

## SUPPLY CHAIN MANAGEMENT POLICY

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**Certified as a True Version.**



**Mr S Madonsela**  
**Acting Group Company Secretary**

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**1. Definitions and Abbreviations**

In this document, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the PFMA, has the same meaning as in that Act, and

**“Accounting Authority”** shall refer to the Board of the Company or its representatives defined in section 49 (2) (b) of the PFMA;

**“acceptable tender”** means a bid that complies in all respect with all the specifications and conditions prescribed in the bid documentation and assurance that the potential contractor has the ability and capacity to execute the contract;

**“acceptance of a tender”** means the written award of a contract to a bidder in response to his bid or price quotation;

**“ad hoc contract”** means a once-off contract arranged for acquisition of goods or services or works;

**“B-BBEE status level of contributor”** is the B-BBEE status received by a measured entity based on its overall performance using the Generic Scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the BBEE Act;

**“Board”** means the Board of the Umgeni Water;

**“Broad-Based Black Economic Empowerment: (B-BBEE)”** as assigned in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the BBEE Act,

**“Comparative price”**: means the price after the factor of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

**“Competitive Bidding”** means a bidding process that provides all prospective bidders with timely and adequate information and equal opportunity to bid;

**“Contractor”** means any natural or legal person whose bid that Umgeni Water has appointed for the execution of work; (“supplier” and “service provider” have a corresponding meaning);

**“Contract”** means agreement a written and duly signed agreement resulting from the acceptance of a bid by Umgeni Water;

**“Closing time”** means the date and time specified in the bid documents for the submission of bids;

**“Day”** means a calendar day including a Saturday, Sunday or Public Holiday;

**“Delivery”** means delivery in compliance with the conditions contract or order;

**“Emergency situation”** means a serious and unexpected situation that poses an immediate risk to health, life, property or environment, which calls for urgent action, and there is insufficient time to follow a competitive bidding process;

**“firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition or abolition of customs or excise duty and any other duty, levy or tax which in terms of a law or regulations is binding on the Contractor

**“Functionality”** means the measurement according to predetermined norms of a service or commodity designed to be practical and useful, working or operating, taking into account among others quality, reliability, viability and durability of a service;

**“Limited bidding”**: means the form of bidding process used where there is a limited competition and only few prospective bidders are allowed to make proposals;

“**Non-firm prices**” means all prices other than firm prices;

“**Order**” means an official written order issued for the supply of goods or the rendering of a service;

“**Open tendering**” means a competitive process which involves the issuing of an open invitation to bid and accepting all submissions received before the deadline for submission from any potential suppliers who satisfy the conditions for participation.

“**Period contract**” means a contract entered into for the supply of goods, the rendering of services or the disposal of movable property during a specified period of time;

“**Preferred Tenderer**” the bidder whose tender is selected by the Bid Evaluation and Adjudication Committees as being eligible for approval/award;

“**Rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations and includes all applicable taxes and exercise duties;

“**Price quotation**” means a written offer on any documentation which is not necessarily subject to the general conditions and procedures contained in Umgeni Water 's SCM Policy and which is invited and dealt with by the end-user;

“**Supplier/Vendor**”: are generic terms which may include suppliers of goods and services, contractors and/or consultants.

“**Sub-contract**” means the primary contractor’s assigning or leasing or making out work to ,or employing, another person to support such primary contractor in the execution of part or the whole of a project in terms of the contract;

“**Sole supplier**” means **where there is no competition in the market and only one supplier is able to provide goods or services;**

“**SMME**” bears the same meaning assigned to this expression in the National Business Act, 1996;

“**Tender**” : means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

“**Urgent case**” means cases where early delivery is critical and the invitation of competitive bids is either impossible or impractical, not due to improper planning;

“**Tenderer**” means any natural or legal person submitting a bid or a price quotation;

“**Working day**” means a day other than a Saturday, Sunday or Public Holiday;

**2. Abbreviations and Acronyms**

BEE	Black Economic Empowerment
BBBEE	Broad- Based Black Economic Empowerment
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BSC	Bid Specification Committee
CSD	National Treasury Central Supplier Database
CE	Chief Executive
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
DOA:	Delegations of Authority
EXCO	Executive Committee of Umgeni Water
GCC	General Conditions of Contract
HDI	Historically Disadvantaged Individuals
IDMS	Infrastructure Development Management System
PAIA	Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
PAJA	Promotion of Administrative Justice Act (PAJA), 2000 (Act 3 of 2000)
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)
PPPFA	Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
SANS	South African National Standards
SCC	Special Conditions of Contract
SCM	Supply Chain Management
SMME	Small, Medium and Micro Enterprise
SOE:	State Owned Enterprise
UW:	Umgeni Water

## 1. Introduction

Section 217 of the Constitution of the Republic of South Africa of 1996 obliges all organs of state when contracting for goods and/or services, to do so in accordance with a system that is fair, equitable, transparent, competitive and cost effective. To support the enabling legislative environment, in the advancement of Umgeni Water's support of good governance and socio economic change This policy document has been developed to support the five principles associated with procurement i.e. value for money, open and effective communication, ethical and fair dealing, equity, and accountability and reporting..

Additionally, Section 51 of the Public Finance Management Act 1 of 1999 (the PFMA)] confers general responsibilities on an Accounting Authority for a public entity, amongst others, to ensure that that public entity has and maintains:

- “(1)(a)(iii) an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective;*
- (iv) a system for properly evaluating all major capital projects prior to a final decision on the project;”*

## 2. Purpose and Policy Statement

### 2.1. Purpose

The purpose of this Policy is to provide a mechanism to ensure sound, sustainable and accountable supply chain management, whilst promoting black economic empowerment, which includes general principles for achieving socio-economic objectives. The Supply Chain Management (SCM) Policy represents minimum standards that employees are expected to apply in their procurement activities. The objectives of this policy include but are not limited to the following:

- (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;
- (b) To ensure that effective controls are communicated to management and staff through clear and comprehensive written documentation;
- (c) To ensure that the procurement of goods and services is in-line with Government's broader policy objectives;
- (d) To ensure good governance through the supply chain processes; and
- (e) To ensure the efficient, effective and uniform planning for and procurement of all services and goods, required for the proper functioning of UW, whilst developing, supporting and promoting historically disadvantaged individuals, small, medium and micro enterprises (SMME's) and adheres to applicable prescripts on the attainment of preferential goals.

### 2.2. Policy Statement and Objectives

The SCM Policy aims to create a consistent framework for achieving good governance, and the Government's preferential procurement objectives. The four major objectives of the SCM are to:

- (a) Transform Umgeni Water procurement and provisioning practices into an integrated SCM function;
- (b) Introduce a systematic approach to the appointment of consultants;
- (c) Create a common understanding of the preferential procurement policy; and
- (d) Promote the consistent application of “best practices” throughout Umgeni Water's supply chain, whilst embracing “value for money” principles.



### 3. Governing Legislation

This policy is underpinned and must be read in conjunction with the following applicable pieces of legislation. Greater care has been given to ensure that this Policy is aligned and complies with the relevant pieces of legislation, however where the Policy contradicts any of the below applicable prescripts, the relevant Acts (and Guidelines, Circulars, Instruction Notes and Regulations issued in terms of these Acts) shall take precedence.

- a) The Constitution of the Republic of South Africa (Section 217);
- b) Policy to guide uniformity in procurement reform processes in Government;
- c) Public Finance Management Act ( Act no. 1 of 1999, as Amended);
- d) The Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000);
- e) Broad Based Black Economic Empowerment Act (Act No. 53 of 2003) as amended;;
- f) Promotion of Administrative Justice Act (Act No. 3 of 2000); and
- g) Promotion of Access to Information Act (Act No. 2 of 2000);
- h) Construction Industry Development Board Act
- i) Prevention and Combating of Corrupt Activities Act, 2004(Act 12 of 2004)
- j) National Small Business Act 1996(Act 102 of 1996)
- k) Competition Act, 1998 (Act 89 of 1998)
- l) National Treasury Instruction Notes

#### 3.1. The Constitution of the Republic of South Africa, of 1996,

Section 217 requires Organs of State to procure goods and services in a manner which is fair, equitable, transparent, competitive and cost effective and to design a policy for the granting of preferences.

