

AGENDA: COUNCIL: 31 JANUARY 2017

19. SUPPLY CHAIN MANAGEMENT AWARDS ABOVE R100 000: OCTOBER – DECEMBER 2016.

(Directorate: Budget and Treasury)

1. STRATEGIC THRUST

To promote sound financial management and viable financial management including good governance

2. PURPOSE OF THE REPORT

The purpose of the report may be to provide the management and Council with the progress regarding the implementation of the supply chain management system for the second quarter ending 31 December 2016

--- See attached as (Annexure A) (Page 502).

3. BACKGROUND

Section 6 (2) and (3) of the MFMA Municipal Supply Chain Management Regulations requires that for the purpose of Council to exercise its oversight role and the accounting officer must monitor and assess on continuous basis the implementation of the Supply Chain Management System and submit a report on the implementation at the end of each quarter to the Executive Mayor

The report is submitted to ensure that the supply chain processes followed by management is in line with government policy framework and regulations pertaining to supply chain management. And the upkeep of the objectives as outlined in the municipal supply chain policy

The information used in reporting of contracts awarded during the second quarter of 2016 / 17 financial year. All bids contained in this report were advertised, evaluated and adjudicated in accordance with the Supply Chain Policy and is obtained from the appointment letters signed by the Accounting Officer

Overall companies with women ownership were awarded the total 0 bids out of three which equal 0% of the total bids awarded; local companies were awarded 2 bids out of the three which equals 66.66% of total bids awarded

The bids awarded above R100.000 were three in total for the quarter, and were awarded on fixed prices to the amount of R 88 056 377.21 from which 99.72% was awarded to local companies to the amount of R 87 809 772.41

Note: There were no bids awarded for the month of December 2016

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RECOMMENDED

ACTION

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| 1. That the report of the awards be noted; | BTO |
| 2. That the report be submitted to National Treasury and Provincial Treasury; | BTO |
| 3. That the report be published on the municipal website. | BTO |
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