

QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE 2nd QUARTER OF THE 2023/24 FINANCIAL YEAR

File No./s: 2/1/1/1

Directorate: Financial Services

Responsible Official: R. Ontong

Portfolio: Supply Chain Management

1. Purpose

The Local Government: Municipal Finance Management Act, no 56 of 2003 (MFMA), requires the municipality to have and implement a Supply Chain Management (SCM) Policy which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

2. Background

Although the MFMA prohibits a Councillor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders, Council has an oversight role to ensure that the Accounting Officer implements all supply chain management activities in accordance with this policy. For the purposes of such oversight, Council's Supply Chain Management Policy, **paragraph 6.3** requires that the Accounting Officer must "**within 10 working days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.**" In addition, **paragraph 6.4** requires that the report referred to in paragraph 6.3 above **also to be tabled to council on a quarterly basis**. The report may be included as part of any other report to serve before council.

The SCM quarterly implementation report approved in terms of paragraph 6.3 for the 2nd quarter of the 2023/24 financial year, is attached as **Annexure A**.

3. Financial Implications

None

4. Applicable Legislation / Council Policy

Municipal Finance Management Act, 2003, (Act 56 of 2003)

Breede Valley Supply Chain Management Policy, as amended.

Supply Chain Management Regulations

Annexure

Annexures A: SCM quarterly implementation report (2nd quarter ending 31 December 2023) approved in terms of paragraph 6.3.


RECOMMENDATION TO COUNCIL:

That the approved SCM quarterly implementation report for the 2nd quarter of the 2023/24 financial year, **be noted**.


FOR OFFICE USE



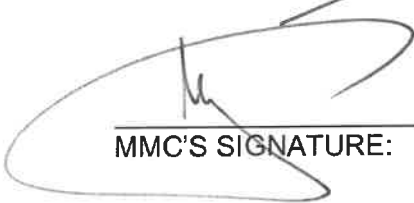
OFFICIAL'S SIGNATURE: DATE: 8 January 2024



RELEVANT DIRECTOR'S SIGNATURE: DATE: 8 January 2024



MUNICIPAL MANAGER'S SIGNATURE: DATE: 8 January 2024



MMC'S SIGNATURE: DATE: 8 January 2024



EXECUTIVE MAYOR'S (Mayco item) SIGNATURE: DATE: 8 January 2024
SPEAKER'S (Council item) SIGNATURE:

**ANNEXURES A: SCM QUARTERLY IMPLEMENTATION REPORT (2nd
QUARTER ENDING 31 DECEMBER 2023)**

SUPPLY CHAIN MANAGEMENT QUARTERLY IMPLEMENTATION REPORT

2nd QUARTER, 1 OCTOBER 2023 ENDING 31 DECEMBER 2023



PURPOSE

The Local Government: Municipal Finance Management Act, no 56 of 2003 (MFMA), requires the municipality to have and implement a Supply Chain Management (SCM) Policy which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

Although the MFMA prohibits a Councilor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders, Council has an oversight role to ensure that the Accounting Officer implements all supply chain management activities in accordance with this policy.

The purpose of this report is to report on the implementation of Council's Supply Chain Management Policy to the Executive Mayor in terms of paragraph 6.3 (Part A), for the period 1 October 2023 ending 31 December 2023.

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1. POLICY REQUIREMENTS

1.1 Purpose

To report on the implementation of Council's Supply Chain Management Policy to the Executive Mayor in terms of paragraph 6.3 of the said policy.

1.2 Supply Chain Management Policy

The Supply Chain Management Policy was initially adopted on 30 August 2005 and a Supply Chain Unit was also established, which operates under direct management of the Senior SCM Manager and supervision of the Chief Financial Officer. The policy provides for the systems of: Demand, Acquisition, Logistics, Disposal, Performance and Risk Management.

