanaal bestuursbeleid kennis moet neem.

Groenewald
....
AS GROENEWALD
Senior Bestuurder Finansies en Korporatiewe Dienste

....
A MARTHINUS
Portefeuljehouer: Finansies

LAINGSBURG MUNICIPALITY

IMPLEMENTATION OF SYSTEM – SUPPLY CHAIN MANAGEMENT

SECTION 6 OF SCM POLICY:
OVERSIGHT ROLE OF COUNCIL OVER THE IMPLEMENTATION OF SCM POLICY

PERIOD: 1 OCTOBER 2016 – 31 DECEMBER 2016

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
3(1)(a)	Prepare and submit a draft supply chain management policy complying with regulation 2 to the council of the municipality for adoption.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	Approved on 28 August 2012
3(1)(b)	Review at least annually the implementation of the policy.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	Review: 15 April 2015 Approved: 25 June 2015
3(1)(c)	Submit when considered necessary, proposals for amendment of the policy by the Council.	Accounting Officer	Chief Financial Officer Sub-Delegated to relevant Sec 57 Manager	N/A	Review: 15 April 2015 Approved: 25 June 2015
3(2)(a)	Make use of any Treasury guidelines determining standards for municipal supply chain management policies, and submit to the council that guidelines standard or modified version therefore, as a draft policy.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	
3(2)(b)	Ensure that a draft policy submitted to council that differs from the guideline standard complies with Regulation 2.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	
3(1)(c)	Report any deviation from the guideline standard to the National Treasury and relevant provincial treasury	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	N/A	Policy does not from guidelines
3(4)	Must, in terms of section 62(1)(f)((iv) take all reasonable steps to ensure that the municipality has and implements a supply chain management policy as set out in Regulation 2.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
5(2)(a)	Make a final award above R10 million (VAT included).	Accounting Officer (after considering recommendation of Bid Adjudication Committee)	May not be delegated.	N/A	No awards made above R10 million (VAT included)
5(2)(b)	Make a final award above R200 000(VAT included), but not exceeding R10 million (VAT included).	Accounting Officer	Chief Financial Officer Senior Managers Bid Adjudication Committee	NO	
5(2)(c)	Make a final award not exceeding R200 000(VAT included) including the appointment of consultants	Accounting Officer	Chief Financial Officer Senior Managers Bid Adjudication Committee	NO	No awards made for the quarter.
5(3)	Submit to the officials referred to in regulation 5(4) within five days of the end of each month a written report containing particulars of each final award, except procurements made out of petty cash, made during that month, including – (a) the amount of the award; (b) the name of the person to whom the award was made; (c) the reason why the award was made to that person; and (d) the BEE/HDI status of that entity/person. (e)	Bid Adjudication Committee (refer regulation 5(4)(a) Chief Financial Officer – 5(4)(b)	Applicable to the relevant individuals delegated with the power to make a final award in terms of Regulation 5 (2)	YES	
6(1)	Maintain oversight over the implementation of the supply chain management policy	Municipal Council	Power reserved by council	YES	Quarterly reports regularly submitted to Council.
6(2)(a)(i)	Submit a report to council within 30 days of the end of each financial year on the implementation of the supply chain management policy of the municipality.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
6(2)(a)(iii)	Immediately submit a report to council whenever there are serious and material; problems in the implementation of the supply chain management policy, including such a report from any municipal entity as envisaged by this Regulation 6(2)(a)(iii)	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	N/A	
6(3)	Submit a report to the mayor of the municipality within ten days of each quarter on the implementation of the supply chain management policy.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	Report submitted to Accounting Officer
7(1)	Establish a supply chain management unit.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	1 December 2012
11(3)	Must make public the fact that the municipality procures goods or services as contemplated in section 110(2) of the MFMA	Municipal Council	Chief Financial Officer Sub-Delegated to Head SCM	YES	
12(2)(a)	Allow the Accounting Officer to low, but not to increase, the different threshold values specified in sub regulation(1).	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	N/A	Thresholds remains in line with SCM regulations
12(2)(b)	Direct that: (i) Written quotation be obtained for any specified procurement of a transaction value lower than R2,000 (VAT included); (ii) Formal written price quotations be obtained for any specific procurement of a transaction value lower than R10,000 or (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	N/A	No such instances
14(1)(a)(i)	Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality through written quotations and formal written price quotations.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	All government spheres utilizing the Centralised Supplier Database.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
14(1)(a)	Invite prospective providers of goods and services at least once a year through newspaper commonly circulating locally, the website of the municipality	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	
14(1)(b)	Specify the listing criteria for accredited prospective providers.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	List of required service/goods were included in the invitations to prospective suppliers
14(1)(c)	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.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	No such case encountered
14(2)	Update the list of prospective providers at least quarterly to include any additional prospective providers and any new commodities or types of services.	Municipal Council	Chief Financial Officer Sub-Delegated to Head SCM	YES	SCM Database constantly being updated.
15	Requesting reconciliations on petty cash purchases on a monthly basis.	Chief Financial Officer	Chief Financial Officer (To be sub-delegated to Expenditure)	YES	Expenditure Clerk post is filled.
16(c)	If it is not possible to obtain at least three written quotations, record and report quarterly to the accounting officer, or another official designated by the accounting officer, the reasons for this.	Accounting Officer	Relevant Sec.57 Manager	YES	Written quotations obtained but in some instances and regularly reporting done.