#### 3.2. Public Finance Management Act ( Act no. 1 of 1999, as Amended) **by Act 29 of 1999** –

The PFMA requires an accounting officer of UW to ensure that the entity has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

#### 3.3. The Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000)

The PPPFA provides for the granting of preferences by organs of the state to previously disadvantaged individuals, to promote Black Economic Empowerment and Small and Medium Enterprise (SMME) development. Section 2 of the PPPFA, 2000 (Act No. 5 of 2000) state that an organ of the state must determine its preferential procurement policy and implement it on the basis of a preference point system for price and specific goals.

#### 3.4. Broad Based Black Economic Empowerment Act (Act No. 53 of 2003)

The Act, provides for BBEE is measured using priority elements as follows:

- (i) Ownership
- (ii) Skills development
- (iii) Enterprise development and
- (iv) Supplier development.
- (v) Other elements include:
- (vi) Management control; and
- (vii) Socio-economic development**

### 3.5. Promotion of Administrative Justice Act (Act No. 3 of 2000)

The purpose of the Act is to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.

### 3.6. Promotion of Access to Information Act (Act No. 2 of 2000)

To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise of protection of any rights and to provide for matters connected therewith.

### 3.7. Construction Industry Development Board Act

- (i) The legislation provides a framework for construction contracts. No contracts may be awarded to contractors:
- (ii) Who are not registered with the CIDB
- (iii) Whose CIDB grading is not suitable for the value of the contract.
- (iv) For projects that are not registered in relation to the class of construction works.

### 3.8. Prevention and Combating of Corrupt Activities Act, 2004(Act 12 of 2004)

- (i) The purpose of the Act is to provide for the strengthening of measures to prevent and combat corruption and corrupt activities.
- (ii) To provide for the offence of corruption and offences relating to corrupt activities.
- (iii) To provide for investigative measures in respect of corruption and related corrupt activities.
- (iv) To provide for the establishment and endorsement of a Register in order to place certain restrictions on persons and enterprises convicted of corrupt activities relating to bids and contracts.
- (v) To place a duty on certain persons holding a position of authority to report certain corrupt transactions.
- (vi) To provide for extraterritorial jurisdiction in respect of the offence of corruption and offences relating to corrupt activities and to provide for matters connected herewith.

### 3.9. National Small Business Act 1996(Act 102 of 1996)

The purpose of the Act is to provide for the establishment of the National Small Business Council and Ntsika Enterprise Promotion Agency and to provide guidelines for organs of state in order to promote small business in the Republic and to provide for matters incidental thereto.

### 3.10. Competition Act, 1998 (Act 89 of 1998)

The purpose of the Act is to provide for establishment of a Competition Commission responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, mergers and for the establishment of a Competition Tribunal responsible to adjudicate such matters, and for the establishment of a Competition Appeal Court and related matters.

### 3.11. National Treasury Instruction Notes

The instruction notes provide guidance in terms of implementation of SCM as per the PFMA and Treasury Regulations.

#### 4. Scope of Application

This policy applies to all elements of procurement at Umgeni Water and must be complemented by processes and mechanisms as would be detailed in the SCM Procedure Manual;

- a) the procurement of construction works, goods and services, including professional services (consultancy services – administrative and built environment professional services in the build environment) ;
- b) all SCM operational streams at Umgeni Water .
- c) the disposals of goods no longer needed by UW; and
- d) all officials and other role players involved with the supply chain management.

#### 5. Delegation of Authority and Mandates for SCM Decisions

The Accounting Authority (Board of Directors) has delegated the following powers and duties (in writing) to the CE of the Umgeni Water:

- a) To discharge the SCM responsibilities in terms of Section 51(1) (a) of the PFMA;
- b) To maximize administrative and operational effectiveness and efficiency in the implementation of the policy; and
- c) To enforce reasonable and cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of the policy.

##### 5.1. Sub-Delegations

The CE of the Umgeni Water, sub-delegates in writing, the approved Operational Delegations of Authority (DOA), the SCM powers and duties to maximize administration, operational efficiency and provide adequate checks and balances in administration to:-

- a) The CFO, for the implementation of SCM procedures and processes in terms of the SCM policy and applicable prescripts/legislation.
- b) The Head: SCM shall implement and administer the required procedures and processes in terms of this policy, the purpose being to support effective and efficient practices and operations throughout UW; and
- c) Bid Committees and various role players required for administrative actions and decisions within the procurement value chain.

#### 6. Roles and Responsibilities

The roles and responsibilities of all the structures or employees listed hereunder are defined only from the perspective of SCM as prescribed, and have the following roles and responsibilities.

##### 6.1. The Board (Accounting Authority - Oversight)

As the Accounting Authority, the Board approves the Policy for distribution to the intended audience, and as the accounting authority, the Board has an oversight role to ensure that the Chief Executive and all staff members implement this Supply Chain Management Policy.

##### 6.2. Chief Executive (Accounting Authority's – Administrative Delegate)

The day-to-day responsibilities of implementing this Policy is delegated to the Chief Executive as is aligned to the organisation's Delegated Authority Framework of the Board.

In line with the powers delegated to the Chief Executive, the Chief Executive must ensure that Umgeni Water has and maintains:

- (a) A Framework for proper implementation of the SCM Policy (the SCM Procedure Manual and all other supporting procedure documents that must support the effective implementation of this SCM Policy.
- (b) Appoint the members of the Bid Committees.
- (c) Promote effective and sound financial management
- (d) SCM processes in the event of an award dispute / appeal / objection.

### 6.3. Role of the Chief Financial Officer (CFO)

#### The CFO:

- (a) Is the executive responsible for the SCM unit and for efficient implementation of the SCM Policy and must report the status and progress of its application to the EXCO and the relevant Governance committees, in particular the Capex Committee of the Board.
- (b) Must promote a functional corporate approach by encouraging standardisation of items purchased within Umgeni Water to realise economies of scale.
- (c) Is responsible for overseeing management of procurement and disposal and to ensure that the SCM system of Umgeni Water is adhered to; and
- (d) Must take all reasonable steps to ensure that proper mechanisms and separation of duties in the SCM system are in place to minimize the likelihood of fraud, corruption, favouritism and unfair and irregular practices; and is
- (e) Responsible for ensuring that all employees involved in the SCM process receive the necessary training to support implementation of the SCM Policy.

### 6.4. Role of Supply Chain Management

Supply Chain Management falls within the Finance Division and is responsible for;

- (a) Implementing, applying and managing this Policy and other SCM related prescripts.
- (b) Managing planning and demand, procurement and contracting activities, inventory, internal controls, departmental performance and disposals;
- (c) Overall procurement management in respect of facilitating the invitation, closing and evaluation of quotations and tender documents on behalf of the UW;
- (d) Adhering to preference requirements without compromising price, quality, service delivery and developmental objectives;
- (e) Ensuring that employees receive appropriate and relevant SCM training;
- (f) Ensuring compliance with audits regulatory requirements; and
- (g) Submits regular statutory and management reports to senior management regarding progress and any matters of importance relating to the application of the SCM Policy.

### 6.5. Role of End User Departments

- 1) Business units are consumers of the support services rendered by the SCM unit. However, they also, play an important role in the SCM value chain and as such have the following responsibilities.

**Division / Departmental Managers must**

- (a) ensure that requisitions reflect the required delivery date of the goods or service before submitting the requisitions to the SCM Unit;
  - (b) ensure that requisitions reflect comprehensive and clear specifications with the required delivery date of the goods or service before escalating or submitting the requisitions to the SCM Unit;
  - (c) ensure that requests for tenders or quotes are submitted in a timely manner to facilitate adherence to the core principles of sound supply chain management, including observation of UW's Procurement Plan;
  - (d) Confirm that funds are available before quotations are sourced or tenders are advertised;
  - (e) monitor supplier performance by following up with service-providers when delivery dates are exceeded or invoices are outstanding as the service delivery recipient;
  - (f) monitor and document poor performance or non-compliance by service-providers and bring it to the attention of the SCM Unit for remedial steps to be implemented;
  - (g) ensure that a Contract/ Service Level Agreement is concluded and signed by duly authorised officials and that service providers have been issued with an official order for the goods or services; and
  - (h) ensure that all deviations from the agreement are in writing, approved by the delegated official, and that the SCM Unit is notified accordingly, to ensure that the necessary administrative actions are implemented timeously to effect the changes to the order.
- 2) Other role-players who may be involved during the management of SCM
- (a) **Legal Services**– to provide legal support on questions of law and the management of resultant legal actions.
  - (b) **Risk Management Department** – to identify and monitor enterprise wide risks relating to SCM and to recommend risk mitigation actions.
  - (c) **Top Management (EXCO)** – to monitor procurement trends within divisions and officials/ project managers carry out required activities within their area of responsibility in support SCM processes.

