



Umjindi Municipality

IMPLEMENTATION PLAN

For the

SUPPLY CHAIN MANAGEMENT POLICY

A. Actions for immediate implementation with effect from January 2006

1. Invitation for the enlistment of proposed suppliers of goods and services – the Director Corporate Services shall immediately arrange for:
 - 1.1 Advertisements in all the newspapers commonly circulated in the Municipal area.
 - 1.2 Placing of Invitations on the Municipal Website.
 - 1.3 Displaying invitations on all notice boards
 - 1.4 Placing invitations in the Newsletter to be published in January 2006.
2. Arrange presentations on and ordering of computerized database system for the enlistment of proposed providers and the recording of quotations and orders.
 - 2.1 Demonstrations be arranged by the Supply Chain Practitioner
 - 2.2 Functions and characteristics of systems to be evaluated and a system with the best functionality and most beneficial to Council be acquired.
 - 2.3 Arrange for training of responsible personnel.
3. The Code of Ethical Standards as per par. 46 of the Policy and the Code of Conduct of National Treasury pertinently be brought to the attention of all personnel involved in the Supply Chain process of the Council by the Director Corporate Services.
4. The three-committee system of bidding in the format and with functions / responsibilities as approved by the Municipal Manager be implemented with effect from 1 January 2006
5. The functionaries of each of the three committees be appointed by the Municipal Manager
6. All existing delegated authority with regard to the acquisition of goods and services be revised in line with the approved Supply Chain Management Policy and the new thresholds as contained in the policy and to fully align with the stipulations of the Municipal Systems Act and the Municipal Finance Management Act
7. That the Municipal Manager opens a register for hospitality and gifts above a value of R350.00 per case received by officials in his office and to advise officials accordingly.

8. That the Speaker opens a register for hospitality and gifts above a value of R350.00 per case received by Councilors in his office and to advise all Councilors accordingly.
9. That this implementation Plan for the Supply Chain Management Policy be approved by the Council.
10. Set criteria's for the appointment of consultants in relation to Section 35 of the Policy.

B. Actions for implementation from 1 July 2006

1. The appointment by the Municipal Manager of competent staff in the position to be created of:

1.1 Assistant Chief Financial Officer : Supply Chain Management Practitioner

2. That training in the operating and control of the database system on proposed suppliers be arranged and undertaken.
3. That the format of the requisitions for Stores and purchasing be revised in line with the functioning of the acquired system.
4. The revision of the stipulations and outlay of the Council's official purchase order in line with existing legislative requirements in order to service as a binding contract.
5. The revision of the Council's existing standard tender conditions in line with the requirements of the latest legislation, the Supply Chain Regulations and the approved Supply Chain Management Policy and have them presented for approval by Council.
6. Develop new procedure for the receiving and opening of tenders in compliance with Section 23 of the Policy.
7. Developing of a procedure for the application of the General Conditions of Contract and Standard Bidding Documents for Construction Projects (as published under Notice 63 in Government Gazette 26427 of 9 June 2004) with relation to bids related to building, engineering and construction works.
8. The designing of requested for the invitation of Price Quotations and Bids containing the terms and conditions as per Supply Chain Management Regulations and the Council's Supply Chain Management Policy.
9. A standard for contracts concluded with the Council that contains the General Conditions of contract as per the Government Procurement Regulations as they apply to the various types of contracts of the Council to be designed and approved.

C. Actions for implementation from 1 January 2006

1. With effect from 1 January 2006 on a regular basis, written reports within 10 (ten) working days from the end of a month must be submitted on the particulars of each final award made by such official or committee during that month to:

- 1.1 The Accounting Officer for awards made by:
 - * The Chief Financial Officer
 - * A senior Manager
 - * The Bid Adjudication Committee

- 1.2 The Chief Financial Officer or a Senior Manager for awards made by:
 - * A head of department or by the
 - * Bid Adjudication Committee should the Chief Financial Officer or a Senior Manager not be part of it (Section 5(3) of the Supply Chain Management Policy)

2. The provision of intensive training of all personnel in the Supply Chain Management Office on the following aspects:
 - 2.1 Procurement through competitive bidding
 - 2.2 Acquisition through other means
 - 2.3 Disposal of redundancy or obsolete property
 - 2.4 Sale of property
 - 2.5 Letting of property
 - 2.6 Warehouse
 - 2.7 Trade Accounts
 - 2.8 Safety records / Quality control
 - 2.9 Recording in full compliance of legislation and accounting practice

3. Drafting of procedures for the different Supply Chain Processes / process plans.

4. Drafting of conditions and procedures for the disposal and letting of immovable property for adoption by Council

5. Changing of the standard outlay of contracts to fit such conditions.

6. Set criteria for publication of information where the Council contracts with other organs of state (Section 11(3) of the Supply Chain Management Policy)

7. Drafting Procedures for the approving of deviations from the obtaining of three (3) written quotations by the Chief Financial Officer (Section 17 (1)(c) of the Supply Chain Management Policy)

8. Setting procedures and criteria for the reporting on formal written quotations for purchases above R30 000.00 to either of the chief Financial Officer or the Accounting Officer (Section 19(d) of the Supply Chain Management Policy).

9. Chief Financial Officer must set requirements for proper recordkeeping of written quotations and final written price quotations (Section 18(e) of Supply Chain Management Policy)

10. Revise Procurement Policy (Points system) to comply with the Supply Chain Regulations and the Supply Chain Management Policy (Section 21(b))

D. Actions for implementation from January 2006

1. Continuation of comprehensive training of staff as per points B2 and C2 above.
2. Continuation of drafting process plans and procedures as per points C3 and C4 above.
3. Continuation with registration of proposed providers for goods and services on the Suppliers Database as per points A1 and A10 above.
4. The inspection of shops, warehouses and factories of proposed suppliers in line with Section 14 of the Policy.
5. Procedures for the deviation from and ratification of minor breaches of procurement process and such recording and reporting to Council as per Section 36 of the Policy.
6. Workshop and adopt a criteria for risk identification, evaluation and prevention as per Section 41 of the Policy.

E. Actions for implementation during from July 2006

1. Continue with inspections of shops, warehouses and factories of proposed providers as per point D4 above.
 2. Setting of criteria for the handling of disputes, objections and complaints as per Sections 49 and 50 of the Policy.
 3. Setting format for quarterly reporting by the Accounting Officer (written 20 days from the end of each quarter)
 4. Setting procedures for the publishing of the quarterly report in compliance with Section 21A of the Municipal Systems Amendment Act, Act 44 of 2003.
 3. Its further recommended that the Management tasks of the Council to fulfill its oversight role in the Supply Chain functions as per Annexure be noted.
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