The objectives of the Policy are:

- a) to give effect to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive, and cost effective; and
- b) to comply with applicable provisions of the Municipal Finance Management Act including Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636, 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA and regulations pertaining thereto.
- c) to acknowledge the provisions of:
 - the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).
 - The Competitions Act 1998 (Act No. 89 of 1998)
 - the Construction Industry Development Board Act, 2000 (Act No.38 of 2000).
 - the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
 - the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).
 - the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
 - the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
 - the Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004).
 - the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)

1.3 Amendment of Supply Chain Management Policy

In terms of Paragraph 3(1)(b) of the Policy, the Accounting Officer must, when consider necessary, submit proposals for the amendment of the Supply Chain Management Policy, to Council.

SCM POLICY: The Supply Chain Management Policy was reviewed and amended in March 2023 and submitted to Council for approval as part of the financial policies, during the draft budget process. The draft policy was adopted by Council in May 2023 and communicated to National- and Provincial Treasury.

PPPFA POLICY: The PPPFA Policy, based on the PPPFA Regulations of 2017 has been declared un-constitutional by the supreme court of appeal (Feb. 2022) and was replaced by a newly adopted PPPFA Regulations of 2022, which gave effect to the implementation of an

separate PPPFA policy in January 2023. Progress of implementation on a quarterly basis is as follow:

- The PPPFA Policy adoption by BVM Council – 24 January 2023
- The PPPFA Policy reviewed and updated for the 2023/2024 financial year in March 2023
- Preference applied is 50% for BBEEE and 50% for LOCALITY (Jurisdiction of suppliers)
- The PPPFA Policy has been reported and adopted as a standalone policy (Separated from the SCM Policy Document since January 2023), referred to as the Preferential Procurement Policy Framework Act (PPPFA) Policy of Breede Valley Municipality.
- At the end of the 4th Quarter, all changes to the new PPPFA Regulations, as adopted in January 2023, have been implemented within procedures addressing compliance and controls.
- During the 2023/2024 financial year, quarter 1, the Auditor General of South Africa was auditing the 2022/2023 financial year and a general finding was raised against the preferential implementation on transactions below R30 000, due to the absence of the new PPPFA Regs of Nov 2022.
- At the end of the 2nd quarter, after engagement between NT and the AG, it was found that additional time will be allowed to address the shortcoming of application.
- Breede Valley Municipality gives preference to locality to all transactions below R30000, which implicates that all local suppliers within the BVM Jurisdiction, will have preference above suppliers from outside the jurisdiction of BVM. The same applies to BBEEE Level 1 contributors in the same application of preference.

The SCM Policy and the PPPFA Policy, may be further reviewed (2023/2024) on adoption of the new Procurement Bill, which is currently in draft, and will have a great effect on procurement on local government level, when adopted as one piece of legislation regulating procurement in all spheres of government.

2. SUPPLY CHAIN MANAGEMENT UNIT

The Supply Chain Management Unit operates under the direct supervision of the Chief Financial Officer and is led by the Senior SCM Manager.

2.1. The structure of the SCMU covers the following disciplines within Supply Chain Management:

- Demand Management: Demand Planning; Specifications.
Evaluation and Adjudication.
- Acquisition Management: Procurement of Goods and Services below R200 000- Purchasing/Buyer's Division
Procurement of Goods and Services Above R200 000-Procurement/Bid Division.
- Logistics Management: Inventory Management- Municipal Stores

operates under the direct supervision of the CFO. From 1 July 2023 (2023/2024), this section will be reporting to the CFO, under the management of the manager financial quality control administration Officer. (Refer to new organogram structure).

- Disposal Management: This section reports directly to the Senior Manager Financial Planning (Refer to new organogram structure).
- Contract Management: Monitoring and control of the registry and performance of contracts procured through the SCM process. Further ensuring continuous service delivery within the organisation, within a healthy legislative governed environment.
- Database Administration: The Central Supplier Database (CSD)(NT) as Primary database; The Breede Valley Database as Secondary Database.

The staff complement in the SCM consists of a total of 16 officials out of 18 positions.

Breede Valley Municipality restructured their organogram in February 2021, whereby the fleet management was placed under the direct supervision of the CFO. In 2022/2023, BVM restructured their Organogram, of which the stores (logistics) and fleet have been placed under the Manager: Financial Quality Control Administration.