16(d)	Record the name of potential providers requested to provide written quotation with their quoted prices.	Accounting Officer	Relevant Sec.57 Manager	NO	Written quotations obtained but in some instances
17(1)(c)	Record the reasons for not obtaining at least three formal written quotations.	Chief Financial Officer	Relevant Sec.57 Manager	YES	
17(1)(c)	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	Head SCM	YES	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Relevant Sec.57 Manager	NO	
17(2)	Report to the CFO within three days at the end of the month on any approvals given during that month by that the designed official referred to in sub-regulation (1) (c).	Chief Financial Officer	Head SCM	YES	
18 (a)	All requirements in excess of R30,000 (VAT included) by means of formal written price quotations should be advertised for at least 7 days on the website and municipal official website.	Chief Financial Officer	Head SCM	NO	Not in all instances
18(b)	Must promote ongoing competition amongst providers, including by inviting providers to submit quotations on a rotation basis, when using the list of accredited prospective providers.	Chief Financial Officer	Head SCM	NO	Remains a challenge to source suppliers to enable rotation.
18(c)	Must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	N/A	
18(d)	Notify the Accounting Officer or CFO in writing on a monthly basis of all written quotations and formal written price quotations accepted by the official acting in terms of a sub-delegation 12(2)(b)	N/A	Relevant Sec.57 Manager	NO	
22 (b) (i)	The publication notice must contain the closure date for the submission of bids, which may not be less than 3 weeks in case of transactions over R10m (VAT included), or which are of long term nature, or 14 days in any other case, from date on which the advertisement is placed in a newspaper.	Accounting Officer	Bid Specifications Committee	N/A	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
22(2)	The Accounting Officer may determine the closure date for the submission of bids which is less than the 30 days or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	
23(d)	The handling, opening and recording of bids should be (i) record in a register all bids received in time; (ii) make the register available for public inspection (iii) publish the entries in the register and the bid results on the website of the municipality.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	Complies with requirement
24(1)	Negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation – (a) does not allow any preferred bidder a second or unfair opportunity; (b) is not to the detriment of any other bidder; and (c) does not lead to a higher price than the bid submitted. Minutes of such negotiations must be kept.	Accounting Officer	Relevant Sec.57 Manager	N/A	
26(1)(b)	Appoint the members of the bid specification, evaluation and adjudication committees, taking into account Section 117 of the MFMA.	Accounting Officer	Not delegated.	YES	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
26(1)(c)	Appoint a neutral or independent observer to a bid specification, evaluation or adjudication committee for an attendance and oversight process when this is appropriate for ensuring fairness and promoting transparency.	Accounting Officer	Not delegated.	N/A	Accounting Officer have not found it necessary
26(3)	Apply the committee system to formal written price quotations.	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	NO	
27(1)	Compile specifications for the procurement of goods and services by the municipality.	Bid Specification Committee	Not to be sub delegated	YES	
27(2)(g)	Approve specifications compiled by the bid specification committee prior to publication of the invitation for bids.	Accounting Officer	Relevant Sec.57 Manager	YES	
28(1)(a)	Evaluate bids in accordance with – (i) the specifications for a specific procurement ; and (ii) the points system as must be set out in the supply chain management policy of the municipality in terms of Regulation 27(2)(f) and a prescribed in terms of the Preferential Procurement Policy Framework Act.	Bid Evaluation Committee	Not to be sub-delegated	YES	
28(1)(b)	Evaluate each bidder's ability to execute the contract.	Bid Evaluation Committee	Not to be sub-delegated	YES	
28(1)(c)	Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.	Bid Evaluation Committee	Not to be sub-delegated	YES	
28(1)(d)	Submit to the adjudication committee a report and	Bid Evaluation	Not to be sub-delegated	YES	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
	recommendations regarding the award of the bid or any other related matter.	Committee			
29(1)(a)	Consider the report and recommendations of the bid evaluation committee where the award value exceeds R200 000 (VAT incl) and make the award up to value of R10m (as per delegated authority)	Bid Adjudication Committee	Not to be sub-delegated	N/A	
29(1)(b)(i)	For bids above R10 million, the SCMBAC will make recommendation to the Municipal Manager to make the final award.	Accounting Officer	Not to be sub-delegated	N/A	
29(1)(b)(ii)	Make another recommendation to the accounting officer on how to proceed with the relevant procurement.	Bid Adjudication Committee	Not to be sub-delegated	N/A	
29(3)	Appoint the chairperson of the bid adjudication committee.	Accounting Officer	Chief Financial Officer	YES	
29(5)(a)	If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid – (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and (ii) notify the accounting officer.	Bid Adjudication Committee	Not to be sub-delegated	N/A	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
29(5)(b)	(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in Regulation 29(5)(a); and (ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.	Accounting Officer	Not to be sub-delegated	N/A	
29(6)	Refer any recommendation made by the evaluation committee or adjudication committee back to that committee for reconsideration of the recommendation.	Accounting Officer	Not to be sub-delegated	N/A	
29(7)	Comply with Section 114 of the MFMA within ten working days.	Accounting Officer	Not to be sub-delegated	N/A	
31(1)	Request the State Information Technology Agency (SITA) to assist the municipality with the acquisition of IT related goods or services through a competitive bidding process.	Accounting Officer	Chief Financial Officer	N/A	
31(2)	Enter into a written agreement to regulate the services rendered by, and the payments made to, SITA.	Accounting Officer	Chief Financial Officer	N/A	
31(3)	Notify SITA together with a motivation of the IT needs of the municipality if – (a) the transaction value of IT related goods or services required by the municipality in any	Accounting Officer	Chief Financial Officer	N/A	