**7. Delegations for Procurement, Contracting and Authorisation**

- (a) Chief Executive is responsible for Umgeni Water's performance of its mandate, is accountable for all decisions taken by UW and any powers assigned to him / her in terms of any legislation or agreement.
- (b) In order to give effect and accountability to decision-making within the procurement and supply chain management environment, the Board has delegated the Chief Executive with the authority for all consents / approvals related to procurement and supply chain management activities across Umgeni Water. This delegation must in turn be further delegated in writing to various Executive Managers, Senior Managers, Bid Committees, and other SCM Practitioners within Umgeni Water, where appropriate.
- (c) When the Chief Executive considers the delegation of powers or instructions to perform duties the following principles must apply to minimise the risks associated with such delegations or instructions:
  - 1) Delegations and instructions are within the scope permitted by the legislative framework;
  - 2) Employees are familiar with their roles and responsibilities;

- 3) Employees possess the necessary skills and competencies to exercise the delegation or instruction;
  - 4) Effective performance management, feedback and reporting mechanisms are in place;
  - 5) Appropriate controls are in place;
  - 6) Clear directions or instructions are given and conditions set that restrict, where applicable, the exercise of delegations; and
  - 7) Delegations and instructions are reviewed regularly, as prescribed by the accounting officer for appropriateness and accuracy, particularly following policy changes.
- (d) The delegation process is essential to Umgeni Water as this is a mechanism through which it can ensure the achievement of effective, efficient and economical service delivery by officials. No decision-making in terms of any supply chain management powers and duties may be delegated to an advisor or consultant.

#### **7.1. Delegations for procurement and contracting**

Approvals must be in accordance with the Delegation of Authority. These delegations vary according to whether procurement is within or outside of the budget. Prior written authorisation must be obtained in accordance with the Approved Delegation of Authority Framework for purchases of goods or services paid for by electronic funds transfer (EFT) or cash.

#### **7.2. Delegations for Electronic /Enterprise Resource Planning (ERP) authorisations**

A delegated official grants approval of a purchase requisition must be affected electronically on UW's ERP system. Once all of the approvers that are required to authorise the workflow have approved a requisition, a purchase order is generated, thereby committing the UW to the purchase. No purchase may be made without an official purchase order.

### **8. SCM Governance and Ethics**

- (a) All officials and other role players engaged in the SCM value chain of the UW must comply with the highest ethical standards in order to promote mutual trust, respect and an environment where business can with integrity and in a fair and reasonable manner. Employees and other role players involved in SCM should be fair and impartial in the performance of their functions.
- (b) Employees should at no time, afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. In addition, they should not abuse the power and authority vested in them. UW has developed a code of ethics and non-compliance shall be subject to appropriate action. A breach of the code of conduct shall be dealt with in accordance with UW's disciplinary procedures.

#### **8.1. Code of conduct for SCM Practitioners and other role players**

All stakeholders must comply with the provisions of the code of Conduct for SCM practitioners and other role players involved in supply chain management.

## 8.2. Declaration of Interest

- (a) Any employee who participates in the procurement process and whose interest is conflicted or who is of the view that they may be perceived conflict of interest, must promptly recuse himself/herself from further direct participation in the procurement process. Such interest must be disclosed in line with the Declaration of Interest Policy of the UW.
- (b) Immediately withdraw from participating in any manner whatsoever in the process relating to the contract and such proceedings must be documented.

## 8.3. Business with Family Members

All SCM officials and Bid Committees (members) must declare, diligently, accurately and honestly, in the declaration of interest form/register, all personal and/ or business interests that they or a family member may have in any business of any bidder. Umgeni Water requires all employees to make full disclosure of businesses owned by close family and / or friends and it is further expected that such individuals must not directly or indirectly be involved in the awarding of such business.

## 8.4. Confidentiality and handling of proprietary information

The confidentiality of information received in the procurement process should be respected. UW's Confidentiality Agreement binds all SCM Unit employees, Bid committee members, and all officials attending procurement related meetings.

Specific details of suppliers' bids must not be divulged, unless it is in accordance with the Promotion of Access to Information Act, 2000 (Act 2 of 2000) or court order or through the consent of the respective supplier. The disclosure can only be made in consultation with UW's Information Officer.

In appropriate instances, Umgeni Water may require confidentiality agreements to be entered into with suppliers. All the prices, rates and proprietary information in the bid documents is confidential and shall not be disclosed.

## 9. Supply Chain Management Unit

Umgeni Water must establish a Supply Chain Management unit that provides for demand, acquisition (inclusive of infrastructure and construction procurement), logistics, disposal, risk, and performance management. The Supply Chain Management unit reports directly to the Chief Financial Officer and shall implement and execute an appropriate SCM system that is fair, equitable, transparent, competitive and cost effective.

## 10. The Supply Chain Management System

The SCM System speaks to, and sets out the policy aspects of supply chain management in Umgeni Water, the Delegations of Authority sets out the decision making power that gives effect to the processes in the SCM System. The delegations also aim to create a culture of ownership and accountability among decision-makers that in turn breeds trust. Together these documents speak to how this Department conducts its business relating to SCM as a process, its contractors and suppliers, and most importantly our clients.

The system shall identify and address all issues related to the following phases of Supply Chain Management and provide for at least the following:

- (a) Demand Management;
- (b) Acquisition Management(goods and services);
- (c) Infrastructure and Construction Procurement;
- (d) Contract Management;
- (e) Inventory and Logistics Management;
- (f) Disposal Management;
- (g) SCM Risk and Performance Management;
- (h) Public Private Partnerships; and

In the case of procurement through a tender process, the SCM system must, provide for:

- (a) Tendering procedures.
- (b) The selection of bid committee members, establishment, composition and functioning of a bid specification, evaluation and adjudication committees;
- (c) Adjudication of tenders through the bid committee system; and
- (d) An appeals tribunal and procedure

**11. SCM Committees and Their Roles**

The following committees must be established to fulfil the supply chain management process:

<b>Committee</b>	<b>Function</b>
1. Bid Specification Committee (BSC)	Is responsible for compiling specifications for the UW's requirements in respect of goods/services to be procured.
2. Bid Evaluation Committee (BEC)	Evaluation of Bids and making recommendations to the adjudication committee
3. Bid Adjudication Committee (BAC)	Consideration & award bids based on the recommendations of the BEC
4. Disposal Committee	Is to ensure that all disposals are processed in terms the relevant policies and procedures
5. Bid Appeals Tribunal	To enhance the integrity and fairness of Umgeni Water's procurement processes by providing an independent and objective assessment of complaints which are lodged by unsuccessful bidders regarding any aspect of UW's tender process

Umgeni Water adopted a hybrid SCM Bid Committee Model, inter alia providing for the following in relation to Infrastructure and Construction Procurement and Operational Goods and Services Contracts (Including business advisory consultants / professional service providers [PSPs]):

- (a) CAPEX Bid Specification and Evaluation Committees for Infrastructure Procurement;
- (b) OPEX Bid Specification and Evaluation Committees for Operations and Administrative goods and services' Procurement;
- (c) Bid adjudication committee for awarding both CAPEX and OPEX tenders; and
- (d) Bid Evaluation Committees should consist of a minimum of five members.



### 11.1. Bid Specification Committee

- (a) BSC is responsible for the compilation of the specifications and or terms of reference in an unbiased manner for each tender prior to the procurement of goods and services required by Umgeni Water. To identify and include the relevant evaluation criteria in the specification as bids may only be evaluated according to the criteria stipulated in the bid documentation.

### 11.2. Bid Evaluation Committee

- (a) The Bid Evaluation Committee evaluates all bids received, which are at the tender threshold.

### 11.3. Bid Adjudication Committee

- (a) The Bid Adjudication Committee considers the report and recommendations made by the Bid Evaluation Committee or the delegated official(s) who performed the evaluation. The BAC shall be a multi-disciplinary committee chaired by the CFO.
- (b) Committee members be representative of appropriate operational disciplines within UW. In terms of the DOA, the BAC makes the final award of all bids, in respect of the procurements/tenders. Members of the Evaluation Committee may present their reports to the BAC and clarify any uncertainties.

