

C 3432/11/2024
MC A/6463/11/2024

**9.A.18 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT
POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT
REGULATIONS: MONTH OF OCTOBER 2024**

8/1/1

COMPETENCY: COUNCIL

IT WAS UNANIMOUSLY 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 October 2024, be noted.

C 3432/11/2024
MC A/6463/11/2024

9.A.18 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: MONTH OF OCTOBER 2024

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 October 2024.

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 October 2024, 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)	ASD: 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)	ASD: SCM

**AGENDA OF THE 10TH ORDINARY MEETING OF 2024 TO BE HELD ON THURSDAY,
28 NOVEMBER 2024 AT 14:00 IN THE COUNCIL CHAMBERS**

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 **October 2024**:

(i) PURCHASES ACQUIRED IN EMERGENCY CASES				
R/N	DEP	DESCRIPTION	DATE	REASON
OCT002-2024-2025	ENGINEERIN G	Mbonelaphanda Civils CC -Urgent repairs of leaking 600mm rising main line from Heineken pump station to Erwat Wastewater Treatment Works	14/10/2024	Regulation 36 (1)(a)(i) The 600mm sewer pumping main line from Heineken pump station to Erwat wastewater treatment works was leaking and carried the risk of contaminating of the ground and surface water as the pipeline is passing through a stream.
				AMOUNT R 282 163,18
(ii) PURCHASES ACQUIRED WHERE GOODS AND SERVICES PRODUCED OR AVAILABLE ARE FROM A SINGLE PROVIDER ONLY/AGENTS				
R/NR	DEP	DESCRIPTION	DATE	REASON
OCT001-2024-2025	OFFICE OF THE MM	Ratings-Extended Financial Sustainability and subscription (2023) fee for Municipal Financial Sustainability Index (MFSI) scoring model that evaluates a number of financial and related components.	09/10/2024	Regulation 36 (1)(a)(ii) Municipal Financial Sustainability (MFS) evaluates several financial and related components of a municipality and it scores out of 100 with a focus to improve financial stability. The municipality needed to enlist this service to be able to determine its financial health status to protect and forecast for long-term financial planning.
				AMOUNT R 80 500,00
				R 362 663,18
(iii) SPECIAL WORKS OF ART OR HISTORIC OBJECTS				
R/N	DEPT	DESCRIPTION	DATE	REASON
	NONE			AMOUNT

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(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
36 (1)(b) RATIFICATION OF MINOR BREACH BY ACCOUNTING OFFICER					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			

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:

REVIEWED BY:


MS. D SEMANO
 ASSISTANT DIRECTOR: SCM
 4 November 2024 (Monday)


MR. F JONAS
 DIRECTOR: SCM
 4 November 2024

APPROVED / NOT APPROVED


MR A GROENEWALD
MUNICIPAL MANAGER
4 November 2024

RECOMMENDED / NOT RECOMMENDED


MS KOOBASHNI DESAI
ACTING CHIEF FINANCIAL OFFICER
4 November 2024

ENCLOSED HEREWITH:

Annexure A: Supporting evidence.

MIDVAAL LOCAL MUNICIPALITY

AGENDA OF THE 10TH ORDINARY MEETING OF 2024 TO BE HELD ON THURSDAY,
28 NOVEMBER 2024 AT 14:00 IN THE COUNCIL CHAMBERS



Midvaal Local Municipality
PO Box 9, Meyerton, 1960
Tel: 016 360 7400
Fax: 016 360 7519
www.midvaal.gov.za

Tel: 016 360 7405 • E-mail: cfo@midvaal.gov.za

INTERNAL MEMORANDA

TO : Director: Financial Reporting
Ms. Koobashni Desai

FROM : Chief Financial Officer

DATE : 04 November 2024

SUBJECT : ACTING CHIEF FINANCIAL OFFICER - FINANCIAL SERVICES
DEPARTMENT

This Memo serves to confirm that Ms. Koobashni Desai will be Acting Chief Financial Officer on the 4th of November 2024 with all the powers and authority of that office.