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE-MENTED	COMMENTS
	financial year will exceed R50 million (VAT incl); or (b) the transaction value of a contract to be procured by the municipality whether for one or more years exceeds R50 million.				
31(4)	Submit to the Council, the National Treasury, the relevant provincial treasury and the Auditor General the SITA comments and the reasons for rejecting or not following such comments if the municipality disagrees with SITA's comments.	Accounting Officer	Chief Financial Officer	N/A	
32(1)	To procure goods or services for the municipality under a contract secured by another organ of state, but only if – (a) the contract has been secured by that organ of state by means of a competitive bidding process applicable to that organ of state; (b) the municipality has no reason to believe that such contract was not validly procured; (c) there are demonstrable discounts or benefits for the municipality; (d) that other organ of state and the provider have consented to such procurement in writing.	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	NO	

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35(1)	Procure consulting services up to the value of R200 000 (VAT included) provided that any treasury guidelines in respect of consulting services are taken into account when such procurements are made.	Accounting Officer	Relevant Sec.57 Manager	N/A	
35(1)	Procure consulting services above the value of R200 000 (VAT included) and /or the duration period exceeds one year provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.	Bid Adjudication Committee	Not to be sub-delegated	N/A	
35(4)	Ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.	Municipal Council	Accounting Officer Sub-Delegated to the relevant Sec.57 Manager	N/A	

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36(1)(a)	Dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only – (i) in an emergency; (ii) if such goods or services are produced or available from a single provider only; (iii) for the acquisition of special worker of art or historical objects where specifications are difficult to compile; (iv) acquisition of animals or zoos; or (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes	Accounting Officer	Chief Financial Officer Sub-Delegated to Head SCM	YES	See attached memorandum.
36(1)(b)	Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.	Accounting Officer	Not be Sub-Delegated	YES	
36(2)	Record the reasons for any deviations in terms of Regulations 36(1)(a) and (b); and Report them to the next meeting of the Council and include as a note to the annual financial statements.	Accounting Officer	Not be Sub-Delegated	YES	
37(2)	Decide to consider an unsolicited bid but only if – (a) the product or service offered is a demonstrably or proven unique innovative concept; (b) the product or service will be exceptionally beneficially to, or have exceptional cost advantages for, the municipality; (c) the person who made the bid is the sole provider of the product or service; and	Municipal Council	Accounting Officer	N/A	

