



SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION REPORT

District:

Thabo Mofutsanyana

Name of Municipality:

Dihlabeng

Name of Municipal Entity/ Entities:

Reporting Date:

Friday, 29 March 2019

Contact Information

Name of Chief Financial Officer:

Mr P.D. Khiba

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Name of Accounting Officer:

Mr B. Molatseli

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..... DEPARTMENT

Our Reference

..... Enquiries

Your Reference

OFFICE OF THE MUNICIPAL MANAGER



SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION REPORT

ACCOUNTING OFFICER'S LETTER

FOR THE QUARTER ENDED

29 March 2019

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: 05/04/2019

Accounting Officer/ Municipal Manager

Date: 5/04/19

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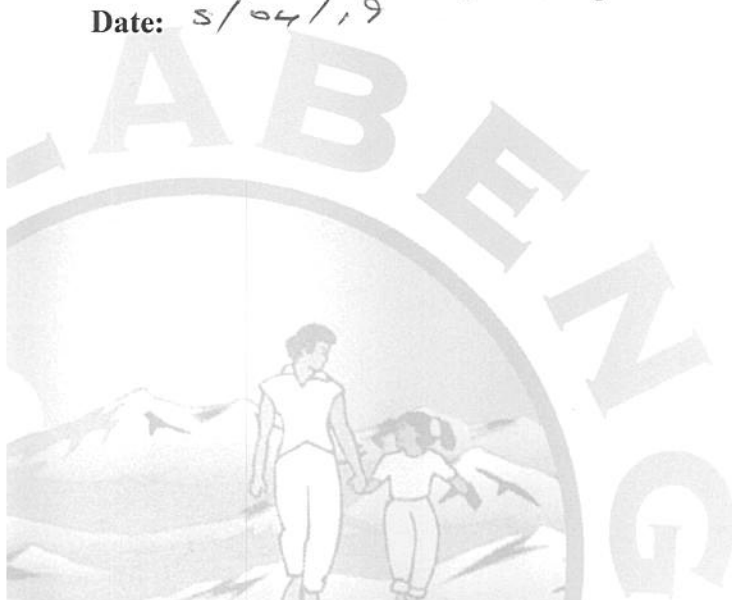
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SUPPLY CHAIN MANAGEMENT

District:	Thabo Mofutsanyana	Municipality:	Dihlabeng	Reporting Date:	Friday, 28 June 2019
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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?	Yes	9	2	N/A
Area	Ref.	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	04-10-2018 (Provincial Treasury) and 30-05-2018 (Municipal Council)		N/A

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	16-08-2018		N/A

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.	Yes	Quarterly	15	We use the Central Supplier Database and the spreadsheet is used to keep track of suppliers verified

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.	Yes	Sam Masoou, Lawrence Ramulwela, Mapasela Sethole and Hilda Motloung	Manager Electricity, Manager Water & Sanitation, Manager Library, and Supply Chain Officer	
6	SCM Reg 28	Bid Evaluation Committee appointed composed of at least one SCM practitioner of the municipality.	Yes	Lydia Mosia, Kerling Daniels, Lethola Mabula, Qimuzi Lethatha and Mphahlele Mdalane	Manager Financial Accounting, Manager Town Planning, Manager Revenue Enhancement, Manager Asset and Supply Chain Officer	
7	SCM Reg 29	Bid Adjudication Committee appointed composed of at least four senior managers of the municipality.	Yes	Pule Khloa, Angela Mosima, Nkosi Mendi, Nkoko Shabalala, Mphahlele Mabula and Justice Tsatsa	Chief Financial Officer, Director Community Services, Director Local Economic Development, Director Public Works, Director Corporate Services and SCM Manager	

CIDB						
Area	Ref.	Background	REGISTRATION WITH CIDB'S TENDER (Y/N)		PROJECTS REGISTERED	IF NOT, REASONS THEREOF
8		CIDB Regulations, Regulation 18(1) & 18(1A)	Registration of construction works contracts above R200 000 in the CIDB register of projects.	Yes	No	CIDB Website is not functional.
REGULATION 32 CONTRACTS						
Area	Ref.	Background	DESCRIPTION	SUPPLIER	AMOUNT	INSTITUTION
9	MFMA Reg 32		Procurement of goods and services under a contract secured by another organ of state.		N/A	N/A
DEVIATIONS FROM PROCUREMENT PROCESSES						
Area	Ref.	Background	DESCRIPTION	SUPPLIER	AMOUNT	UPLOADING ON THE WEBSITE (Y/N)
10	MFMA Reg 36		Deviations from the procurement processes approved by the accounting officer.		N/A	N/A
UNSOLICITED BIDS						
Area	Ref.	Background	DESCRIPTION	SUPPLIER	AMOUNT	REASONS
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?		N/A	N/A
DISPOSAL MANAGEMENT						
Area	Ref.	Background	ASSET(S) DISPOSED	REASON FOR DISPOSAL	DISPOSAL METHOD	COST PRICE
12	MFMA Reg 40		Assets disposal.		N/A	N/A
CONTRACT AND PERFORMANCE MANAGEMENT						
Area	Ref.	Background	DESCRIPTION	SUPPLIER	AMOUNT	PUBLIC PARTICIPATION (Y/N)

