

**ANNUAL REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT
POLICY: 1 JULY 2021 – 30 JUNE 2022**

**JAARLIKSE VERSLAG VAN DIE IMPLEMENTERING VAN VOORSIENINGSKANAALBELEID:
1 JULIE 2021 - 30 JUNIE 2022**

**INGXELO YONYAKA EKUMISELWENI KOMGAQO NKQUBO WE SUPPLY CHAIN:
1 JULAYI 2021 - 30 JUNE 2022**

File Number: 8/1/2/1
Collaborator Number: 1969722
Committees: Finance Portfolio; Mayoral Committee 2; Council
Meeting Cycle: July
Key Performance Area: KPA 2: Financial Sustainability
Access Level: Public

1. PURPOSE

On an annual basis a report on the implementation of the Supply Chain Management (SCM) Policy must be submitted to Council for noting purposes.

2. FOR DECISION BY

Council

3. RECOMMENDATIONS

It is recommended that:

- 3.1 Council takes note of the content of this report; and
- 3.2 The report be made public in accordance with section 21A of the Municipal Systems Act.

3. AANBEVELINGS

Dit word aanbeveel dat:

- 3.1 Die Raad kennis neem van die verslag; en
- 3.2 Die verslag gepubliseer word in terme van artikel 21A van die Munisipale Stelsels Wet.

3. BACEBISE

Bacebise ukuba:

- 3.1 iBhunga malinike ingqalelo kwisiquqatho salengxelo; kunye
- 3.2 Lengxelo mayasizwe kuwowonke umntu njengoko ibekiwe kwicandelo 21A yoMthetho weeNkqubo zooMasipala.

4. INTRODUCTION

The annual implementation report on the SCM Policy must be submitted to Council in order for Council to exercise its oversight role.

5. DISCUSSION

Paragraph 6(2) of the SCM Policy which determines the following:

“For the purposes of such oversight the Accounting Officer must –

(a) Within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and

(b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to Council.”

No serious or material problems were experienced with the implementation of the SCM Policy. The SCM Policy is in line with the prescribed legal framework.

Progress has been made on a number of areas with regards to the implementation of the SCM Policy. The following is worth noting:

- 5.1 Compilation and implementation of an annual procurement plan for competitive bidding which covers both capital expenditure and operational expenditure for the first time in the Municipality's history; and
- 5.2 Design and implementation of an electronic contract management system in order to improve reporting on the monitoring of contractors appointed through a competitive bidding process;

It should be noted that the Minister of Finance is currently in the process of issuing new preferential procurement regulations. Council will be informed of when the new set of preferential procurement regulations are promulgated and what the impact will be on the SCM Policy.

6. IMPLICATIONS

6.1 POLICY

None.

6.2 FINANCIAL

None.

6.3 LEGAL

None.

6.4 STAFF

None.

6.5 ENVIRONMENTAL

None.

6.6 RISK

None.

7. PREVIOUS COUNCIL RESOLUTIONS

Not Applicable.

8. ANNEXURES

None.

9. COMMENTS FROM WARD COUNCILLORS AND DATE SIGNED

None.

10. COMMENTS FROM DEPARTMENTS AND DIVISIONS

10.1 CORPORATE SERVICES

Not Applicable.

10.2 FINANCIAL SERVICES

Not Applicable.

10.3 ENGINEERING SERVICES

Not Applicable.

10.4 COMMUNITY SERVICES

Not Applicable.

10.5 PLANNING AND DEVELOPMENT

Not Applicable.

10.6 RISK MANAGEMENT

Not Applicable.

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