### 11.4. Bid Appeals Tribunal

- 1) The BAT has the power to conduct a full investigation of a complaint and to make appropriate recommendations to the Chief Executive of Umgeni Water regarding the appropriate remedial measures to be undertaken.
- 2) Such measures may include, but are not limited to, the following:
  - (a) cancelling a bid if there is a material irregularity;
  - (b) referring a bid back for re-evaluation;
  - (c) confirm, vary or set aside the decision of, a Bid Adjudication Committee;
  - (d) recommending that letters of censure be sent to any UW official; and/or
  - (e) the institution of disciplinary, civil or criminal proceedings where appropriate.

## 12. Demand Management

- 1) Demand Management is the first element of the SCM function and is a cross-functional exercise that brings the Procurement official closer to the User. Ensuring that value for money is achieved through planning and understanding what goods, works or services are delivered to the right place, in the right quantity, with the right quality, at the right cost and the right time and from the right source.
- 2) Demand Management within the Supply Chain Management (SCM) is an integral part of a series of activities that contributes to achieving UW's Strategic and Operational commitments. In Demand Management, everything starts with the definition of the customer's service requirements i.e. required reaction time, lead-time reliability, back order and emergency order policies, etc. A typical demand management process will integrate or link the following planning activities:
  - (a) Strategic planning;
  - (b) Procurement planning;

- (c) Needs analysis; and
- (d) Market analysis.

### **12.1. Planning and Linkages**

Demand Management includes the following activities:

- (a) Understanding future needs;
- (b) Identifying critical delivery dates;
- (c) Identifying the frequency of need;
- (d) Linking the requirement to the budget;
- (e) Analysing expenditure based on past spend patterns and future needs;
- (f) Assisting end user department in developing/determining specifications;
- (g) Conducting a commodity analysis and checking for alternatives at least in case of strategic purchases; and
- (h) Conducting an industry analysis in case of strategic purchases.

### **12.2. Establishment of Prospective Service Providers Database**

UW shall develop and maintain a suppliers database. In maintaining a supplier database the SCMU must;

- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written price quotations;
- (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 registration and listing as prospective providers;
- (c) specify the listing requirements/criteria for prospective providers to registered on UW's supplier database; and

The database must be updated annually to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit amendments and applications for listing at any time. The supplier listing must be compiled per commodity and per type of service.

### **12.3. Central Supplier Database (CSD)**

As a prerequisite, Suppliers who wish to do business or render services to UW have to register on the National Treasury Central Supplier Database.

## **13. Acquisitions Management**

- (a) Acquisition management is a process of inviting, evaluating, and awarding of bids. This process is a critical part of the SCM system as it involves direct contact with private parties whose rights are protected by various laws. There are several issues to consider when embarking upon the acquisition process:
  - (i) The legislative framework that guides the procurement process;
  - (ii) The delegations issued for SCM activities as it will indicate the precise parameter within which a delegated official may act, along with any conditions or limitations attached to such action; and
  - (iii) All applicable SCM Instruction Notes and Guidelines issued by the National Treasury.

(b) Acquisition management is the process of procurement of goods or services and includes the:

- (i) Identification of preferential policy objectives(empowerment goals);
- (ii) Determination of market strategy;
- (iii) Application of total cost of ownership principle;
- (iv) Compilation of tender documentation, including conditions;
- (v) Determination of evaluation criteria;
- (vi) Evaluation of tenders and tabling of recommendations;
- (vii) Compilation and signing of contract documents; and
- (viii) Contract administration

### 13.1. Acquisition Threshold Limits

The procurement of goods and services through this policy is provided by way of the prescribed monetary and delegated limits for quotations or tenders;

<b>Procurement Mechanism</b>	<b>Applicable threshold</b>
Petty Cash	≤ R 2 000
At least one quotation	R 2 001 - R 10 000
Three written quotations, using the prescribed UW RFQ form	R 10 001 - R 50 000
Three formal written quotations, using the prescribed UW RFQ form, with application of Preferential Procurement Regulations 2022	R50 001 – R1 000 000
Competitive Tenders/Bids/RFPs	Above R 1 000 000

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.

### 13.2. Acquisition Management (Quotations - RFQ and Bids - RFP)

Through operational procedures, an effective system of acquisition management is established in order to ensure –

- (a) that goods and services are procured by UW in accordance with authorised processes only;
- (b) that expenditure on goods and services is incurred in accordance with the approved budget and in terms of the PFMA;
- (c) that the threshold values for the different procurement processes are complied with;
- (d) that bid documentation, evaluation and adjudication criteria and general conditions of a contract are in accordance with any applicable legislation; and
- (e) that any Treasury guidelines on acquisition management are properly taken into account.

### 13.3. Various Methods of Procurement

Procurement of goods and services, either through competitive quotes or through the tender process, must be within the threshold values as determined by UW in line with National Treasury guidelines from time to time.

- (a) Petty cash

- (c) Quotations
- (d) Competitive Tendering
- (e) Two Stage Bidding
- (f) By Means of Limited Bidding (Deviation)
  - (i) Sole source bidding [only one bidder exist (patent or sole distribution rights)]
  - (ii) Single source bidding
  - (iii) Urgent and emergency cases [early delivery is of critical importance and immediate action is necessary]
  - (iv) Specific cases [impractical to invite competitive bids]
- (g) Strategic Sourcing (Negotiations)
- (h) Public/Private Partnerships

### 13.4. Procurement Administration

#### 13.4.1. Price Quotations from R10,001 Up To R1,000,000 (Vat Included)

- 1) The end user needs to submit the approved request for procurement to SCM.
- 2) Written quotations must be requested from a minimum of three different service providers, whose names appear on the central supplier database.
- 3) The invitation to quote must stipulate the quotation closing date and time which must allow the service provider at least a minimum of three-five days in which to submit quotations unless a shorter period is required according to goods or services.
- 4) All written quotations must be evaluated and approved in accordance with the delegations.
- 5) Quotations must be evaluated by at least two members from SCM. If necessary, one member from the end user (with the technical knowledge) who is deemed to have the requisite skills and know-how of the evaluation being conducted and may be considered as a specialist for technical services where necessary.
- 6) Goods or services above R1m (including VAT) may not deliberately split into parts or items of lesser value to avoid procuring through competitive bidding.
- 7) Before finalising the award, SCM must check if the recommended service provider's taxes are in order.
- 8) Where a minimum 3 quotations were requested and it is not possible to receive at least minimum of 3 quotes, reasons must be recorded and submitted to the delegated authority for approval to evaluate and accept less 3 quotes.

#### 13.4.2. Competitive Bid Process

- 1) The competitive bidding process is applicable when the estimated total value of the requirement is more than R1 million including all taxes.
- 2) No requirements for goods or services above an estimated transaction value of R1m (VAT included), may deliberately be split into parts or items of lesser value merely to avoid complying with the requirements of this policy.
- 3) Bid documents will only be issued by the SCM Unit in line with the process outline in the Acquisitions Procedure Manual
- 4) All bidders invited to submit a response should be invited to tender using Umgeni Water's standard form/tender templates.
- 5) The SCM unit is responsible for the management and administration of all bids.

#### 13.4.3. Advertising

- 1) Publication of bids: the objective of advertising is to obtain the widest possible response from all suppliers in a market that provides for open and fair competition. This objective should be exercised taking into consideration reasonable advertising costs.
- 2) All bids must, at least be advertised in the National Treasury e-Tender portal.
- 3) In addition, bids may be advertised in UW 's website, and in local and national print media as deemed necessary.
- 4) Where construction related, National CIDB website.
- 5) The information contained in a public advertisement, must include the address where bid documents may be collected, the cost of the bid document if applicable, and the bid closing time and date. Should a briefing session be held, the date, venue and time of the session must also be indicated.
- 6) Bids should remain open for at least 21 working days.

#### 13.4.4. Cancellation of Bids

- 1) Bids may be cancelled in any one or more of the following events:
  - (a) Due to changes within the operational requirements of where there is no longer a need for the goods or services specified in the invitation.
  - (b) Funds are no longer available to cover the total envisaged expenditure.
  - (c) No acceptable bid has been received.
  - (d) There is a material irregularity/noncompliance in the tender process
- 2) A decision to cancel a tender invitation must be published in the same media and manner in which the original tender invitation was advertised
- 3) All applications for cancellation of bids must be presented to the BAC for approval, thereafter the SCM unit must inform the applicable bidders in writing on the UW official letterhead.