2.2. New appointments and additions to the SCM unit

Two (2) new appointments were made in the 2nd quarter of 2023/2024 in the Procurement and Purchasing sections.

2.3. Resignations

No new resignations were made in the past quarter.

2.4. Vacancies to be filled

The following vacancies still exist and is planned to be filled during the 2023/2024 financial year in conjunction with HR:

- a. Principle Clerk: Contract Management
- b. Administrator: Vendor Management

The above-mentioned position related Contract Management will be re-advertised since no suitable candidate was found during interviews. The database administration position will be reviewed as part of the rest of the SCM review, then considered for advertisement, subject to Task outcome.

2.5. Training and Development

The following senior SCM officials started or completed the minimum competency levels (either by total completed certificate or by achieving success in certain credited areas in accumulating points towards such a competency certificate) for Managers (line and middle management levels) and Heads of Supply Chain Management units:

Table 1: Officials who started or completed the minimum competency levels

#	Name of Official	Course	Progress (Certificate/Points Achieved)
1	Morne Potgieter	MFMA Completed with University of Pretoria for SCM Heads	Certificate
2	Mimi Mphatsoane	MFMA Completed for SCM Managers	Certificate
3	Wilfred Bells	MFMA Completed for SCM Managers	Certificate
4	Cheryl Wiese	MFMA Completed for SCM Managers	Certificate
5	Ziphozihle Ceza	MFMA Completed for SCM Managers	Certificate
6	Katiso Moteetee	MFMA Completed for SCM Managers	Certificate
7	Charlton Cupido	Enrolled for MMCL	Awaiting Results
8	Liesl Plaatjies	Enrolled for MMCL	Awaiting Results
9	Jason Gordon	Enrolled for MMCL	Awaiting Results
10	Taygan Brown	Enrolled for MMCL	Awaiting Results
11	Eugenia Sampson	Enrolled for MMCL	Awaiting Results
12	Lettisia Leisa	Enrolled for MMCL	In progress

3. DISCUSSION: SUPPLY CHAIN MANAGEMENT SYSTEMS

3.1. Demand Management

Demand management requires timely planning and management processes to ensure that all goods and services which are required are quantified, budgeted for, and delivered in a timely and effective manner at the right locations and at the critical delivery dates. These goods and services must be of appropriate quality and quantity at a fair cost.

The SCM Unit has, with support by the Accounting Officer and the Chief Financial Officer, implemented SCM Demand Management Plan (DMP) as a strategic tool. The DMP assists the SCM Unit with the planning of tender processes and, user departments with the planning of the execution and timely completion of projects in alignment with performance targets in the Service Delivery and Budget Implementation Plan.

To enhance the demand planning process, an annual Demand Management Plan was developed for the 2023/24 financial year for capital and operational spending. Such plan is

continuously monitored and communicated to all stakeholders monthly. The accumulative performance against the DMP for 2023/2024 is displayed below:

Table 2: Demand Management Progress Plan Dashboard - Quarter 2- 2023/2024

2nd Quarter Demand Management Progress Plan Dashboard - 2023/2024			
Directorate	Total Annual Target	Early Achieved Targets	Accumulative % Achieved Against DMP Bac Target Dates
Finance	13	1	33,33%
Strategic Support Services	11	1	50,00%
Engineering Services	28	5	31,25%
Public Services	15	0	0,00%
Community Services	6	2	50,00%

Demand Management planning for 2023/2024 was circulated and a draft DMP for 2023/2024 was submitted with the draft budget in March 2023, which was approved by the Municipal Manager on 30 June 2023. The new 2023/2024 DMP was further distributed to the Western Cape Provincial and National Treasury. Above accumulative percentages illustrate the progress against DMP Targets and is not a final progression against financial year performance targets.