DISPUTES						
Area	Ref.	Background	CONTRACT NUMBER	SUPPLIER	NATURE	STATUS
13	SCM Reg 50	Resolution of SCM related disputes.	N/A		N/A	N/A
ACTIVE CONTRACTS						
Area	Ref.	Background	DESCRIPTION	SUPPLIER	AMOUNT	DURATION
14	MFMA Sec. 116	Contract management.				EXPIRY DATE
			Appointment of a Panel of Service Providers for the Supply & delivery of 25kg bags of cold mix asphalt on an as and when required basis for a period of 3 years with effect from date of award	Carboncor Distributors SA	As an when required	3 Years 2021-09-12
			Appointment of a Panel of Service Providers for the Supply & delivery of 25kg bags of cold mix asphalt on an as and when required basis for a period of 3 years with effect from date of award	Super Patch Sales & Marketing (Pty) Ltd	As an when required	3 Years 2021-09-12
			Appointment of a Panel of Service Providers for the Supply & delivery of 25kg bags of cold mix asphalt on an as and when required basis for a period of 3 years with effect from date of award	Wealth In Tide (Pty) Ltd	As an when required	3 Years 2021-09-12
			Appointment of a Panel of Service Provider for the Hire of Plant & Equipment on an as and when required Basis for a period of 3 years from date of award	Anaphiko Ejuba Transport Enterprises	As an when required	3 Years 2021-09-19
			Appointment of a Panel of Service Provider for the Hire of Plant & Equipment on an as and when required Basis for a period of 3 years from date of award	Aqua Transport & Plant Hire (Pty) Ltd	As an when required	3 Years 2021-09-19
			Appointment of a Panel of Service Provider for the Hire of Plant & Equipment on an as and when required Basis for a period of 3 years from date of award	Midmaar Plant Hire	As an when required	3 Years 2021-09-20
			Appointment of a Panel of Service Provider for the Hire of Plant & Equipment on an as and when required Basis for a period of 3 years from date of award	Oos Vrystaat Grondverskuiwing (Pty) Ltd	As an when required	3 Years 2021-09-19
			Appointment of a Panel of Service Provider for the Hire of Plant & Equipment on an as and when required Basis for a period of 3 years from date of award	Premier Attraction 217 CC	As an when required	3 Years 2019-09-20
			Appointment of a Panel of Service Provider for Hire of Water Tankers to Deliver Water to the Rural Community on an as and when required basis for a period of 3 years from date of award	Aqua Transport & Plant Hire (Pty) Ltd	As an when required	3 Years 2021-09-19
			Appointment of a Panel of Service Provider for Hire of Water Tankers to Deliver Water to the Rural Community on an as and when required basis for a period of 3 years from date of award	Ethos Transport & Services CC	As an when required	3 Years 2021-09-19
			Appointment of a Panel of Service Provider for Hire of Water Tankers to Deliver Water to the Rural Community on an as and when required basis for a period of 3 years from date of award	Midmaar Plant Hire	As an when required	3 Years 2021-09-20
			Appointment of a Panel of Service Provider for Hire of Water Tankers to Deliver Water to the Rural Community on an as and when required basis for a period of 3 years from date of award	Oos Vrystaat Grondverskuiwing (Pty) Ltd	As an when required	3 Years 2021-09-19
			Appointment of a Panel of Service Provider for Hire of Water Tankers to Deliver Water to the Rural Community on an as and when required basis for a period of 3 years from date of award	Premier Attraction 217 CC	As an when required	3 Years 2021-09-20
			Appointment of a service provider for provision of physical security services for a period of 3 years	Confign CC	As per Rates on BOQ	3 years 2020-10-31
			Appointment of service provider for the supply and delivery of Electrical Material for a period of 3 years	Radimpe Construction & General Trade	As and When	3 years 2019-03-31

