



**POLICY 038/2017 RAADSBELEID**

**TO BE READ WITH POLICY 20/2017**

SUBJECT/ONDERWERP: **SUPPLY CHAIN MANAGEMENT POLICY AMENDMENTS**

REFERENCE/VERWYSING: **6.1.3**

RESOLUTION NR/BESLUIT NO: **14.5/05/2017 (SCM)**

DATE/DATUM: **30 MAY 2017**

**1. EGISLATIVE BACKGROUND**

**1.1 Paragraph 4 of the SCM Policy: Delegation of supply chain management powers and duties**

- (1) The Dawid Kruiper Municipal Council hereby delegates all powers and duties to the accounting officer which are necessary to enable the accounting officer –
- (a) to discharge the supply chain management responsibilities conferred on accounting officers in terms of –
    - (i) Chapter 8 or 10 of the Act; and
    - (ii) this Policy;
  - (b) to maximise administrative and operational efficiency in the implementation of this Policy;
  - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and
  - (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub delegation of powers and duties delegated to an accounting officer in terms of sub paragraph (1).

- (3) The accounting officer may not sub delegate any supply chain management powers or duties to a person who is not an official of the Dawid Kruiper Municipality or to a committee which is not exclusively composed of officials of the Dawid Kruiper Municipality;
- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.”

## 1.2 Paragraph 5 of the SCM Policy: Sub delegations

- (1) The accounting officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such sub delegation must be consistent with sub paragraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
  - (a) above R 10 million (VAT included) may not be sub delegated by the accounting officer;
  - (b) above R 2 million (VAT included), but not exceeding R10 million (VAT included), may be sub delegated but only to –
    - (i) the chief financial officer;
    - (ii) a senior manager (director of Dawid Kruiper Municipality); or
    - (iii)** a bid adjudication committee of which the chief financial officer or a senior manager is a member.
  - (c) not exceeding R2 million (VAT included) may be sub delegated but only to –
    - (i) the chief financial officer;
    - (ii) a senior manager (director of Dawid Kruiper Municipality);
    - (iii) a manager directly accountable to the chief financial officer or a senior manager (director of Dawid Kruiper Municipality); or
    - (iv) a bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been sub delegated in accordance with subparagraph (2) must within five days of the end of each month submit to the official referred to in subparagraph (4) a written report containing particulars of each final award made by such official or committee during that month, including–
  - (a) the amount of the award;
  - (b) the name of the person to whom the award was made; and
  - (c) the reason why the award was made to that person.
- (4) A written report referred to in subparagraph (3) must be submitted –
  - (a) to the accounting officer, in the case of an award by –
    - (i) the chief financial officer;
    - (ii) a senior manager (director of Dawid Kruiper Municipality); or
    - (iii) a bid adjudication committee of which the chief financial officer or a senior manager

- (b) to the chief financial officer or the senior manager (director of Dawid Kruiper Municipality) responsible for the relevant bid, in the case of an award by –
  - (i) a manager referred to in subparagraph (2)(c)(iii); or
  - (ii) a bid adjudication committee of which the chief financial officer or a senior manager (director of Dawid Kruiper Municipality) is not a member.
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.”

### **1.3 Paragraph 12 of the SCM Policy: Range of procurement processes**

- (1) Goods and services may only be procured by way of –
  - (a) petty cash purchases, up to a transaction value of R 2,000 (VAT included);
  - (b) written or verbal quotations for procurements of a transaction value over R 2,000 up to R 10,000 (VAT included);
  - (c) formal written price quotations for procurements of a transaction value over R 10,000 up to R 200,000 (VAT included); and
  - (d) a competitive bidding process for–
    - (i) procurements above a transaction value of R 200,000 (VAT included); and
    - (ii) the procurement of long term contracts.
- (2) The accounting officer may, in writing-
  - (a) lower, but not increase, the different threshold values specified in sub paragraph (1); or
  - (b) direct that –
    - (i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R 2,000 (VAT included);
    - (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R 10,000 (VAT included); or
    - (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R 200,000 (VAT included).
- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.”

- 1.4 Paragraph 13 of the SCM Policy: General preconditions for consideration of written quotations or bids**  
A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
- (a) has furnished that provider's –
    - (i) full name;
    - (ii) identification number or company or other registration number; and
    - (iii) tax reference number and VAT registration number, if any;
  - (b) has authorised the Dawid Kruiper Municipality to obtain a tax clearance from the South African Revenue Services that the provider's tax matters are in order; and
  - (c) has indicated –
    - (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
    - (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
    - (iii) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months."
- 1.5 Paragraph 14 of the SCM: Lists of accredited prospective providers**
- (1) The accounting officer must –
    - (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations; and
    - (b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
    - (c) specify the listing criteria for accredited prospective providers; and
    - (d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
  - (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
  - (3) The list must be compiled per commodity and per type of service."

**1.6 Paragraph 15 of the SCM Policy: Petty cash purchases**

The accounting officer must establish the conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12(1)(a) of this Policy, which must include conditions –

- (a) determining the terms on which a manager may delegate responsibility for petty cash to an official reporting to the manager;
- (b) limiting the maximum number of petty cash purchases or the maximum amounts per month for each manager;
- (c) excluding any types of expenditure from petty cash purchases, where this is considered necessary; and
- (d) equiring a monthly reconciliation report from each manager to the chief financial officer, including –
  - (i) the total amount of petty cash purchases for that month;
  - (ii) receipts and appropriate documents for each purchase; and
- (e) any other conditions determined by the Chief Financial Officer.”