3.2. Acquisition Management

The system of acquisition management must ensure the following:

- That goods and services are procured in accordance with authorized processes only.
- That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Municipal Finance Management Act (Act 56 of 2003).
- That the threshold values for different procurement processes are complied with NT.NT and PT announced in June 2021, new Procurement thresholds for the Provincial and National Spheres of Government, however, PT has not enforced the new thresholds in Local Government, which places a burden on increasing administrative expenditure for lower value transactions in Local Government.
- That bid documentation, evaluation and adjudication criteria and general conditions of a contract are in accordance with applicable legislations; and
- That any Treasury guidelines on acquisition management are properly considered.

3.2.1. Bid Committee Systems

A Bid Committee system for competitive bids has since been established and is fully operational. It comprises of the Bid Specification, Evaluation and Adjudication committees. The committees meet regularly. The Accounting Officer appoints members of each committee considering Section 117 of the MFMA. All tenders that have been approved by the Bid Adjudication Committee are reported monthly to the accounting officer.

For the quarter under review, the Bid Adjudication Committee, and the Accounting Officer, approved **8 tenders**, amounting to an envisaged expenditure of **R97 702 182.75** which can be itemized as follows:

Table 3: Number of tenders approved during October 2023 – December 2023

Month	Total Number of Tenders Awarded	Estimated Value (Envisaged Expenditure)	Number Of Tenders Awarded to Local Businesses	Estimated Value (Envisaged Expenditure) to be spent to Local Businesses
October 2023	0	R0.00	0	R0
November 2023	4	R50 162 813.87	1	R10 000 000.00
December 2023	4	R 47 539 368.88	0	R0
Total	<u>8</u>	<u>R97 702 182.75</u>	<u>1</u>	<u>R10 000 000.00</u>

All construction related tender/contract terms, determine that 100% unskilled local labour should be used within BVM Jurisdiction. The PPPFA Policy of BVM further gives preference to local suppliers during the bidding process.

Key performance indicators get established during the compilation of the bid documents, which gives effect to monthly Contract Performance Administration, placing the process in compliance with the MFMA SCM Regulation 116(2) and ensure value for money.

3.2.2. Quotation Processes

Prescribed procurement processes were followed for those transactions lower than R200,000 (VAT Included) in value. A summary is depicted below:

Table 4: Purchase orders issued during October 2023 – December 2023

Month	Total number of purchase orders issued	Total value	Number of purchase orders issued to local businesses	Total value
October 2023	285	R4 736 523,93	234	R2 727 419.67
November 2023	259	R5 067 153,53	215	R2 797 916,67
December 2023	174	R3 222 478,57	147	R386 095.23
Total	<u>718</u>	<u>R13 026 156.03</u>	<u>596</u>	<u>R5 911 431.57</u>

For the quarter under review there were 718 purchase orders issued amounting to **R13 026 156,03**. Out of 718 orders, 596 were issued to local businesses, resulting in a possible expenditure estimated at **R5 911 431,57**. There are already lawful initiatives in place, to ensure that local businesses are prospering (Refer to PPPFA Policy regarding locality). These initiatives realized, that 83,83% of all orders were awarded to local suppliers within the BVM jurisdiction.

Table 5: Purchase orders below R200 000 distribution to local- vs non-local suppliers (BVM Jurisdiction) per volume of orders for the quarter under review.