#### 13.4.5. Amending of Bid information prior to Closing Date

- 1) When any additions, deletions or changes are made to any part of the original bid documentation, all potential bidders, who collected a bid document, must be notified of these changes.
- 2) It should be noted that all addendums should be sent out at least five (5) working days before the closing date to allow bidders reasonable time to adjust their offers before submitting the bid to UW.
- 3) Any additions, deletions or changes must be done in writing and records should be maintained in the relevant file.
- 4) Approval for issuing of addenda relating to the bid document should be as per the delegated authority.
- 5) Bidders must acknowledge receipt of the amendments.

#### 13.4.6. Extension/Postponement of Closing Date

In the case of an advertised bid, the bid closing date may be postponed only if the postponed date shall be communicated to all prospective bidders that collected and documents and may be advertised in the same medium where the original invitation was advertised. The extension can only be approved by the delegated authority.

#### 13.4.7. Fee for Bid Documents

To recoup administrative or printing costs, UW may charge a reasonable fee for bid document.

#### 13.4.8. Communication with Bidders Prior to the Closing Date

- 1) Any contact should be in accordance with the protocols set out in the bid documentation.
- 2) Any briefing or clarifications of the request for bid which is obviously of an advantage to a bidder must be provided in a consistent manner to ensure all bidders have access to the same information and no-one is advantaged or disadvantaged.
- 3) All clarifications must be done in writing and records should be maintained in the relevant bid file.

#### 13.4.9. Site Meetings / Briefing Sessions

- 1) If the service required is complex and / or the bid conditions are unique, a site meeting / briefing session may be held to clarify the purpose and requirements of to prospective bidders.
- 2) During these meetings bidders should be given an opportunity to ask questions for clarification.
- 3) It is important that the SCM official presents the SCM bid process and the end user presents the terms of reference/scope of work in detail.
- 4) The minutes and an attendance register must be kept during such a briefing session. The minutes, which set out the questions asked, answers supplied, and decisions made, must be made available on request to all interested parties who were present, well in advance of the closing date for bid invitations. The minutes will then form part of the official record.
- 5) Non-attendance at a compulsory briefing session disqualifies potential bidders.

#### 13.4.10. Request for a Shortened Closing Date (Pricing Period)

A shortened closing date for the submission of bids, which is less than the 21 working days required, may be approved by CE (or delegated authority) but only if such shorter period can be justified on the grounds of urgency, emergency, or any exceptional case where it is impossible or impracticable to follow the official procurement process.

#### 13.4.11. Validity Period of Bids

- 1) The validity period must be in calendar days and must be reasonable considering the lead time for the award.
- 2) This period must be sufficient to enable the UW to complete the evaluation of bids, review the recommendation and award the contract.
- 3) An extension of bid validity must be requested in writing from all bidders **before** the expiration date.
- 4) The extension must be for the minimum period required to complete the evaluation, to obtain the necessary approvals and to award the contract.
- 5) Motivation for the extension of the validity period must be approved as per the SCM Manager.

#### 13.4.12. Samples

- 1) When samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered to the

- addressee mentioned in the bid documents by no later than the closing time of the bid.
- 2) Samples may also be called at an evaluation stage.
  - 3) If samples are not submitted as requested, the bid concerned may be declared non-responsive.
  - 4) Samples shall be supplied by a bidder at his own expense and risk.
  - 5) UW shall not be obliged to pay for such samples.

#### **13.4.13. Receiving of Bids**

- 1) All bids are to be addressed to the Manager: Supply Chain Management and hand delivered in a sealed envelope to the bid box mentioned in the bid document.
- 2) The bid number and the subject of the bid should be clearly reflected on the envelope.
- 3) Receiving of bids remains the responsibility of SCM.
- 4) The Bid box will remain locked until the closing date and time.
- 5) Bidders must submit at least one (1) bid in the original form and any other copies as per the bid document.
- 6) Where applicable, bidders must submit separate envelopes for technical and price preference proposals.

#### **13.4.14. Submission of Bids**

- 1) Bids shall be submitted before the closing time, at the address and in accordance with the directives in the bid documents.
- 2) Each bid shall be in writing using non-erasable ink and shall be submitted on the official form of bid issued with the bid documents.
- 3) The bid shall be submitted in a separate sealed envelope with the name and address of the bidder, the bid number and title, and the closing date indicated on the envelope.
- 4) The envelope shall not contain documents relating to any bid other than that shown on the envelope.
- 5) The onus shall be on the bidder to place the sealed envelope in the official marked locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.

#### **13.4.15. Bid Opening Process**

- 1) Bids must be opened in public unless the responses are received via the two-stage bidding process.
- 2) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out including each bidders total bidding price (where practical).
- 3) SCM Administration officials together with the Buyer and the End User representative shall be responsible for opening (time stipulated in bid document) the bid box and collecting all bids at the specified time and place.
- 4) Bids must be opened by at least two SCM officials.
- 5) Two officials will be responsible for opening proposals. The official must check each bid and record in a register all bids received in time.
- 6) If an envelope is erroneously opened before the closing date and time, it must be endorsed and resealed. Two officials are required to endorse the envelope together with a reason for opening.
- 7) In the event of a bid being received without a bid number being indicated on the envelope or is suspected that the number on the document is incorrect, the envelope should be opened in the presence of both these officials. and resealed immediately after the number and closing date has been ascertained or confirmed.
- 8) The SCM Administrator shall keep a register of all bids received and signed off by both parties.

- 9) The closing register shall be published on the UW website within 7 days of the bid closing.
- 10) A list of all respondents' names must be compiled.
- 11) The prices of bids will be read out at the bid opening except for bids that followed the 2-envelope system.
- 12) All late bids will be rejected because of late receipt.

**13.4.16. Evaluation of Bids**

- 1) All bid evaluations must be done in three phases by the Evaluation Team.
  - (a) Phase one: Administrative Compliance
  - (b) Phase two: Functionality Evaluation and Scoring
  - (c) Phase three: Calculation of Points and Price
- 2) The first phase of evaluation is the minimum compliance check that must be executed. Mandatory and Non-Mandatory administrative compliance evaluation of all bids. This check must be in line with the bid document requirements.
- 3) This second phase entails the evaluation of functionality according to pre-defined criteria,
- 4) Approval to communicate with bidders after the closing time where information is incomplete or where a lack of clarity exists about technical aspects of the offer and/or, to obtain confirmation of prices or preference claims in cases where it is obvious that a written typed or transcription error has been made.
- 5) Additional information pertaining to the lack of clarity can be requested from the bidder and no alterations can be made to the bid document as a result of any clarification All communication with the bidder in terms of clarification should be detailed in the BAC Report.
- 6) The third phase is to calculate the points for price and preferential goals.
  - (i) Bidders who score above the minimum threshold for Functionality shall be evaluated using the 80/20 or 90/10 principle, whichever is applicable as stipulated in the bid document.
  - (ii) Preference points must be allocated in terms of the Preferential Procurement Regulations, 2022, which are applicable to organs of state as contemplated in section 2 of the Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000), provided that—
    - (a) the 80/20 preference point system where 80 is the price and 20 is the preference points allocated to specific goals or designated groups The 80/20 preference point system shall be applicable to quotations or tenders with a value between R 2 001 and R 50,000,000 (fifty million rand) with all the applicable taxes.
    - (b) the 90/10 preference point system where 90 is the price and 10 is the preference points allocated to specific goals or designated groups. The 90/10 preference point system shall be applicable to all tenders with a value in excess of R 50,000,000 (fifty million rand) with all the applicable taxes;
    - (c) the following formula must be used to calculate the points for price of a tender for a maximum of 80 or 90 points:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P<sub>s</sub> = Points scored for price of bid under consideration

P<sub>t</sub> = Price of tender under consideration



Pmin= Price of lowest acceptable tender

#### 13.4.17. Notification of Successful and Unsuccessful Bidders

- 1) The successful bidder must be notified in writing through a letter of acceptance signed by the relevant delegated authority, of the award.
- 2) Once the successful bidder has been advised of the award, SCM must inform unsuccessful bidders, and give reasons in writing as why their tenders were unsuccessful.
- 3) On written request any bidder should be provided with the reasons why his/her own bid was unsuccessful, without disclosing any of the other bidder's information.

