

REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE PERIOD 01 APRIL 2024 TO 31 JUNE 2024

REPORT FROM THE ACTING DIRECTOR FINANCIAL OFFICER

PURPOSE OF THE REPORT

To report to the Mayoral Committee and Council on the Implementation of the Supply Chain Management Policy for the period 1 April 2024 to 31 June 2024.

The SCM Unit hereby wish to submit the Fourth quarterly report to the Mayoral Committee and Council, this report represents the implementation of Supply Chain Management from 01 April 2024 till 31 June 2024, and it reflects the implementation of the supply chain management policies of the Municipality.

The purpose of this report is to provide an overview and report on the implementation of SCM policies in terms of Council's approved Supply Chain Management Policies and Procedures of the Municipality.

PREVIOUS RESOLUTIONS

[a] That the Committee notes the Fourth Quarterly Report for Implementation of Supply Chain Management policy in the Municipality from 01 April 2024 to 31 June 2024 period.

[b] That the Municipal Public Accounts Committee, be instructed to investigate all irregular expenditure incurred in the 2023/2024 financial year and make recommendations to Council.

[c] That the Municipal Public Accounts Committee be instructed to investigate monthly deviations.

BACKGROUND

A full report on the Implementation of the Supply Chain Management Policy for the period 01 April 2024 to 31 June 2024 is attached in various annexures. This report also indicates progress in an attempt to reduce the irregular expenditure balance and deviations.

FINANCIAL IMPLICATIONS

As per the report attached hereto.

RELEVANT LEGISLATION

- The Constitution of the Republic of South Africa (No. 108 of 1996).
- Local Government: Municipal Finance Management Act (No. 56 of 2003).
- Municipal Systems Act (Act 32 of 2000).
- Municipal Supply Chain Management Regulations (Government Gazette 27636 dated 30 May 2005).
- Knysna Municipality Supply Chain Management Policy (SCM Policy).

DELEGATION

Delegations to MM, CFO and Manager SCM.

RECOMMENDATIONS OF THE MUNICIPAL MANAGER

- [a] That the report on the implementation of the SCM policy for the fourth quarter be noted.
- [b] That the deviations and irregular expenditure be noted and referred to MPAC for investigations.
- [c] Follow up with MPAC in dealing with all avoidable irregular expenditure.
- [c] That the report be made available to the public in terms of section 21A of the Municipal Systems Act, 2000.

APPENDIX / ATTACHMENTS

- Annexure A: Report on the Implementation of the Supply Chain Management Policy for the period 01 April 2024 to 31 June 2024 for Quarter 4.
- Annexure A: Irregular Expenditure Quarter 4, Tender Awards Register Quarter 4
- Annexure B: Request For Quotations Awards Register (RFQ) for Quarter 4
- Annexure C: C Order Register for Quarter 4
- Annexure D: Deviations Register for April 2024 - Quarter 4
- Annexure E: Deviations Register for May 2024 - Quarter 4
- Annexure F: Deviations Register for June 2024 - Quarter 4

File Number: 8/1

Execution: CFO