**1.7 Paragraph 16 of the SCM Policy: Written or verbal quotations**

The conditions for the procurement of goods or services through written or verbal quotations are as follows –

- (a) quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Dawid Kruiper Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy;
- (b) to the extent feasible, providers must be requested to submit such quotations in writing;
- (c) 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;
- (d) the accounting officer must record the names of the potential providers requested to provide such quotations with their quoted prices;
- (e) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider; and
- (f) any other condition determined by the Dawid Kruiper Municipal Council.”

**1.7 Paragraph 17 of the SCM Policy: Formal written price quotations**

(1) The conditions for the procurement of goods or services through formal written price quotations are as follows –

- (a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Dawid Kruiper Municipality;

- (b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy;
  - (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer;
  - (d) the accounting officer must record the names of the potential providers and their written quotations; and
  - (e) any other condition determined by the Dawid Kruiper Municipal Council.
- (2) A designated official referred to in subparagraph (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.”

**1.8 Paragraph 18 of the SCM Policy: Procedures for procuring goods or services through written or verbal quotations and formal written price quotations**

The accounting officer must determine the operational procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, which must stipulate –

- (a) that when using the list of accredited prospective providers the accounting officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;
- (b) that all requirements in excess of R 30,000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Dawid Kruiper Municipality;
- (c) that offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- (d) that the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub delegation;
- (e) that offers below R 30,000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
- (f) that acceptable offers between R 30,000 and R200,000 (VAT included, which are subject to the preference points system (PPPFA and associated regulations) as set out in Appendix A of this Policy, must be awarded to the bidder who scored the highest points; and
- (g) requirements for proper record keeping according to acceptable standards.”

**1.9 Paragraph 19 of the SCM Policy: Competitive bids process**

- (1) Goods or services above a transaction value of R 200,000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R 200,000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.”

**1.10 Paragraph 20 of the SCM Policy: Process for competitive bidding**

The procedures for the following stages of a competitive bidding process are as follows:

- (a) Compilation of bidding documentation as detailed in paragraph 21;
- (b) Public invitation of bids as detailed in paragraph 22;
- (c) Site meetings or briefing sessions as detailed in paragraph 22;
- (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
- (e) Evaluation of bids as detailed in paragraph 28;
- (f) Award of contracts as detailed in paragraph 29;
- (g) Administration of contracts. After approval of a bid, the accounting officer and the bidder must enter into a written agreement; and
- (h) Proper record keeping. Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.”

**1.11 Paragraph 26 of the SCM Policy: Committee system for competitive bids**

- (1) A committee system for competitive bids is hereby established, consisting of the following committees for each procurement process or cluster of procurements as the accounting officer may determine:
  - (a) a bid specification committee;
  - (b) a bid evaluation committee; and
  - (c) a bid adjudication committee.”
- (2) The accounting officer appoints the members of each committee, taking into account section 117 of the Act.
- (3) A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.
- (4) The committee system must be consistent with –
  - (a) paragraph 27, 28 and 29 of this Policy; and

- (b) any other applicable legislation.
- (5) The accounting officer may apply the committee system to formal written price quotations.”

**1.12 Paragraph 27 of the SCM Policy: Bid specification committees**

- (1) A bid specification committee must compile the specifications for the procurement of goods or services by the Dawid Kruiper Municipality.
- (2) Specifications –
  - (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
  - (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
  - (c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
  - (d) may not create trade barriers in contract requirements in the form of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
  - (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
  - (f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations 2001 and as set out in Appendix A of this Policy; and
  - (g) must be approved by the accounting officer prior to publication of the invitation for bids in terms of paragraph 22 of this Policy.
- (3) A bid specification committee must be composed of one or more officials of the Dawid Kruiper Municipality preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.
- (4) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.”

**1.13 Paragraph 28 of the SCM Policy: Bid evaluation committees**

- (1) A bid evaluation committee must –
  - (a) evaluate bids in accordance with –
    - (i) the specifications for a specific procurement; and
    - (ii) the points system set out in terms of paragraph 27(2)(f);



- (b) evaluate each bidder's ability to execute the contract;
  - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
  - (d) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A bid evaluation committee must as far as possible be composed of-
- (a) officials from departments requiring the goods or services; and
  - (b) at least one supply chain management practitioner of the Dawid Kruiper Municipality."

**1.14 Paragraph 29 of the SCM Policy: Bid adjudication committees**

- (1) A bid adjudication committee must –
- (a) consider the report and recommendations of the bid evaluation committee; and
  - (b) either –
    - (i) depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
    - (ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.
- (2) A bid adjudication committee must consist of at least four senior managers (directors of Dawid Kruiper Municipality) of the Dawid Kruiper Municipality which must include –
- (a) the chief financial officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer; and
  - (b) at least one senior supply chain management practitioner who is an official of the Dawid Kruiper Municipality; and
  - (c) a technical expert in the relevant field who is an official, if such an expert exists.
- (3) The accounting officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (4) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.
- (5) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –

- (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
  - (ii) notify the accounting officer in writing.
- (5) (b) The accounting officer may –
  - (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a); and
  - (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (6) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (7) The accounting officer must comply with section 114 of the Act within 10 working days.”

**1.15 Paragraph 34 of the SCM Policy: Proudly SA Campaign**

The Dawid Kruiper Municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from:

- (a) Firstly – suppliers and businesses within the municipality or district;
- (b) Secondly – suppliers and businesses within the relevant province;
- (c) Thirdly – suppliers and businesses within the Republic.

**1.16 Paragraph 35 of the SCM Policy: Appointment of consultants**

- (1) The accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
- (2) Consultancy services must be procured through competitive bids if –
  - (a) the value of the contract exceeds R 200,000 (VAT included); or
  - (b) the duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
  - (a) all consultancy services provided to an organ of state in the last five years; and
  - (b) any similar consultancy services provided to an organ of state in the last five years.
- (4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Dawid Kruiper Municipality.”