#### 13.4.18. Publishing the Adjudication/Award Results

- 1) The following information on the successful tenders should be made available on the UW's website, National Treasury e-tender portal, the UW website and the CIDB website by the SCM:
  - (a) contract number and description.
  - (b) name of the successful bidder; and
  - (c) contract price(s), if applicable

### 13.5. Procurement of Banking and Internal Audit Services

- a) Banking services must be procured from registered financial service providers that provide the most economical and must be cost efficient service. Tenders for banking services shall be restricted to banks registered in terms of the Banks Act, 94 of 1990
- b) Subject to Sections 7(2) and (3) of the PFMA, any contract for the provision of banking services:
  - (i) shall be procured through a competitive tendering process;
  - (ii) shall be consistent with Section 7(2) of the Public Finance Management Act; and
  - (iii) May not be for a period longer than five years.
- c) Approval for Banking and Internal Audit Services shall be by the Board and Audit Committee respectively, and shall be supported by a probity test assuring the Board / Audit Committee that processes leading to the award have been in full compliance with the relevant prescripts
- d) To allow for transitional arrangements, the process for procuring a contract for banking/internal audit services must commence at Seven (7) months before the end of an existing contract.

### 13.6. Participation in a Transversal or Contracts Secured by Other Organs of State

#### 13.6.1. Transversal Contracts arranged by National Treasury

- 1) National Treasury facilitates the arrangement of contracts, referred to as transversal term contracts, for the procurement of goods and services required by various Government Departments / or Public Entities, provided that the use of such contracts is cost-effective.
- 2) UW may participate in a transversal term contract facilitated by National Treasury, as this must be done as per the delegated authority.
- 3) When considering participating in a transversal contract, both designated end user and Supply Chain Management Unit must apply the following:

- (a) Apply to National Treasury on the transversal term contracts participation template.
- (b) Ensure adequate budgets for the transversal term contract is available.
- (c) Ensure transversal term contract meets the technical specifications and quantities.
- (d) Obtain transversal term contract from National Treasury.

### **13.6.2. Participation in Contracts Secured by Other Organs Of State**

- 1) Where other organs of state have existing contracts with relevant suppliers arranged by means of open competitive bidding processes and where it is cost-effective, UW's Accounting Officer may opt to utilise such contract by obtaining approval from the Accounting Officer or duly delegated officer of the particular organ of state. Should participation approval be granted, UW will negotiate with, and duly conclude a written agreement with the contractor.
- 2) UW may procure goods or services under a contract secured by another organ of state, only if the following conditions are met:
  - (a) The contract has been secured by that organ of state through a competitive bidding applicable to that organ of state.
  - (b) UW has no reason to believe that such contract was not validly procured.
  - (c) There are demonstrable discounts or benefits for UW to procure from such a contract.
  - (d) That other organ of state and the service provider have consented to such procurement in writing.
  - (e) There are demonstrable benefits and value for money to Umgeni Water.
- 3) Umgeni Water must conduct a due diligence exercise ensuring that the general preconditions of documentation required for consideration of contracts secured by other organs of state before the contract is concluded are:
  - (a) Copy of the public invitation to bid issued by the organ of state.
  - (b) Copy of the bid documentation/scope of work/RFP that was issued to bidders.
  - (c) Copy of the Bid Evaluation/Adjudication Report.
  - (d) Copy of the letter of award/letter of appointment.
  - (e) Copy of the Service Level Agreement dealing, inter alia, start and the end of dates of the contract, if applicable depending on the nature of the award.
  - (f) Minutes of bid committees and
  - (g) Consent letter from an organ of state and service provider wherein both parties' consent to the use of the service provider secured by the other organ of state.
- 4) UW must conclude its own contract with the service provider.

### **13.7. Procurement through "Other Means" (Deviations from competitive process)**

- 1) Umgeni Water shall deviate from the normal/competitive SCM bidding process notwithstanding any provision as set out in this policy. In cases where, for a specific case it is impractical to invite competitive bids, the procurement of goods and services by other means will be in line with Umgeni Water DOA. The reasons for deviating from inviting competitive bids must be recorded and approved by the relevant delegated official. Procurement by other means includes:

- (a) Limited bidding which relates to a bidding process reserved for a specific group or category of possible suppliers through procurement by:-
  - (i) Sole source where there is no competition in the market and only one supplier is able to provide goods or services;
  - (ii) Single source is where thorough analysis of the market and a transparent and equitable pre-selection process is used to decide on the one supplier among a few prospective bidders to make a proposal;
  - (iii) Multiple source thorough analysis of the market indicates that there is limited competition and only a few prospective bidder are requested to make a proposal.
  
- (b) the use written price quotations on transactions that are not within the RFQ threshold, and
- (c) Emergencies situations; and
- (d) Urgent cases.
  
- 2) Deviation from competitive procurement mechanisms entailed in this Policy is not encouraged and may only be allowed in the following circumstances:-
  - (i) Emergency cases;
  - (ii) If such goods or services are produced or available from a single/sole provider only;
  - (iii) in any other case where it is impractical or impossible to follow the official procurement processes;
- 3) Request for process deviations resulting from the exceptional circumstances must be fully motivated, recommended and approved by the relevant delegated officials.
- 4) SCM will facilitate the deviation approval process in line with this policy, SCM Procedure Manuals, UW's DoA and National Treasury Instruction Notes.
- 5) SCM must keep a register of all deviations and record the reasons for the deviation from normal/competitive procurement process
- 6) Detailed process and circumstances under which UW may deviate from procurement process shall be clearly defined in the Acquisitions Procedure Manual

**13.8. Procurement of Consultants**

- 1) Appointments of Consultants will be made only where UW's officials are unable to complete the tasks and will be appointed as in line with the process prescribed by the Acquisitions Procedure Manual and by the delegated authority.
- 2) Consultants should be engaged when the necessary skills and/or resources to perform a project/duty/study are not available and UW cannot reasonably be expected either to train or to recruit people in the time available.
- 3) The relationship between UW and the consultant should be one of purchaser/provider and not employer/employee.
- 4) The work undertaken by the consultant must be regulated by an agreement on terms and conditions of appointment, and the relevant end user representative will be responsible for the monitoring and evaluation of the consultant's performance.
- 5) Outputs must be measured against the agreement, terms and conditions of appointment and project objectives and targets. Remedial action must be taken if the performance is below standard.

**13.9. Exemptions**

Competitive bidding may not apply under certain circumstances, including but not limited to:

- (a) Services provided by State Owned Entities for which they are sole providers;
- (b) Implementing projects for poverty alleviation;

- (c) Membership fees and subscriptions;
- (d) Licence fees;
- (e) Dinners and public sporting or cultural events;
- (f) Payments for attending seminars/conferences/workshops, individual training bookings and for further studies through accredited Tertiary Institutions;
- (g) Utility services;
- (h) All travel and Accommodation bookings;
- (i) Programme Directors and Motivational/Event Key Note Speakers;
- (j) Entertainment services (Hiring of Performing Artists/Band)
- (k) Hiring of venues / stadia and suites, including catering;
- (l) Exhibitions / exhibition stands and all direct advertising (TV, Radio or Print media, normal procurement process shall apply if an advertising agency is used).

#### **13.9.1. Advertisements for Specific Audience & Target Market driven purchases**

- (a) Advertising is a vehicle for publicizing and marketing UW, public relations campaigns and or communicating messages to specific audiences. Through effective advertising, the UW shall endeavour to ensure that all persons (targeted audience) are effectively reached using a communication medium, which is understandable / accessible to the targeted communities.
- (b) There are cases whereby the UW will request only one quotation to place an advert aimed at a particular targeted audience. These instances occur when the department is communicating special messages or is hosting an event/edu-campaigns/launches/road-show in a specific area or region. It is only rational that the communiqué regarding such be placed in relevant pre-identified medium of communication which includes but is not limited to (Community newspapers, Local newspapers, radio stations, etc).

#### **13.9.2. Catering during community events**

During community events/road shows), UW in consultation with local municipalities shall identify potential service providers, who are registered on National Treasury's CSD, to provide catering services to the community members attending the event. Where practical and if deemed necessary, catering service required should be proportionally divided among suppliers using the number of community members expected to attend the event as an indicator.

### **14. Preferential Procurement**

- a) The SCM Policy must give effect to, and to ensure compliance with, all applicable legislation and national directives in respect of preferential procurement and broad-based black economic empowerment.
- b) Preferential procurement shall be applied in line with the PPPFA and its Regulations, 2022. Where applicable, preference points must be calculated using the 80/20 or 90/10 system and the relevant preference point system must be stipulated in quotation and tender documents.