DISTRIBUTION OF ORDER PER VOLUME FOR THE 2ND QUARTER - 2023/2024

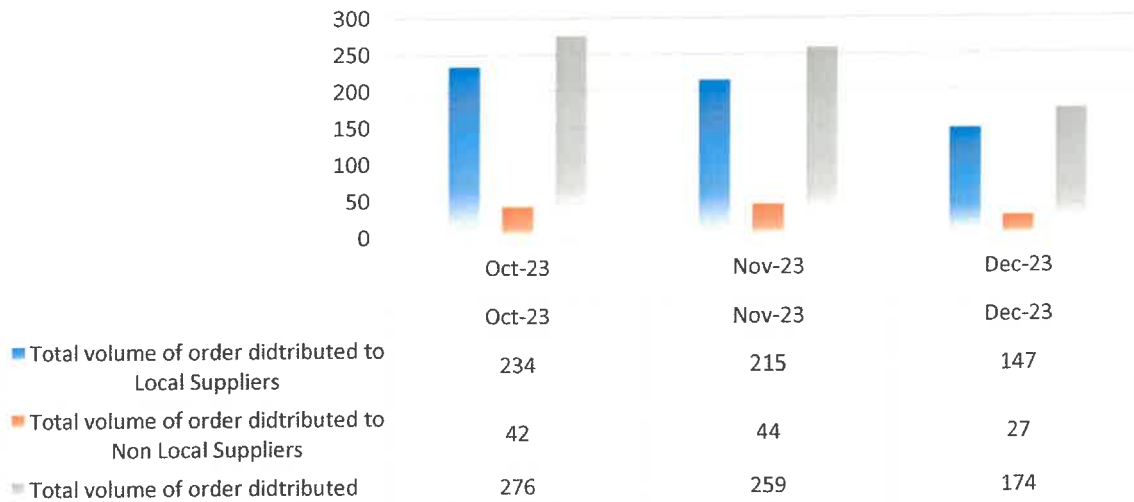
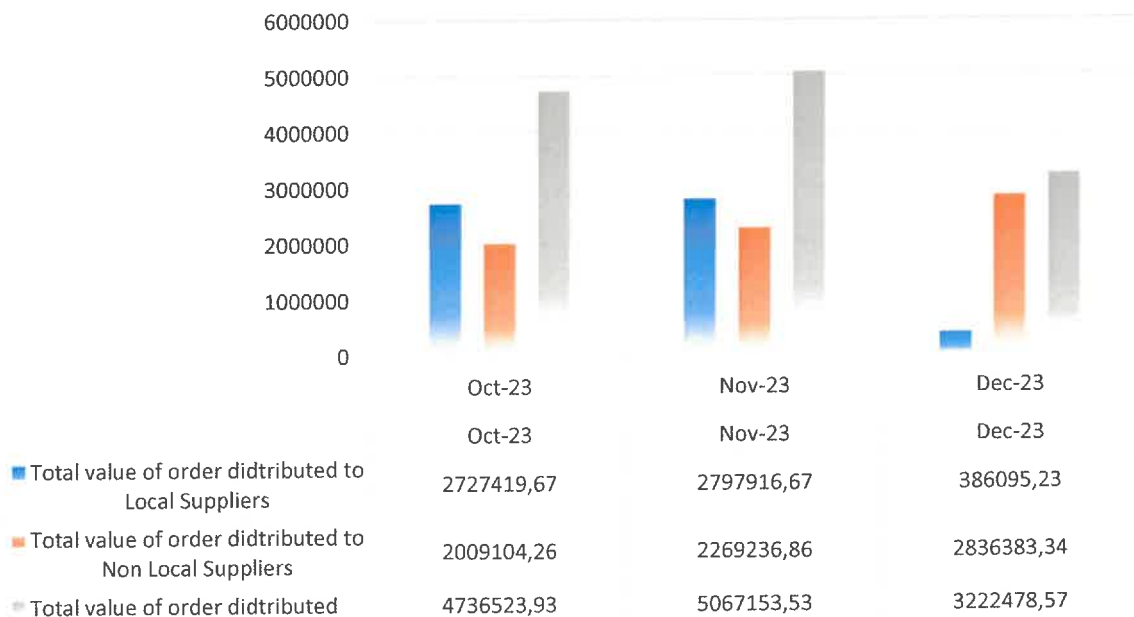


Table 6: Purchase orders below R200 000 distribution per value to Local vs Non-Local (BVM Jurisdiction) Suppliers:

DISTRIBUTION OF ORDER VALUE TO LOCAL AND NON LOCAL SUPPLIER FOR THE 2ND QUARTER - 2023/2024



3.2.3. Appeals/ Objections by aggrieved bidders

Paragraph 49 of the Municipal Supply Chain Management Regulations allows the aggrieved bidders the opportunity to lodge objections (with proper motivation) against the decision(s) taken by the Bid Adjudication Committee, within 14 days from date of notification thereof.