**1.17 Paragraph 36 of the SCM Policy: Deviation from, and ratification of minor breaches of, procurement processes**

- (1) The accounting officer may –
  - (a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
    - (i) in an emergency;
    - (ii) if such are produced or available from a single provider only;
    - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
    - (iv) acquisition of animals for zoos and/or nature and game reserves; or
    - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
  - (b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.
- (2) The accounting officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the Dawid Kruiper Municipal Council and include it as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

**1.18 Paragraph 38 of the SCM Policy: Combating of abuse of supply chain management system**

- (1) The accounting officer must–
  - (a) take all reasonable steps to prevent abuse of the supply chain management system;
  - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
    - (i) take appropriate steps against such official or other role player; or
    - (ii) report any alleged criminal conduct to the South African Police Service;
  - (c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
  - (d) reject any bid from a bidder–
    - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Dawid Kruiper Municipality or to any other municipality or municipal entity, are in arrears for more than three months; or
    - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the Dawid Kruiper Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;

- (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
  - (f) cancel a contract awarded to a person if –
    - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
    - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
  - (g) reject the bid of any bidder if that bidder or any of its directors –
    - (i) has abused the supply chain management system of the Dawid Kruiper Municipality or has committed any improper conduct in relation to such system;
    - (ii) has been convicted for fraud or corruption during the past five years;
    - (iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
    - (iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- (2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy.”

**1.19 Paragraph 43 of the SCM Policy: Prohibition on awards to persons whose tax matters are not in order**

- (1) No award above R 15,000 may be made in terms of this Policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person the accounting officer must first check with SARS whether that person’s tax matters are in order.
- (3) If SARS does not respond within 7 days such person’s tax matters may for purposes of subparagraph (1) be presumed to be in order.”

**1.20 Paragraph 44k of the SCM Policy: Prohibition on awards to persons in the service of the state**

Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –

- (a) who is in the service of the state;
- (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) a person who is an advisor or consultant contracted with the Dawid Kruiper Municipality.”

**1.21 Paragraph 45 of the SCM Policy: Awards to close family members of persons in the service of the state**  
The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R 2,000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –

- (a) the name of that person;
- (b) the capacity in which that person is in the service of the state; and
- (c) the amount of the award.”

**1.22 Paragraph 46 of the SCM Policy: Ethical standards**

(1) A code of ethical standards as set out in Appendix B to this Policy is hereby established for officials and other role players in the supply chain management system of the Dawid Kruiper Municipality in order to promote –

- (a) mutual trust and respect; and
- (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) A breach of the code of ethics must be dealt with as follows -

- (a) in the case of an employee, in terms of the disciplinary procedures of the Dawid Kruiper Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
- (b) in the case of a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
- (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.”

**1.23 Paragraph 47 of the SCM Policy: Inducements, rewards, gifts and favours to municipalities, officials and other role players**

(1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

- (a) any inducement or reward to the Dawid Kruiper Municipality for or in connection with the award of a contract; or
- (b) any reward, gift, favour or hospitality to –
  - (i) any official; or
  - (ii) any other role player involved in the implementation of this Policy.

(2) The accounting officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury’s database of persons prohibited from doing business with the public sector.

(3) Subparagraph (1) does not apply to gifts from a single source which cumulatively exceeds the value of R350 in the relevant 12 month period.”

**1.24 Paragraph 48 of the SCM Policy: Sponsorships**

The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –

- (a) a provider or prospective provider of goods or services; or
- (b) a recipient or prospective recipient of goods disposed or to be disposed.

**1.25 Section 15 of the MFMA: Appropriation of funds for expenditure**

A municipality may, except where otherwise provided in this Act, incur expenditure only –

- (a) in terms of an approved budget; and
- (b) within the limits of the amounts appropriated for the different votes in an approved budget.”

**1.26 Section 77 of the MFMA: Top management of municipalities**

(1) The top management of a municipality’s administration consists of –

- (a) the accounting officer;
- (b) the chief financial officer;
- (c) all senior managers who are responsible for managing the respective votes of the municipality and to whom powers and duties for this purpose have been delegated in terms of section 79; and
- (d) any other senior officials designated by the accounting officer.

(2) The top management must assist the accounting officer in managing and co-ordinating the financial administration of the municipality.”

**1.27 Section 78 of the MFMA: Senior managers and other officials of municipalities**

(1) Each senior manager of a municipality and each official of a municipality exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure –

- (a) that the system of financial management and internal control established for the municipality is carried out diligently;
- (b) that the financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- (c) that any unauthorised, irregular or fruitless and wasteful expenditure and any other losses are prevented;
- (d) that all revenue due to the municipality is collected;
- (e) that the assets and liabilities of the municipality are managed effectively and that assets are safeguarded and maintained to the extent necessary;

- (f) that all information required by the accounting officer for compliance with the provisions of this Act is timeously submitted to the accounting officer; and
  - (g) that the provisions of this Act, to the extent applicable to that senior manager or official, including any delegations in terms of section 79, are complied with.
- (2) A senior manager or such official must perform the functions referred to in subsection (1) subject to the directions of the accounting officer of the municipality.”

**1.28 Section 1 of the MFMA: Definitions**

“**senior manager**” means –

- (a) in relation to a municipality, means a manager referred to in section 56 of the Municipal Systems Act; or
- (b) in relation to a municipal entity, means a manager directly accountable to the chief executive officer of the entity;

“**vote**” means –

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

**1.29 Section 1 of the SCM Regulations: Definitions**

“**in the service of the state**” means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) any employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament of provincial legislature.”

