

C 2763/02/2022
MC A/5704/02/2022

**9.A.4 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT
POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT
REGULATIONS: MONTH OF JANUARY 2022**

8/1/1

COMPETENCY: COUNCIL

RESOLVED

That the report on the deviations from the MFMA Supply Chain Management Policy, as required by the Municipal Supply Chain Regulations, for the month of January 2022, be noted.

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9.A.4 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: MONTH OF JANUARY 2022

8/1/1

COMPETENCY: COUNCIL

PURPOSE

To report on deviations from the supply chain management policy as required by the Municipal Supply Chain Management (MFMA) Regulations for the month of January 2022.

RECOMMENDATION

That the report on the deviations from the MFMA Supply Chain Management Policy, as required by the Municipal Supply Chain Regulations, for the month of January 2022, be noted.

REPORT

The Municipal Supply Chain Management Regulations published under General Notice 868 in Government Gazette 27636 of 30 May 2005, inter alia, contains the following reporting requirements:

“Regulation 6 provides that the council of a municipality has an oversight role over the implementation of its supply chain management policy.

- (1) *The council of a municipality must maintain oversight over the implementation of its supply chain management policy.*
- (2) *For the purposes of such oversight the accounting officer must –*
 - (ii) *Whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to the council of the municipality.”*

The following Regulations are applicable to the implementation of the SCM policy and reported on as per the SCM regulations:

REPORT	SCM REGULATION NO	REPORT TO	FREQUENCY	RESPONSIBLE PERSON
Report on deviations from SCM Policy	36(2)	Council	Monthly (next Council meeting)	DD SCM
Report whenever there are serious and material problems in the implementation of the SCM Policy, immediately submit a report to the Council	6 (2) (a) (iii)	Council	Immediately (as and when applicable)	DD SCM

MIDVAAL LOCAL MUNICIPALITY: MFMA SCM REGULATIONS - REGULATION 36 (1) & (2) OF THE: DEVIATIONS AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESS

1. The Accounting Officer may dispense with the official procurement processes established by Midvaal Local Municipality's SCM policy and procure goods or services through a convenient process which includes:

- i) Emergency;
- ii) Goods and services produced or available from a single provider only;
- iii) Special works of art, historical objects;
- iv) Animals for zoos;
- v) Exceptional cases where it is impractical or impossible to follow the official procurement process.

Herewith the report to Council on purchases that could not follow the official procurement process for the month of **January 2022:**

R/N	DEP	DESCRIPTION	DATE	REASON	AMOUNT
JAN002-2021/2022	ES	Ampoor Khanyisa Pty Ltd – repair of broken isolator on 88KV line	2022/01/27	Regulation 36 (1)(a)(i) – Due to adverse weather conditions, the isolator on the 88KV line between Graceview and Eyestone substations broke which led to prolonged power outages to the Klipriver business park and other surrounding locations. Businesses may claim losses against the Municipality due to the power outage.	R 32 824,19
				TOTAL	R 32 824,19
(i) PURCHASES ACQUIRED IN EMERGENCY CASES					
R/NR	DEP	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(ii) PURCHASES ACQUIRED WHERE GOODS AND SERVICES PRODUCED OR AVAILABLE ARE FROM A SINGLE PROVIDER ONLY/AGENTS					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(iii) SPECIAL WORKS OF ART OR HISTORIC OBJECTS					
(iv) ACQUISITION OF ANIMALS FOR ZOOS AND/OR NATURE AND GAME RESERVES					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(v) IMPRACTICAL OR IMPOSSIBLE					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT

AGENDA OF THE 2ND ORDINARY MEETING OF 2022 TO BE HELD ON MONDAY,
28 FEBRUARY 2022 AT 14:00 IN THE COUNCIL CHAMBERS

JAN001-2021/2022	CORP SERV	The Assessment Toolbox CC – competency assessment for CFO position	2022/01/19	Regulation 36(1)(a)(v) – the regulation relating to the appointment of senior managers requires the recommended person to undergo competency-based assessment from the panel of service providers appointed by COGTA and is impractical to follow the SCM process.	R 33 637,50
				TOTAL	R 33 637,50
36 (1)(b) RATIFICATION OF MINOR BREACH BY ACCOUNTING OFFICER					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
				TOTAL	R-

Implementation of the SCM policy Regulation 6 (2) (a) (iii)

That it be noted that there are no serious or material problems in the implementation of the MFMA SCM policy.

PREPARED BY:


MRS. N GITE
 DEPUTY DIRECTOR: SCM
 02 FEBRUARY 2022

RECOMMENDED / NOT RECOMMENDED


MRS. J TAIT
 ACTING CHIEF FINANCIAL OFFICER
 02 FEBRUARY 2022

REVIEWED BY:


MR. F JONAS
 DIRECTOR: EXPENDITURE
 02 FEBRUARY 2022


APPROVED / NOT APPROVED
MR. SM MOSIDI
 ACTING MUNICIPAL MANAGER
 02 FEBRUARY 2022

**COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF
DEPARTMENT: 15 FEBRUARY 2022**

Resolved to Recommend

That the Item be referred to the Section 80 Finance Services Portfolio Committee.

**COMMENTS: SECTION 80 FINANCIAL SERVICES PORTFOLIO COMMITTEE: 21
FEBRUARY 2022**

The recommendation is supported.