Alternatively, should they wish to lodge an appeal in terms of Section 62 of the Local Government: Municipal Systems Act 2000 (Act 32 of 2000) against the award of the tender, such appeal is to be lodged within 21 days from date of the notification.

Table 7: For the quarter under review, one (1) objection or appeal were recorded:

Date Received	Bid Number	Tender Description	Objection/ Appeal Lodge By	Date Forwarded to Impartial Person	Date Resolved	Outcome of the Objection / Appeal Process
16/11/2023	BV 1030/ 2023	Provision of security services for a period ending 30 June 2026	Capital Security Boland	22/11/2023	19/12/2023	The objection/ appeal option not available to aggrieved bidders. The decision of the AO on 7 November 2023 is maintained without any amendment
16/11/2023			Distinctive Choice Security	22/11/2023	19/12/2023	The objection/ appeal option not available to aggrieved bidders. The decision of the AO on 7 November 2023 is maintained without any amendment
23/11/2023			Mzansi Securifire	23/11/2023	19/12/2023	The objection/ appeal option not available to aggrieved bidders. The decision of the AO on 7 November 2023 is maintained without any amendment
17/11/2023			Fidelity Security Services	17/11/2023	19/12/2023	The objection/ appeal option not available to aggrieved bidders. The decision of the AO on 7 November 2023 is maintained without any amendment
23/11/2023			Securitem Services	23/11/2023	19/12/2023	The objection/ appeal option not available to aggrieved bidders. The decision of the AO on 7 November 2023 is maintained without any amendment

3.2.4. Minor Breaches

The Supply Chain Management Policy states in Clause 36(1)(b) that the Accounting Officer may consider ratifying any minor breach of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature. For the quarter under review, no minor breaches materialized.

3.2.5. Deviations from normal procurement processes

Paragraph 36(1)(b) of the policy allows the Accounting Officer to dispense with the official procurement processes established by this Policy only –

- a) In an emergency.
- b) If such goods or services are produced or available from a single provider only.
- c) For the acquisition of special works of art or historical objects where specifications are difficult to compile.
- d) Acquisition of animals for zoos and/or nature and game reserves; or
- e) In any other exceptional case where it is impractical or impossible to follow the official procurement processes.

For the quarter under review, the Accounting Officer approved fourteen (16) deviations to the amount of **R470 223.32** and no (0) increase/ amendments / additional cost/ amend, amendments on previous deviations approved (which already served before council). The following summary illustrates the quarter under review's deviations approved:

Table 8.1: Deviations approved by the Accounting Officer

Month	Number of Deviations	Total Value
October 2023	5	R406 439.32
November 2023	4	R31 630.00
December 2023	7	R32 154.00
<u>Total</u>	<u>16</u>	<u>R470 223.32</u>

Table 8.2: Increase/ additional cost on previous deviation cases approved by the Accounting Officer

Month	Number of Deviations Increases Previously Approved	Total Value/amendment area
October 2023	<u>0</u>	<u>0</u>
November 2023	<u>0</u>	<u>0</u>
December 2023	<u>0</u>	<u>0</u>

Table 8.3: Distribution of deviations awarded by reason for the second quarter of 2023/2024:

DEVIATION VOLUMES PER REASON FOR THE 2ND QUARTER - 2023/2024



3.2.6. SCM paragraph 16&17 reportable matters

Par 16(1)(d) of the SCM Policy states if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer.

Par 17(1)(d) of the SCM Policy states that if it is not possible to obtain at least three quotations, the reasons must be recorded by the supply chain practitioner and approved by the Senior Manager Supply Chain Management or an official designated by the Chief Financial Officer, in terms of delegations.