## **2. DELEGATIONS WITH REGARD TO THE PROCUREMENT OF GOODS AND SERVICES UP TO R 200,000 (VAT INCLUDED) AND AUTHORISATION OF INVOICES FOR PAYMENT**

- 2.1 In terms of Paragraph 5(1) of the SCM Policy I, the Accounting Officer, herewith **sub delegate the following powers and duties** with regard to the procurement of goods and services needed for service delivery towards the budget vote for which each of the senior managers are responsible, **to the senior managers** (Director: Corporate Services, Chief Financial Officer, Director: Community Services, Director Civil Engineering Services, Director Electro Mechanical Services and Director: Development and Planning) –
- 2.2 Senior managers may in writing further sub delegate any of the powers and functions mentioned in paragraphs 2.1, up to a value of R 20,000 (VAT included) to an official (position) within his or her directorate exercising financial management responsibilities of a function (cost centre).
- 2.3 Any person who is acting in a position mentioned within paragraphs 2.1 and 2.2 above will have the authority to exercise the delegated powers and duties unless it has specifically been withdrawn in writing by the delegator.

## **3. PROCEDURES AND SIGNING POWERS WITH REGARD TO THE PROCUREMENT OF GOODS AND SERVICES UP TO R 200,000 (VAT INCLUDED)**

### **3.1 Paragraph 12(1)(a) and 15 of the SCM Policy: The procurement of goods and services by way of petty cash purchases up to a transaction value of R 2000 (VAT included).**

- 3.1.1 The official who is requesting the petty cash purchases shall complete and sign as the requestor the handwritten requisition.
- 3.1.2 The relevant senior manager or delegate shall sign as the authoriser the handwritten requisition provided there are funds available on a budget vote.
- 3.1.3 The cash slip as proof of petty cash purchases shall be attached to the handwritten authorised requisition before or immediately after the petty cash purchases took place.
- 3.1.4 The official/s in control of petty cash shall within three days after petty cash has been supplemented, report to the Chief Financial Officer what petty cash purchases took place.

### **3.2 Paragraph 12(1)(b) and (c) and 16 of the SCM Policy: The procurement of goods and services by way of written or verbal quotations of a transaction value over R 2000 up to R 30,000 (VAT included).**

- 3.2.1 The official exercising financial management responsibilities of a function (cost centre) shall register the required goods or service on BIQ, by means of a requisition.
- 3.2.2 The official exercising financial management responsibilities of a function (cost centre) shall approve the requisition on BIQ.
- 3.2.3 As soon as the official, referred to in paragraph 3.2.2, approves the requisition, can the assistant accountant: supply chain approves the requisition as prove of receipt.
- 3.2.4 The assistant accountant: supply chain will distribute the approved requisitions among the buyers.



- 3.2.5 The buyer on receipt of his/her allocation of requisition will then give 3rd approval on BIQ as proof of receipt of the requisition.
- 3.2.6 The buyer shall obtain at least three written quotations for the goods or services needed from suppliers registered on the database. However, written quotations may be obtained from a supplier not registered on the database provided that the supplier meet the listing criteria set out in paragraph 14(1)(b) and (c) of the SCM Policy.
- 3.2.7 The buyer shall on receipt of the quotations complete the requisition and give 4th approval as proof of completion.
- 3.2.8 An Senior Accountant will give 5th approval to ensure all SCM compliance matters has been adhere to and that all required documentation is attached to the requisition.
- 3.2.9 The relevant senior manager or delegate shall then give 6th approval on the requisition on the BIQ financial system that shall lead to the printing of the required order provided that there are funds available on a budget vote.
- 3.2.10 The Chief Financial Officer or delegate shall then give 7th approval on the requisition on the BIQ financial system that shall lead to the printing of the required order provided that there are funds available on a budget vote.
- 3.2.11 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 as set out in paragraph 16 (d) of the SCM policy;
- 3.2.12 The printed order shall then be signed by the Head: Supply Chain Management or his or her delegate only if all other requirements of the SCM Policy and any other legislative requirements (MFMA & PPPFA) have been adhered to.
- 3.2.13 The official receiving goods or services on behalf of the municipality must sign for receipt thereof.
- 3.2.14 The immediate supervisor of the official receiving the good or services in terms of paragraph 3.2.13, must certify the invoice for payment.

**3.3 Paragraph 12(1)(c), 17 and 18 of the SCM Policy: The procurement of goods and services by way of formal written price quotations of a transaction value over R 30,000 up to R 200,000 (VAT included).**

- 3.3.1 The official exercising financial management responsibilities of a function (cost centre) shall provide the senior accountant: contract management with a detailed specification of the required goods or services.
- 3.3.2 The senior accountant: contract management with the assistance of the end-user, will prepare the bid document that will appear the tender specifications committee.
- 3.3.3 On approval of the specification by the tender specifications committee, the;
  - (a) Formal quotations will be advertised on the website and the official notice board for at least seven days (Paragraph 18(a) of the SCM Policy);