### **15. Probity Audits - Auditing of bidding processes for bids in excess of R 20 million (all applicable taxes included)**

- a) The competitive bidding process for all bids in excess of R20 million must be audited to ensure its compliance with the prescribed norms and standards. The auditing process may

be performed by the internal or external auditors and the audit is aimed at minimizing the risk of possible fraud, corruption and/or litigation.

- b) A report must be issued by the auditors to the effect that all prescribed requirements have been adhered to before the contract is awarded.

**16. Infrastructure and Construction Procurement**

- (a) The SCM System provides for two parts addressing General Goods and Services and Infrastructure and Construction Procurement. Infrastructure and Construction Procurement must be read and applied together with the relevant CIDB and National Treasury guides on Infrastructure Development Management System (IDMS).

**Supply chain management is commonly described as;**

*“The design, planning, execution, control and monitoring of supply chain activities in the delivery of goods, services or any combination thereof.”*

**On the other hand, infrastructure is defined as;**

*“Immovable assets which are acquired, constructed or which results from construction operations or moveable assets which cannot function independently from purpose built immovable assets”.*

**While infrastructure delivery is described as;**

*“The combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure.”*

- (b) Accordingly, infrastructure delivery management is the SCM system for infrastructure. Organs of state that are required to implement Infrastructure Procurement and Delivery Management must establish suitable policies for infrastructure procurement and delivery supply chain management. Such policy is required as a minimum to:
  - 1) assign responsibilities for approving or accepting deliverables associated with a gate in the control framework or authorising a tender process ;
  - 2) establish ethical standards for those involved in the procurement and delivery of infrastructure;
  - 3) ensure alignment with other parts of the SCM when applying the SCM System in relation to infrastructure and construction, including but not limited to: .
    - (i) Terminology
    - (ii) Legislative Environment.
    - (iii) Overall Objectives.
    - (iv) Procurement principles and Planning
    - (v) SCM functions, unit ad capacity building
    - (vi) Authority to execute.
    - (vii) Roles and responsibilities.
    - (viii) Safeguarding of SCM Information.
- (c) The primary purpose of this section is to embed an infrastructure delivery management system for Umgeni Water that is aligned with the regulatory framework for public sector procurement, and expenditure control.

### 16.1. Infrastructure/Construction Procurement Methods and Procedures

In line with the relevant SANS, CIDB Act, National Treasury Instruction Notes' and Frameworks, Umgeni Water shall establish a construction and infrastructure procurement system that is fair, equitable, transparent, competitive, cost-effective, that:

- (a) describes generic procurement processes around which an organization may develop its procurement system;
- (b) establishes minimum requirements for the conduct of an organization's employees, agents, board members and office bearers when engaging in procurement;
- (c) establishes the framework for the development of an organization's procurement policy including any preferential procurement policy;
- (d) establishes generic methods and procedures for procurements including those pertaining to disposals; and
- (e) provides standard conditions of tender and conditions for the calling for expressions of interest.

### 16.2. General Procurement Principles and Infrastructure Procurement Requirements

- a) Infrastructure procurement shall be undertaken in accordance with all applicable Infrastructure Procurement related legislation and the Framework for Infrastructure Delivery and Procurement Management (FIDPM)
- b) Infrastructure procurement shall be implemented in accordance with procurement gates prescribed in clause and the CIDB prescripts.
- c) The procurement of Professional Service Providers (PSPs) and Contractors can occur at any points in the Infrastructure Delivery Management (IDM) Processes.
- d) The Authorised Person must ensure that budget is available and cash flow is sufficient to meet contractual obligations and pay contractors within the time period provided for in the contract.
- e) Infrastructure procurement documents shall be developed in accordance with the applicable Construction Industry Development Board Act (CIDB) Standard for Uniformity (SFU).

### 17. Appeals/ Objections against Quotations/Tender Results

Persons aggrieved by decisions taken by UW in the award of a contract may lodge an appeal/objection against that decision by giving written notice of the appeal. Each appeal / objection must contain the full basis and reasons for the appeal and must address it to the Chief Executive (the Appeal Authority) within 7 business days of the date of publication of the intention to award advert or notification of the tender results letter. The appeal, set out clearly in writing, must be addressed for the attention of the SCM Manager.

Bid documents must state that any appeal lodged must be submitted to the SCM Manager for the attention of the Chief Executive at the address to be stated in the tender document, and must contain the following:

- (i) Bid number and title
- (ii) Reasons and/or grounds for the appeal;
- (iii) The way in which the appellants rights have been affected; and
- (iv) The remedy sought by the appellant.

Umgeni Water must respond to the aggrieved party promptly on all objections.

Umgeni Water adheres to the PAJA for procedures applicable in challenging procurement decisions. In consequence, thereof, prior to instituting judicial review proceedings it is required that an applicant first exhausts any internal remedies as provided for by PAJA.

The SCM Manager will direct the appeal for the attention of the Appeals Tribunal. The Appeal Tribunal must commence with the appeal within 7 working days of being advised of the receipt of the appeal. The Appeals Tribunal shall submit its findings to the CE for implementation/further action.

## 18. Contract Administration and Management

- a) The award tenders is subject to the preferred supplier entering into a written contract for all goods and services procured through the acquisition process. Contract management is about maintaining control or influence over the contractual agreement between UW and the contractor, including the administration and regulation of the agreement.
- b) The signing of such a contract constitutes a legally enforceable contractual relationship between UW and a third party and must be concluded and signed according to the Delegations of Authority. In order to account for the resultant commitments electronically, purchase orders should also be created on the ERP System. SCM in consultation with the end user department ensures that the required purchase order gets created, approved, and issued to the contractor.
- c) Contract management focuses on what happens after a contract is concluded and signed. A contract manager decides how the department will ensure that it does what it agreed to do in an agreement with another party and that the other party fulfils its obligations. It is important for those responsible for contract management to understand both the contract provisions and contractual relationships at the outset.
- d) The SCM Unit takes responsibility for maintaining original contract documentation and monitoring contracts in terms of renewals, transfers, terminations, amendments and price adjustments. While the end user department takes responsibility for day-to-day management and monitoring of a contract in line with the contractual conditions. Umgeni Water's Legal Services should vet and approve terms and conditions for all contracts.
- e) Contract administration concentrates on the over-all relationship between the department and the supplier from contract award to contract close-out ensuring the supplier delivers the product and/or service in conformance with the bid document requirements. The contract administrator must completely understand all aspects of the bid document.

### 18.1. Contract Management

- a) The client remains responsible for the first line management and monitoring of the contract's performance. In instances of persistent and serious poor performance on the part of the supplier, it is important that the SCM Manager be informed even if the client's department has managed to resolve the situation. This enables the SCM Manager to update the supplier database to reflect the performance of the suppliers.
- b) Both the project owner and the SCM Unit have a responsibility towards managing and monitoring the contract. The nature of the responsibility will determine who manages the specific contractual aspect. The management of contracts inter alia, includes, but is not limited to the aspects mentioned in this section.

- c) The relevant Business Unit shall manage all contracts ranging from projects, services and product acquisitions to ensure that UW derives the best possible value from the vendors and will -
- (i) Monitor the contract and vendor's performance relative to expected deliverables;
  - (ii) Ensure that the service provider adheres to the terms of contract stipulated on the contract conditions. The contract shall be monitored to ensure that the supplier/service provider delivers the service or the product as stipulated on the contract.
  - (iii) Complete a project close-off performance assessment checklist prepared by SCM at the end of the completion of the project and submit the completed performance assessment checklist to SCM.

## 18.2. Contract Administration

Contract administration includes all administrative duties associated with a contract that has arisen through one of the acquisition/procurement processes described in this policy. All contracts must be administered by a contract administration manager, who will be the internal official assigned to ensure the effective administration of the contract.

The SCM Unit shall ensure a register for all contracts incorporating Service Level Agreements is maintained, which initiates and concludes the contract. SCM unit will be responsible for administering and managing all contracts concluded for goods or services to multiple departments within UW.