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	(d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.				
37(3)	Make public in accordance with section 21A of the Municipal Systems Act the decision to consider an unsolicited bid that complies with Regulation 37(2) together with- (a) reasons as to why the bid should not be open to other competitors; (b) an explanation of the potential benefits for the municipality were it to accept the unsolicited bid; and (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.	Municipal Council	Accounting Officer	N/A	
37(4)	Submit written comments received pursuant to Regulation 37(3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.	Municipal Council	Accounting Officer	N/A	
37(5)	Consider the unsolicited bid	Municipal Council	Accounting Officer Sub-Delegated to the Bid Adjudication Committee	N/A	
37(5)	Award the bid if the value of the bid does not exceed R10 million (VAT included).	Municipal Council	Accounting Officer Sub-Delegated to the Bid Adjudication Committee	N/A	
37(5)	If the value of the bid exceeds R10 million (VAT included) make a recommendation to the accounting officer to award the bid.	Municipal Council	Accounting Officer (after considering the recommendation of the Bid Adjudication Committee).	N/A	

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37(7)	When considering an unsolicited bid, take into account where considering an unsolicited bid – (i) any comments submitted by the public; and (ii) any written comments and recommendations of the National Treasury or the relevant provincial treasury.	Bid Adjudication Committee	Not be sub-delegated	N/A	
37(8)	Submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following any recommendations of the National Treasury or provincial treasury in regard to the unsolicited bid.	Accounting Officer	Chief Financial Officer	N/A	
38(1)(a)	Take all reasonable steps to prevent abuse of the supply chain management system.	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	NO	
38(1)(b)	Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with the supply chain management policy, and when justified – (i) take appropriate steps against such official or other role player; or report any alleged criminal conduct to the South African Police Service.	Accounting Officer	Manager: Internal Audit	N/A	
38(1)(c)	Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	YES	

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38(1)(d)	Reject any bid from a bidder – (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any directors to the municipality are in arrears for more than three months; (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.	Accounting Officer	To all relevant delegatees	N/A	
38(1)(e)	Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract.	Accounting Officer	To all relevant delegatees	N/A	
38(1)(f)	Cancel a contract awarded to a person if – the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or (i) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.	Accounting Officer	Not delegated	N/A	
38(1)(g)	Reject the bid of any bidder if that bidder or any of its directors – (i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such	Accounting Officer	To all relevant delegatees	N/A	

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	system; (ii) has been convicted for fraud or corruption during the last five years; (iii) has willfully neglected or reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or (iv) has been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).				
38(2)	Inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of Regulation 38(1) (b) (ii), (e) or (if).	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	N/A	
43(2)	Check with SARS whether a person's tax matters are in order before making an award to such person.	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	YES	
45	Disclose in the notes to the annual financial statements of the municipality particulars of any award of more than R2,000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including – (a) the name of that person; (b) the capacity in which that person is in the service of the state; and (c) the amount of the award.	Municipal Council	Chief Financial Officer	YES	See AFS 2015/2016

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46(3)(a)	Keep a register of all declarations in terms of Regulation 46(2) (d) and (e).	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	YES	
46(3)(b)	Declarations must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.	Mayor	Chief Financial Officer Sub-delegated to Head SCM	YES	
46(5)	Adopt the National Treasury's code of conduct for supply chain management practitioners and other role players involved in supply chain management	Municipal Council	Accounting Officer	YES	Adopted by Council 28 August 2012 but not signed by officials.
47(2)	Report any alleged contravention of Regulation 47(1) to the National Treasury for considering whether the offending person, and any representative or intermediate through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	N/A	
48	Disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted to the municipality whether directly or through a representative or intermediate, by any person who is –	Accounting Officer	Relevant Sec.57 Manager	N/A	

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	(a) a provider or prospective provider of goods or services to the municipality; or (b) a recipient or prospective recipient of goods disposed or to be disposed, of by the municipality.				
50(1)	Appoint an independent and impartial person to assist in the resolution of disputes between the municipality and other persons and to deal with objections, complaints or queries as described more fully in Regulation 49.	Accounting Officer	Not delegated	N/A	
50(3)	Responsible to assist the person appointed in terms of Regulation 50(1) to perform his or her functions effectively.	Accounting Officer	Not delegated	N/A	
51	Service provider that acts on behalf of municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to service provider, contract must stipulate a cap on compensation payable to the service provider; that such compensation must be performance based.	Accounting Officer		NO	
52	Contract management and contract administration.	Accounting Officer	Chief Financial Officer Sub-delegated to Head SCM	NO	