- (b) Formal quotations will be opened on the closing date of the advert and opened in the council chambers.
  - (c) The preference points system (PPFA and associated regulations) as set out in Appendix A of the SCM Policy has been used to calculate the selected supplier with the highest points;
  - (d) The tender evaluation committee will evaluate all formal quotations based on the calculation made in paragraph (c).
  - (e) The tender evaluation committee will in turn make a recommendation to the tender adjudication committee who select the preferred supplier.
  - (f) An award to a selected supplier may only be made who's tax matters are in order (Paragraph 43 of the SCM Policy); and
  - (g) That any other requirements of the SCM Policy have been adhered to.
- 3.3.4 The formal quotations and preference point's calculations shall then be submitted to the senior account: supply chain that will open the formal quotation on BIQ.
- 3.3.5 An requisition will be entered on BIQ, authorised by the official exercising financial management responsibilities of a function (cost centre).
- 3.3.6 The assistant accountant: SCM will give 2nd approval on the requisition as proof of receipt and allocate the requisition to a buyer.
- 3.3.7 The buyer will give 3rd approval on the requisition as proof of receipt and will ensure the relevant documentation and minutes of the adjudication committee is attached to the requisition.
- 3.3.8 The buyer then gives 4th approval as proof of completion.
- 3.3.9 An Senior Accountant will give 5th approval to ensure all SCM compliance matters has been adhere to and that all required documentation is attached to the requisition.
- 3.3.10 The written quotations and preference points calculations shall then be submitted to the Municipal Manager or Chief Financial Officer for authorisation purposes. The Municipal Manager or Senior Manager or his or her delegate shall then authorise as 6th approval the requisition on the BIQ financial system that there are funds available on the budget vote and that the conditions as set out in paragraph 3.6.3 above has been adhered to.
- 3.3.11 The Chief Financial Officer or delegate shall then give 7th approval on the requisition on the BIQ financial system that shall lead to the printing of the required order provided that there are funds available on a budget vote.
- 3.3.12 The Head: Supply Chain Management or delegated official shall then hand-over the original signed order to the official exercising financial management responsibilities of a function (cost centre) to be submitted to the supplier; shall submit the first copy of the signed order together with the requisition, quotations, preference calculation sheets and other required

documentation to the creditors section; and, shall keep the second copy of the signed order in a safe place for audit purposes.

3.3.13 The official receiving goods or services on behalf of the municipality must sign for receipt thereof.

3.3.14 The immediate supervisor of the official receiving the good or services in terms of paragraph 3.2.13, must certify the invoice for payment.

#### **4. PROCEDURES AND SIGNING POWERS WITH REGARD TO THE PROCUREMENT OF ASSETS**

4.1 Before an asset can be procured through any of the supply chain management processes (quotations or tenders), the following procedures shall be followed –

4.1.1 The official exercising financial management responsibilities of a function (cost centre) will request supply chain to obtain quotations for the required fixed asset.

4.1.2 Supply Chain will obtain the 3 written quotations from suppliers who are on the municipality's database.

4.1.3 The assistant accountant will check if the required asset qualifies as an asset.

4.1.4 The official exercising financial management responsibilities of a function (cost centre) shall complete the application form for a "BAK" number supplying information on the capital asset to be procured.

4.1.5 The relevant senior manager shall in writing authorise the procurement of the capital asset provided that there are funds available for the capital asset on the approved capital budget.

4.1.6 The Chief Financial Officer or his delegate shall then register the anticipated procurement of the capital asset on the BIQ financial system to generate a "BAK" number for the capital asset.

4.1.7 No purchases of capital assets shall take place without a "BAK" number for the capital asset.

4.1.8 After obtaining a "BAK" number, an official of the asset management unit shall procure the capital through the relevant supply chain management process.

#### **5. ESTABLISHMENT OF BID COMMITTEES**

5.1 In terms of Paragraph 26(1) of the SCM Policy Council has established the following bid committees –

5.1.1 Bid Specification Committee;

5.1.2 Bid Evaluation Committee; and

5.1.3 Bid Adjudication Committee.

5.2 In terms of Paragraph 26(2) of the SCM Policy I, the Accounting Officer, herewith appoints the following positions of Council as members of the bid committees –

##### **5.2.1 Bid Specification Committee**

(a) Manager Information Technology (Chairperson);

(b) Director: Electro Mechanical Services;

- (c) Senior Manager Town Planning;
- (d) Manager Financial Reporting; and
- (e) Senior Accountant: Contract Management

**5.2.2 Bid Evaluation Committee**

- (a) Director: Planning and Development Services (Chairperson);
- (b) Director: Corporate Services
- (c) Senior Manager: Financial and Asset Management;
- (d) Manager: Fleet Management; and
- (e) Senior Accountant: Supply Chain Management.

**5.2.3 Bid Adjudication Committee**

- (a) Manager: Project Management Unit (Chairperson);
- (b) Director: Planning and Development Services;
- (c) Director: Development Services;
- (d) Chief Financial Officer; and
- (e) Manager: Supply Chain Management

- 5.3 The chairperson of each bid committee is as set out in Paragraph 5.2.1 to 5.2.3 above. The members present shall elect a chairperson if the appointed chairperson is not available.
- 5.4 The quorum for each of the above-mentioned committees shall be three of the five appointed members or delegates.
- 5.5 Any person acting in a position of an appointed member shall have the right to represent him or her on the relevant bid committee.
- 5.6 Final decision making by a bid committee shall be based on a unanimous decision of members present at a meeting. Where no consensus can be reached, each member present will cast their vote (the Chairperson shall have no casting vote); the result shall be minuted as such; and, the result shall be referred to the Accounting Officer for a final decision in the case of the Bid Specification Committee and the Bid Adjudication Committee. In the case of the Bid Evaluation Committee, the result will be submitted to the Bid Adjudication Committee who shall make a recommendation to the Accounting Officer.
- 5.8 An official submitting an item to any of the established bid committees shall have the right to attend the relevant bid committee meeting and to take part in the discussion of the submitted item. However, he or she shall have no voting powers.
- 5.9 The Head: Legal Services; Chief Internal Auditor and IT Manager shall have the right to attend any bid committee meeting as an observer. For that purpose he or she shall be provided with an agenda of all bid committee meetings to be held.
- 5.10 The Director: Corporate Services shall manage the administration of all bid committee meetings held, by providing the following support –
- 5.10.1 Compiling the agendas of all bid committee meetings;
  - 5.10.2 Notifying appointed members of all bid committee meetings to be held;
  - 5.10.3 Compiling the minutes of all bid committee meetings; and