		Appointment of professional valuer for compilation and maintenance of the valuation roll and supplementary valuation roll for the financial year	Manna Holdings	R2 002 362,50	5 years	2021-06-30
		Appointment of service provider for the supply and delivery of water purification for period of three(3) years	Marwin Marketing, Blendtech & Jicama	As and When	3 years	2019-05-31
		Supply and Delivery of Fuel	Hamisa Transport & Trading	As per regulated tariffs	3 years	Month to Month
		Service provider for mechanical services(repairs and maintenance of municipal vehicles	Ben Ben Technologies (Pty) Ltd	As per schedule	3 years	2018-08-26
		Sourcing of funds, supply, installation and commissioning of smart metering solutions	Bravolex Hexing Joint Venture	As per schedule	3 years	2018-09-10
		Service provider for Operations, Management and Maintenance of Landfill Site in Bethlehem	Khabokel Waste Management (Pty) Ltd	R23 400 000,00	3 years	2019-02-28
		Provision of Construction Machinery and Equipment	Kwane Capital	R67 983 855,05	3 years	2019-03-31
		Appointment of a Registered debt collection agency with Specialist attorneys on an as and when basis for a period of 3 years from date of award	Kunene Ramapala Incorporated	10% commission fee	3 years	2020-07-31
		Manufacture, Supply, Delivery, Erection, Testing, Commission and Maintenance of 40M RYLO Type High Mast Complete with Luminares within Dikhabeng Local Municipality	Ikageng Electrical Contractors	As per pricing schedule and budget availability	2 years	2019-07-01
		Supply, Installation and Maintenance of a Performance Management Electronic System	Em Emp Trading Enterprise T/A Strategy to Action	R 571 940,40	3 years	2020-03-15
		Events Management Services for a Period of three years	Walking Tall Trading & Projects 25	As per rates on BOQ	3 years	2020-08-31
		Appointment of a Service Provider for the Project: Extension of Mashaeng Wastewater treatment works from 1.0m/day to 2.2m/day	Imbumba/Makhathini JV	R 9 767 737,19	18 Months	2020-09-02

114	Do all contracts awarded include a clause to allow the contract to be automatically cancelled where there is conflict of interest which was not disclosed?	Yes			
115	Are there mechanisms in place when the municipality discovers that bidders have abused the SCM system, committed fraud or any other improper conduct or has failed to perform on a previous contract?	Yes			
116	Are all major capital projects managed by suitably skilled and experienced project manager and subject to regular independent quality checks?	Yes			

117		Do all major projects have project files and include original signed declaration forms by suppliers and all sub-contractors?	Yes						
118		Are timelines included for all capital projects (particularly those which extend over more than one fiscal year) and regularly reported against actual progress?	Yes						
119		Are clear and unambiguous signed service level agreements (SLA) given to service providers who sign as agreeing to outlined; - Terms and conditions of the contract or agreement; - The termination of the contract or agreement in the case of non- or under- performance; and - Dispute resolution mechanisms to settle disputes between the parties?	Yes						
CONTRACT VARIATIONS									
Area	Ref.	Background	DESCRIPTION	SUPPLIER	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?	N/A						
LOGISTICS MANAGEMENT									
Area	Ref.	Background	SUPPLIER	IF NOT REASONS THEREOF	COMMENTS				
16	MFMA Reg 39	Are there documented and approved SCM procedures for stores and warehouse management including: - the setting of inventory levels, - placing of orders, - receiving and distribution of goods, - expediting orders?	Yes						
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	Meter Reading Services			Irregular Expenditure			
			Electricity disconnection		R1 050 764,04 Kopanong Services	Irregular Expenditure			
			Printing of Municipal Accounts		R724 952,80 Little Venice	Irregular Expenditure			
			AFS Preparations		R343 654,50 Lithotech	Irregular Expenditure			
					R301 185,00 Maluti Chartered Accountant				