Yours Faithfully


Z.N. MHLONGO
CHIEF FINANCIAL OFFICER

ANNEXURE A

Ratings Africa
Octool / 2024 - 2025
3

Conditions:

1. Product MFSI® 2024 is the result of intellectual effort; copyright is retained by Ratings Afrika and the index name is trademarked;
2. Each purchase of the product means the result is usable multiple times and at multiple levels within the legal entity specified in the order;
3. The product is provided on an advance payment basis;
1. The product is the result of the MFSI® for one year, delivered electronically in documents using the PDF format;
- (1) The municipality's staff will have access to the staff of Ratings Afrika to discuss matters of concern.

Cost:

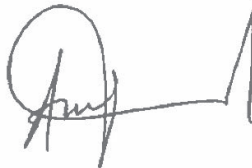
The fee for the Extended Financial Sustainability Service 2024 is R70 000 plus VAT thus (R80 500 including VAT at 15%).

Please feel free to contact me if you have any questions.

Sincerely


LEON CLAASSEN

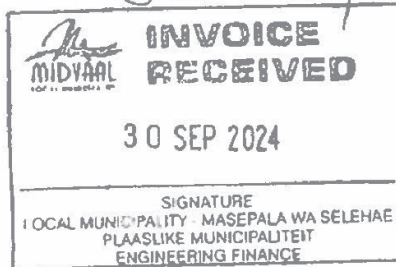
To: CFO
Approved. Please process the
deviation to appoint Ratings
Africa for signature

 01/10/2024

MIDVAAL LOCAL MUNICIPALITY

AGENDA OF THE 10TH ORDINARY MEETING OF 2024 TO BE HELD ON THURSDAY, 28 NOVEMBER 2024 AT 14:00 IN THE COUNCIL CHAMBERS

0ct002 / 2024-2025



Plot No 19 104 Howard Street, M Kgite Agricu tural Holdings
CHARTWELL, 2055
Postal Address: Postnet Suite 594, Private Bag X3,
NORTH R D'NG, 2162
Tel: 011 053 7200, Fax 086 518 4342
Reg No: 2006/135427/23
Vat No: 4140232804
Tax Reference No: 9391925154
Website: www.mbonelaphanda.co.za
Email: info@mbonelaphanda.co.za

Tax Invoice

Payment Certificate No. 1

Date 30 September 2024

Invoice No. IN100349

CLIENT
Midvaal Local Municipality
05 Meyerton
1960

VAT No: 4700193503
Creditor No: MB2353
Contract Number:
Vat Number:
PO No:
Project Name: Haineleah Pump Station Emergency Repair at North Gate

CERTIFICATION OF INVOICE FOR PAYMENTS

- Goods or services have been received / rendered
- Goods or services comply with specifications & quality
- Price is correct as per the contract / order / quotation
- This invoice was not previously paid
- Goods or services have been procured in terms of the RMR / SCMP

Name: E.P. Kekana
Signature: [Signature]
Date: 30/09/2024

Item	Amount
1. Total Value of Work done to date	R 245 359,29
Subtotal 1	R 245 359,29
Less Previous Certificates	R
3. Subtotal 2	R 245 359,29
4. Vat	R 36 803,89
5. Total	R 282 163,18

Contractor's Banking details:

Account name	MBONELAPHANDA CIVILS
Bank	FIRST NATIONAL BANK
Branch	NORTHGATE
Branch code	256755
Account number	62700363943

CERTIFIED CORRECT BY CONTRACTOR

Lufuno Mugweni

Date: 30 September 2024

**COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF
DEPARTMENT: 12 NOVEMBER 2024**

Resolved To Recommend

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

**COMMENTS: SECTION 80 FINANCE SERVICES PORTFOLIO COMMITTEE: 18
OCTOBER 2024**

That the recommendation is supported.