5.10.4 Safe guarding all agendas and minutes for audit purposes.

5.11 The appointed chairperson of a bid committee shall sign the minutes of the bid committee.

## **6. DELEGATIONS TO BID COMMITTEES**

### **6.1 Bid Specification Committee:**

6.1.1 In terms of Paragraph 5(1) of the SCM Policy I, the Accounting Officer, herewith sub delegate to the Bid Specification Committee the following powers and duties –

- (a) To consider and approve all competitive bid (including the appointment of consultants and the procurement of long-term contracts) specifications as set out in Paragraph 27(2) of the SCM Policy; and, to authorise the publication of competitive bids.
- (b) To approve the bid specifications for the disposal process of all movable and all immovable assets irrespective of the amount involved; provided that the Municipal Council has resolved in terms of Section 14(2)(a) of the Municipal Finance Management Act that the capital asset is not needed to provide the minimum level of basic municipal services.

6.1.2 The delegations in paragraph 6.1.1 above is further subject thereto that any other requirement of the SCM Policy have been adhered to.

6.1.3 The powers and functions contained in these delegations may not be sub-delegated and shall endure until subsequently revoked in writing by the Accounting Officer.

### **6.2 Bid Evaluation Committee**

6.2.1 In terms of Paragraph 5(1) of the SCM Policy I, the Accounting Officer, herewith sub delegate to the Bid Evaluation Committee the following powers and duties –

- (a) To consider all competitive bids (including the appointment of consultants and the procurement of long-term contracts) based on the specifications of the Bid Specifications Committee as set out in Paragraph 28(1) of the SCM Policy; and
- (b) To recommend to the Bid Adjudication Committee the preferred bidder to be appointed.

6.2.2 The delegations in paragraph 6.2.1 above is further subject thereto that any other requirement of the SCM Policy have been adhered to.

6.2.3 The powers and functions contained in these delegations may not be sub-delegated and shall endure until subsequently revoked in writing by the Accounting Officer.

### **6.3 Bid Adjudication Committee**

6.3.1 In terms of Paragraph 5(1) of the SCM Policy I, the Accounting Officer, herewith sub delegate to the Bid Adjudication Committee the power and duties to make a final award above R 200,000 up to R 500,000 (VAT included) in terms of Paragraph 5(2)(c)(iv) of the SCM Policy for the procurement of goods and services, provided –

- (a) That the competitive bidding processes have been followed in terms of Paragraph 20 of the SCM Policy;
- (b) That no final awards be made to persons whose tax matters are not in order (Paragraph 43 of the SCM Policy);
- (c) That no final awards be made to persons in service of the state;

- (d) That final awards have been evaluated according to the preference points system.
- (e) That no final award be made to a person whose municipal rates and taxes and municipal service charges are in arrears;
- (f) That funds are available on a budget vote; and
- (g) That no final award be made to any other bidder who was not recommended by the Bid Evaluation Committee. If the Bid Adjudication Committee wants to award a bid to any other bidder that was not recommended by the Bid Evaluation Committee, their resolution will only be a recommendation with accompanying reasons to the Accounting officer who shall make the final award.

6.3.2 In terms of Paragraph 5(1) of the SCM Policy I, the Accounting Officer, herewith sub delegate to the Bid Adjudication Committee the power and duties to make a final award above R 200,000 up to R 500,000 (VAT included) in terms of Paragraph 5(2)(c)(iv) of the SCM Policy for the procurement of long term contracts with an estimated contract value above R 200,000 up to R 500,000 (VAT included) over the term of the long term contract, provided –

- (a) That the competitive bidding processes have been followed in terms of Paragraph 20 of the SCM Policy;
- (b) That no final awards be made to persons whose tax matters are not in order (Paragraph 43 of the SCM Policy);
- (c) That no final awards be made to persons in service of the state;
- (d) That final awards have been evaluated according to the preference points system.
- (e) That no final award be made to a person whose municipal rates and taxes and municipal service charges are in arrears;
- (f) That funds are available on a budget vote; and
- (g) That no final award be made to any other bidder who was not recommended by the Bid Evaluation Committee. If the Bid Adjudication Committee wants to award a bid to any other bidder that was not recommended by the Bid Evaluation Committee, their resolution will only be a recommendation with accompanying reasons to the Accounting officer who shall make the final award.

6.3.3 The Bid Adjudication Committee will only resolve to make recommendations to the Accounting Officer on any final awards to be made for the procurement of goods and services above R 500,000 (VAT included).

6.3.4 The Bid Adjudication Committee will only resolve to make recommendations to the Accounting Officer on any final awards to be made for the procurement of long term contracts with an estimated contract value above R 500,000 (VAT included) over the term of the long term contract.

6.3.5 The delegations and recommendations to be made in Paragraph 6.3.1 to 6.3.4 above is further subject thereto that any other requirement of the SCM Policy has been adhered to.

6.3.6 The powers and functions contained in these delegations may not be sub-delegated and shall endure until subsequently revoked in writing by the Accounting Officer.

## **7.1 Opening of competitive bids received**

7.1.1 The competitive bids received shall in public in the committee room be opened immediately after the closing date by the Director: Corporate Services and the Head: Supply Chain Management or their delegates.