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Awarded Quotation between R30 000 - R200 000					
Period Ended 31 April 2019					
Closing Date	Date order Iss	Bid Number	Name of Company	Bid Price	Description of work
2019-01-24	2019-01-25	206 0119	Magau Transport Services	R 193 550,00	Appointment of a Service Provider to transport farm dwellers & elders for ID Campaign & Registrations from all Surrounding farms & Dhlhlabeng units to all IEC Stations for 2 days
2019-02-07	2019-02-11	209 0119	Dinasthe Trading & Projects (Pty) Ltd	R 192 000,00	Appointment of a Service Provider to Supply & delivery of 4 000 A 1 Printed Calendars for Dhlhlabeng Local Municipality
2019-02-07	2019-02-11	213 0219	Magau Transport Services	R 176 000,00	Appointment of a Service Provider to transport 1 000 Passengers from all units of Dhlhlabeng & Surrounding farms to Arran Farm & return
2019-02-07	2019-02-11	214 0219	Tisa Tsebo Tradings (Pty) Ltd	R 95 000,00	Appointment of a Service Provider for the hiring of a Marquee Tent & Accessories
2019-02-07	2019-02-11	215 0219	Motswako Production & Properties CC	R 102 350,00	Appointment of a Service Provider for the hiring of a Professional Sound System & Aluminium Stage with Roof
2019-01-21	2019-02-11	203 0119	Rifeman Enterprise (Pty) Ltd	R 196 265,00	Appointment of a Service Provider for the Supply & delivery of Water Materials
2019-01-21	2019-02-15	203 0119	Rifeman Enterprise (Pty) Ltd	R 196 265,00	Appointment of a Service Provider to Supply & deliver of Water Materials
2019-02-12	2019-02-15	211 0219	1-2-3 Construction	R 69 668,02	Appointment of a Service Provider to Supply & delivery of Water Equipment for Fouriesburg Unit
2019-02-14	2019-02-18	219 0219	Mvukubona Trading (Pty) Ltd	R 104 620,00	Appointment of a Service Provider to Supply & delivery of 300 Pairs of School Shoes to the disadvantaged Children
2019-02-13	2019-02-26	221 0219	Thopo Ya Tebo (Pty) Ltd	R 199 209,90	Appointment of a Service Provider for the Supply & delivery of Water Materials for Water Network Repairs
2019-01-14	2019-03-04	201 0119	Mphphetwa Nzi	R 170 000,00	Appointment of a Service Provider to Supply, delivery & installation of Fence (Devil Fork) at Barvon Municipal house yard
2019-01-14	2019-03-05	199 0119	Rifeman Enterprise (Pty) Ltd	R 170 639,74	Appointment of a Service Provider to Supply & deliver of Video Cameras
2019-01-14	2019-03-05	199 0119	Rifeman Enterprise (Pty) Ltd	R 170 639,74	Appointment of a Service Provider to Supply & deliver of Video Cameras
2019-03-18	2019-03-18	233 0319 A	Mngomezulu Transport & Tours	R 197 900,00	Appointment of a Service Provider to transport 1 000 Grade 12 Learners from all units of Dhlhlabeng & Surrounding farms to Owa Owa
2019-03-20	2019-03-25	233 0319 B	Istovine Trading & Projects (Pty) Ltd	R 175 000,00	Appointment of a Service Provider to transport 1 000 Passengers from all units of Dhlhlabeng & Surrounding Farms to Bhm New Hall & return
2019-03-15	2019-03-26	245 0319	Rifeman Enterprise (Pty) Ltd	R 112 000,00	Appointment of a Service Provider for the Hiring of a Cherry Picker for a Period of 1 Month
2019-03-18	2019-03-26	228 0319	Tisa Tsebo Tradings (Pty) Ltd	R 185 000,00	Appointment of a Service Provider for the Hiring of a Steel Frame Tent
2019-03-18	2019-03-26	229 0319	Motswako Production & Properties CC	R 190 440,00	Appointment of a Service Provider for the Hiring of Stage & Sound System
2019-03-22	2019-03-26	233 0319	Motswako Production & Properties CC	R 138 000,00	Appointment of a Service Provider for the Hiring of Stage, Sound System & 2 LCD Screens
2019-03-22	2019-03-26	235 0319	Tisa Tsebo Tradings (Pty) Ltd	R 95 000,00	Appointment of a Service Provider for the Hiring of a Marquee Tent & 4 Mobile Toilets
2019-03-22	2019-03-26	236 0319	Motswako Production & Properties CC	R 94 760,00	Appointment of a Service Provider for the Hiring of a Professional Sound System & Aluminium Stage with Roof
2019-03-22	2019-03-28	227 0319	Mngomezulu Transport & Tours	R 94 760,00	Appointment of a Service Provider for the hiring of a Professional Sound System & LCD Screen
2019-03-18	2019-04-01	226 0219	Mphphetwa Nzi	R 185 900,00	Appointment of a Service Provider to transport 1 500 Passengers from all the units of Dhlhlabeng to Bhm & return
2019-03-06	2019-04-03	235 0319	Magau Transport Services	R 110 930,00	Appointment of a Service Provider to Supply & delivery of Cleaning & Gardening Materials for the Municipal Stores
2019-03-22	2019-04-05	234 0319	Magau Transport Services	R 161 440,00	Appointment of a Service Provider for the hiring of a Marquee tent & 4 Mobile Toilets
					Appointment of a Service Provider to Transport 1 000 passengers from all units of Dhlhlabeng to New Hall & return