A register (record) of all cases and motivations where it is not possible to obtain at least three quotations is maintained and reported to the Senior Manager SCM and the CFO, monthly. The total Reg 16 &17 for the 2nd quarter was **R3 552 070,11**

Table 9: Reg 16 &17 for the 2nd quarter

Month	Total Value
October 2023	R959 726.20
November 2023	R1 002 566.13
December 2023	R1 589 777.78
<u>Total</u>	<u>R3 552 070.11</u>

3.3. Accredited Suppliers Database

In terms of Paragraph 14(1)(a) of Council's Supply Chain Management Policy, the Accounting Officer is required to keep a list of accredited prospective providers of goods and services (Supply Chain Database).

On implementation of the new SCM System, the Central Supplier Database (CSD) from National Treasury, became the primary database of BVM.

SCM held a Supplier Open Day during April 2023 at the Worcester Town Hall, inviting Local Suppliers to register on CSD and capacitate them. The 2023/2024 Supplier Open Day will realize in the 4th quarter of the year.

3.4. Logistics management

The system of logistics management must ensure the following:

- the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number.
- the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock.
- the placing of electronic orders for all acquisitions other than those from petty cash.
- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract.
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secured and only used for the purpose for which they were purchased.
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and Proper measures are still in place to ensure that the above elements are fully adhered to.
- The Stores has been re-directed to report to the Governance and Compliance Manager, as per new organogram, from 1 July 2023. The function remains under the Finance Directorate.

3.5. Disposal management

The system of disposal management must ensure the following:

- Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise.

- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous.
- Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee.
- Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise.
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed.
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated

3.6. Contract Management (CM)

The SCM Unit has since established a new sub-unit namely the Contract Management Office for 2017/2018 year, which primarily focuses on SCM Contracts above R200 000, which are procured through a SCM process. The following objectives were set for the CM Office:

- The Breede Valley Contract Management function has been centralised into the Contract Management Office, reporting to the Manager: Procurement.
- Aligning the contract management procedures and systems with the rest of the SCM functions and Expenditure department.
- Formalise and implement a new Contract Management Framework which already forms part of the SCM Policy.
- The implementation of an electronic Contract Management System, Electronic SCM Archive, Electronic Database Archive.
- The implementation of a full electronic purchasing system, which should be implemented before end of 2023/2024.
- Monthly reports get distributed to all contract champions on the contract status of SCM contracts.
- The Contract Management section within SCM, enable and control performance management on all contracts and the report gets distributed to the executive management on a monthly basis.
- Contracts of a repeatable nature, due to its nature to provide continuous service delivery, are monitored by the CM office and notifications for renewal will be sent 6 months prior to the end date of the contract champions. These repetitive product and services contribute to the annual DMP of each new financial year.

- Regular monitoring and review of the supplier vendor performance to ensure compliance with SCM Regulation 116(2), specifications and contract conditions for goods or services, is conducted.

The following table illustrates the status of contracts as of 31 December 2023:

Table 10: Status of contracts as of 31 December 2023

STATUS	QUANTITY
Active contracts	152
Expired contracts	2
Expiring contract in the next 6 months	6
Cancelled Contracts	0
Extended Contracts	0

4. Conclusion:

The Breede Valley Municipality has been implementing the Supply Chain Management Regulations diligently through the Supply Chain Management Policy.

Contract Management, Demand Management and the combating of Irregular Expenditure remain key focus areas in the implementation of supply chain management within the municipality.

With the newly adopted PPPFA Policy, BVM strives to give preference to Local Suppliers within its jurisdiction, emanating to the increase of local economic activity.

The objective of the 2023/2024 financial year is to have a fully integrated SCM IT system, which operates on a Standard Chart of Accounts base for Local Government (MSCOA) that will further enhance procedural controls, efficiency, and legislative compliance, from a centralized platform.

Breede Valley Municipality continuously strives not only to ensure compliance to legislative frameworks, but also to improve administrative and procedural efficiency, thereby giving effect to its Constitutional mandate in terms of Section 152 of the Constitution.

5. Recommendation

1. That the quarterly Supply Chain Management Implementation Report for the period ending 31 December 2023, be noted.
2. That, the report be made public in accordance with Section 21A of the Local Government: Municipal Systems Act, No. 32 of 2000.