- 7.1.2 The competitive bids received in time shall be recorded in a register kept by the Director: Corporate Services. Competitive bids received late shall be dealt with in terms of Paragraph 23(a)(iii) of the SCM Policy.
- 7.1.3 The original competitive bids received shall in terms of the Archives Act be kept at the archives by the Director: Corporate Services.
- 7.1.4 Copies of the competitive bids received shall be made by the Director: Corporate Services to be submitted to the relevant senior manager who is responsible for preparing an item to the Bid Evaluation Committee.

## **7.2 General procedures**

- 7.2.1 The procedures to be followed with regard to the bidding process shall be as set out in Paragraph 20 of the SCM Policy.
- 7.2.2 No bid may be evaluated by the Bid Evaluation Committee or a final award may be made by the Bid Adjudication Committee if all bid documentation required to be completed in terms of the SCM Policy and any other legislation have not been adhered to.

## **7.3 Final awards by the Bid Adjudication Committee**

- 7.3.1 The appointed chairperson of the Bid Adjudication Committee has the authority to appoint a service provider in writing to whom a final award has been made by the Bid Adjudication Committee in terms of their delegated powers.
- 7.3.2 The Head: Supply Chain Management shall submit a report to the Accounting Officer of the Bid Adjudication Committee's recommended bidder to be appointed by the Accounting Officer where the Bid Adjudication Committee have no delegated powers to make a final award.

## **7.4 Contract administration**

- 7.4.1 The Head: Supply Chain Management, the Head: Legal Services and the relevant senior manager shall assist with the compilation of the written agreement between the municipality and the selected supplier.
- 7.4.2 The Head: Supply Chain Management shall keep record of all final awards made to selected suppliers in a contract awarded register.
- 7.4.3 The original signed written agreement referred to in Paragraph 7.4.1 above that was recorded in the register referred to in Paragraph 7.4.2 above, will be submitted by the Head: Supply Chain Management to the Director: Corporate Services who will be responsible for the safe keeping of the original signed written agreement.

## **7.5 Signing powers on the BIQ financial system**

- 7.5.1 The procurement, authorisation and signing powers process through the BIQ financial system will be the same as set out in Paragraph 3.6.1 up to 3.6.7 in this document. However, where there is a reference to written quotations in these paragraphs, it shall be replaced with the information obtained through the competitive bidding process.

## **7.6 Reporting**

The Manager: Supply Chain Management shall on behalf of the Accounting Officer report as follows –

- 7.6.1 Submit a report (with the particulars in terms of Paragraph 5(3) of the SCM Policy required) to the Accounting Officer of any final award made by the Bid Adjudication Committee, in terms of their delegated powers, within 5 days of the end of each month;
- 7.6.2 Submit a report to the Mayor of any final award made by the Accounting Officer or the Bid Adjudication Committee, in terms of their delegated powers, within 10 days of the end of each quarter to enable the Mayor to perform his or her oversight role; and
- 7.6.3 Submit a report to Municipal Council of any final award made by the Accounting Officer or the Bid Adjudication Committee, in terms of their delegated powers, within 30 days of the end of each financial year to enable the Municipal Council to perform their oversight role; and

## **8. ETHICAL STANDARDS**

- 8.1 All supply chain management practitioners shall adhere to the ethical standards referred to in Paragraph 46 and Appendix B of the SCM Policy.
- 8.2 All supply chain management practitioners shall declare any conflict of interests on the form attached to this document as Appendix A.
- 8.3 The completed form must be submitted the Municipal Manager and the Chairperson of each bid committee for their attention and to the Director: Corporate Services who must keep record of all conflict of interests.

## **9. OTHER MATTERS**

- 9.1 All previous delegations pertaining to supply chain matters and the procurement of goods and services are hereby rescinded.
- 9.2 Delegations and signing powers on the BIQ financial system shall be adjusted according to the contents of this document by the IT Manager.
- 9.3 The IT Manager will also take into consideration any sub-delegations by a senior manager to an official exercising a financial management responsibility of a function (cost centre) and shall adjust the BIQ financial system as such.
- 9.4 The IT Manager will also take into consideration any official acting in a position with delegations and signing powers referred to in Paragraph 9.2 and 9.3 above, and shall adjust the BIQ financial system as such.
- 9.5 The IT Manager shall adjust the signing powers on the BIQ financial system with regard to Paragraph 9.2 to 9.4 only after the Head: Internal Audit has informed him or her on the prescribed format – Appendix B attached hereto.
- 9.6 The contents of this document will take effect from 1 June 2017



**CONFIDENTIAL****FINANCIAL DISCLOSURE FORM**

I, the undersigned (surname and initials) \_\_\_\_\_

(Postal address) \_\_\_\_\_

(Residential address) \_\_\_\_\_

(Position held) \_\_\_\_\_

(Name of Municipality) \_\_\_\_\_

Tel: \_\_\_\_\_

Fax: \_\_\_\_\_

Hereby certify that the following information is complete and correct to the best of my knowledge:

**1. SHARES & OTHER FINANCIAL INTERESTS(Not Bank Accounts With Financial Institutions)**

NO of SHARES/EXTENT OF FINANCIAL INTEREST	NATURE	NOMINAL VALUE	NAME OF COMPANY/ENTITY

See Information Sheet: Note 1

**2. DIRECTORSHIPS & PARTNERSHIPS**

NAME OF CORPORATE ENTITY/PARTNERSHIP/FIRM	TYPE OF BUSINESS	AMOUNT OF RENUMERATION/INCOME

See Information Sheet: Note 2

# CONFIDENTIAL

## 3. RENUMERATED WORK OUTSIDE THE MUNICIPALITY

NAME OF EMPLOYER	TYPE OF WORK	AMOUNT OF RENUMERATION/INCOME

Must be Sanctioned by Council. See Information Sheet: Note 3

Council Resolution: \_\_\_\_\_

Signature By Council: \_\_\_\_\_

DATE: \_\_\_\_\_

## 4. CONSULTANCIES & RETAINERSHIPS

NAME OF CLIENT	NATURE	TYPE OF BUSINESS ACTIVITY	VALUE OF ANY BENEFITS RECEIVED

See Information Sheet: Note 4

## 5. SPONSORSHIPS

SOURCE OF ASSISTENCE/SPONSORSHIP	DESCRIPTION OF ASSISTENCE/SPONSORSHIP	VALUE OF ASSISTENCE/SPONSORSHIP

See Information Sheet: Note 5

## 6. GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER

DESCRIPTION	SOURCE	VALUE

See Information Sheet: Note 6

# CONFIDENTIAL

## 7. LAND & PROPERTY

DESCRIPTION	EXTENT	AREA	VALUE

See Information Sheet: Note 7

\_\_\_\_\_  
SIGNATURE OF EMPLOYEE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PLACE

## OATH/AFFIRMATION

1. I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down her/his answers in his/her presence:

(i) Do you know and understand the contents of the declaration?

Answer \_\_\_\_\_

(ii) Do you have any objection to taking the prescribed oath or affirmation?

Answer \_\_\_\_\_

(iii) Do you consider the prescribed oath or affirmation to be binding on your conscience?

Answer \_\_\_\_\_

2. I certify that the deponent has acknowledged that she/he knows and understands the contents of this declaration. The deponent uttered the following words: "I swear that the contents of this declaration are true, so help me God."/"I truly affirm that the contents of the declaration are true". The signature/mark of the deponent is affixed to the declaration in my presence.

\_\_\_\_\_  
COMMISSIONER OF OATH /JUSTICE OF THE PEACE

# CONFIDENTIAL

Full first names and surname:

\_\_\_\_\_ (Block letters)

Designation (rank) \_\_\_\_\_ Ex Officio Republic of South Africa

Street address of institution \_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_ Place \_\_\_\_\_

\_\_\_\_\_  
**CONTENTS NOTED: MUNICIPAL MANAGER**

**DATE:** \_\_\_\_\_

# CONFIDENTIAL

## INFORMATION SHEET FOR THE FINANCIAL DISCLOSURE FORM

The following notes are a guide to assist with completing the Financial Disclosure form (Appendix C):

### **Note 1: Shares and other financial interests**

Designated employees are required to disclose the following details with regard to shares and other financial interests held in any private or public company or any other corporate entity recognized by law:

- The number, nature and nominal value of shares of any type;
- The nature and value of any other financial interests held in any private or public company or any other corporate entity; and
- The name of that entity.

### **Note 2: Directorships and partnerships**

Designated employees are required to disclose the following details with regard to directorships and partnerships:

- The name and type of business activity of the corporate entity or partnership/s; and
- The amount of any remuneration received for such directorship or partnership/s.

Directorship includes any occupied position of director or alternative director, or by whatever name the position is designated.

Partnership is a legal relationship arising out of a contract between two or more persons with the object of making and sharing profits.

### **Note 3: Remunerated work outside the public service (All remunerated employment must be sanctioned prior to the work being done)**

Designated employees are required to disclose the following details with regard to remunerated work outside the public service.

- The type of work;
- The name and type of business activity of the employer; and
- The amount of the remuneration received for such work.

Remuneration means the receipt of benefits in cash or kind.

Work means rendering a service for which the person receives remuneration.

# CONFIDENTIAL

## **Note 4: Consultancies and retainerships**

Designated employees are required to disclose the following details with regard to consultancies and retainerships:

- The nature of the consultancy or retainership of any kind;
- The name and type of business activity, of the client concerned; and
- The value of any benefits received for such consultancy or retainerships.

## **Note 5: Sponsorships**

Designated employees are required to disclose the following details with regard to sponsorships:

- The source and description of direct financial sponsorship or assistance; and
- The value of the sponsorship or assistance.

## **Note 6: Gifts and hospitality from a source other than a family member**

Designated employees are required to disclose the following details with regard to gifts and hospitality:

- A description and the value and source of a gift with a value in excess of R350;
- A description and the value of gifts from a single source which cumulatively exceed the value of R350 in the relevant 12 month period; and
- Hospitality intended as a gift in kind.

Designated employees must disclose any material advantage that they received from any source e.g. any discount prices or rates that are not available to the general public.

All personal gifts within the family and hospitality of a traditional or cultural nature need not be disclosed.

## **Note 7: Land and Property**

Designated employees are required to disclose the following details with regard to their ownership and other interests in land and property (residential or otherwise both inside and outside the Republic):

- A description and extent of the land or property;
- The area in which it is situated; and
- The value of the interest.

# DAWID KRUIPER MUNICIPALITY

## SUB-DELEGATIONS IN TERMS OF SECTION 2.3 OF THE SUPPLY CHAIN MANAGEMENT DELEGATIONS, PROCEDURES AND SIGNING POWERS MANUAL

DIRECTORATE: \_\_\_\_\_

POST DESCRIPTION	OCCUPIER	SPECIMEN SIGNATURE	FUNCTIONS/COST CENTRES	PROCUREMENTS MAXIMUM AMOUNT (R30 000)	MANDATE
					1. Requisitions 2. Cheques (Direct Purchases) 3. Capital Asset Purchases 4. Inter Department Requisitions

SENIOR MANAGER (DIRECTOR): \_\_\_\_\_

NAME: \_\_\_\_\_

SIGNATURE OF DIRECTOR: \_\_\_\_\_

DATE: \_\_\_\_\_