## 18.3. Contractual Price Adjustments (CPA)

- 1) Contractual price adjustments are considered in terms of the contract conditions. Since the GCC does not set out conditions pertaining to price increases, it is important that all bid documentation will contain the relevant special conditions pertaining to price increases.
- 2) In cases where the user department received a request for price adjustment from the contractor, the request must be immediately forwarded to the SCM Unit for facilitation. The SCM Unit is responsible for confirming that the request is in line with the contractual conditions and will verify the calculations presented.
- 3) Once the request is accepted as correct, and approved by the official with the necessary delegated authority. SCM Unit shall inform the user department, the contractor and update the contract file and the ERP system to reflect CPA based amendments/changes to the contract. For audit and record purposes, SCM must file contract amendments/changes with the original contract.
- 4) To ensure appropriate bases for contracting, the following will be used for pricing schedules:

### **(a) Firm prices for purchases**

If the contract is awarded on the basis of firm prices, and during the contract period: –

- (i) A customs or excise duty or any other duty, levy or tax (excluding any antidumping and countervailing duties or similar duties), is introduced in terms of any Act or regulation, or
- (ii) Any such duty, levy or tax is legally changed or abolished; the said prices shall be adjusted accordingly.



**(b) Non-firm prices for purchases**

- (i) In respect of any factors, which demonstrably have an influence on the production cost of the supplies or the rendering cost of the service for which there have been proposed based on non-firm prices, price adjustments which become effective during the contract period, may be allowed with effect from the date indicated in the tender document.

**18.4. Contract Variations/Change Requests**

- a) All approval requests for contract variations will be facilitated by SCM Unit for consideration and approval by the relevant delegated officials in line with UW's DoA. The process for contract variations/expansions/extension approvals must in compliance with the National Treasury Instruction Notes.
- b) User departments must approach UW's delegated through Finance with applications and justification for contract change requests. Where justifiable reasons are provided for extending a contract, the relevant application may be considered favourably and contractors may be approached with the request to indicate whether they are prepared to extend the contract period.
  - (i) Extension of Contract Periods
  - (ii) Extension Of Delivery Periods
  - (iii) Quantity/Scope increases or adjustments
- c) Motivated applications for the extension of delivery periods in respect of ad hoc and specific term contracts may be considered favourably, but are subject to the restriction that no price adjustments, which arise during the extended period, will be considered. However, price adjustments during the extended period may be considered favourably if UW requested the extended delivery period, or when delayed deliveries are caused by the actions of UW.
- d) To ensure complete and accurate reporting, SCM must keep a register of all contract variations and record the reasons for the variations/expansions/extensions.

**18.5. Contract/Project Closeout**

After the completion of each contract, the project owner is to develop a close-out report to the SCM Unit within 30 days after the completion of the project. The project owner must:

- (a) Ensure that complete documentation is produced to record and analyse performance including the planning documents;
- (b) Ensure that the product of the programme is documented;
- (c) Carry out contract/project closure;
- (d) Control changes in the needs for closure procedures;
- (e) Request for closure and changes report;
- (f) Ensure full documentation is produced for programme closeout;
- (g) Ensure that a complete set of indexed contract records are prepared for archiving by all project parties; and
- (h) That there is a record of formal acceptance documentation that the supplier has accepted the contract conclusion and that the lessons learnt are documented.

## 18.6. Insolvency, Liquidation, Death, Sequestration or Business Rescue of Contractors

- (a) Insolvency or bankruptcy is the failure/inability to meet financial obligations. An act of insolvency is any of the eight actions as described in the Insolvency Act whereby a legal person subjects himself to sequestration.
- (b) Sequestration is firstly to place an insolvent debtor's estate in the hands where the Master of the High Court decides on the estate and thereafter it rests with the trustee that distributes the assets (money) among the creditors or, secondly where the court determines insolvency.
- (c) Liquidate is to determine and settle/wind up the liabilities of a firm or an estate and to mete out the assets to creditors or inheritors.
- (d) Business Rescue is the temporary management of a company, in a state of financial difficulty, by a judicial/legal manager appointed by the court to rectify the matter.
- (e) When the estate of a contractor is liquidated for whatever reason, a choice must be made in consultation with legal advice of whether to claim against the estate or not. The risk to UW is the determination factor and the choice with the smallest degree of risk is preferred.
- (f) If a firm or person is liquidated and cannot further honour its commitment, it is regarded as a breach of contract. The provisional liquidator or administrator is given the choice of carrying out the contract or not. In most cases, the response is negative and a provisional claim against the estate is then registered and must be qualified to the extent that UW will claim provided that it does not have to make a financial contribution.
- (g) A procurator must be signed in terms of which the liquidator may act on behalf of the UW.

## 18.7. Transfer and Cession of Contracts

The SCM Unit in conjunction with the user department shall deal with transfers/cessions.

- (a) The contractual conditions should stipulate the conditions under which transfers/cessions shall be considered and the process to be followed in such circumstance.
- (b) Applications for the transfer/cession of contracts must be completed and signed by both the transferor and the transferee and countersigned by two witnesses. Full reasons for the transferring of the contract must be provided and the transferee's ability to carry out the contract must be established and reported to the CE or his delegate. Unless it is otherwise in the best interest of UW, it is unlikely that the transfer will be approved if UW would suffer a loss as a result thereof or if there is an increased risk to the organisation.
- (c) Should the contract be transferred to another provider, it should be checked whether the number of preference points scored are less than that scored by the original contractor. Thus it should be indicated if the transfer would have had an influence on the original award of the contract. However the circumstances leading to the transfer must be pointed out and taken into consideration.

- (d) The contractor will raise the issue with the user department in writing where after the user department must comment of the viability of the transfer/cession and submit the request to the SCM Unit.
- (e) If the transfer/cession is not viewed favourably for a justifiable reason, the SCM Unit must inform the contractor of the decision in writing and provide the user department with copies of the correspondence for filing purposes.
- (f) If the transfer/cession is viewed favourably, the SCM Unit may involve legal assistance for the purpose of drawing up the transfer/cession documentation if necessary. The SCM Unit must facilitate the signing of the transfer/cession by all parties, must forward a copy to the user department and the contractor and must file the original signed transfer/cession documentation appropriately.

### **18.8. Guarantees for Due Performance and Retention**

- 1) Performance guarantees for the procurement of goods and services (including consultant services) will not generally be called for, but in exceptional circumstances, where required, will be in accordance with the applicable UW limits set for construction works accordingly, unless otherwise provided for in the standard conditions of contract prescribed.
- 2) The value of the performance guarantee required may be increased with approval of the CE.
- 3) Retention shall be governed in terms of the form of the contract.

### **19. Inventory / Logistics Management**

- 1) Inventory, also known as Logistics Management provides for an effective system to address receiving and distribution of stock, setting of inventory levels, placing of orders, stores and warehouse management, expediting orders, GRN processing and reviewing store suppliers' performance.
- 2) The SCM unit shall be responsible and accountable for the establishment, management and operation of UW store facilities. In managing inventory, SCM shall be responsible and accountable for:
  - (a) The day-to-day operation of UW's store facilities;
  - (b) Determining re-order levels, lead-times, the range and nature of items that will be carried in the store facility
  - (c) Setting of inventory levels;
  - (d) Timely placement of orders when stock levels are low;
  - (e) Receiving and distribution of stock; and
  - (f) Process good received notes in preparation for payment.
  - (g) Conduct stocktaking of all items in stock (stocktaking should be conducted at least twice a year).
  - (h) Ensure that appropriate standards of internal control and warehouse management to ensure goods placed in stores are secure and only used for the purpose they were purchased;

### **20. Disposal Management**

- 1) Disposal management is responsible for ensuring that all unserviceable, redundant or obsolete assets are subjected to a formal disposal process that is cost-effective, transparent

and is performed in a responsible manner. This SCM element determines a disposal strategy and the execution the physical disposal process. A Disposal Committee must be in place, to deal with, and to make recommendations on the disposal of any asset. CE or his/her delegate shall consider and approve the recommendations of the appointed committee prior to physical disposal of the items.

- 2) As far as possible, assets to be disposed of must be made available to recycling. Disposal to landfill is not allowed unless no recycling options are available.
- 3) Disposal decisions cannot be taken in isolation. Asset disposal decisions are to be made within an integrated, service and financial planning framework. While disposal is viewed as the final stage in asset management, it is common for disposal action to trigger the acquisition of a new asset or a replacement asset. The asset register is a starting point for this analysis as it records the useful lifecycle of assets and is able to provide an indication of the timing of major replacements in the normal course of business.

#### **20.1. Criteria for Disposal of assets:**

The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, are as follows:

- (a) the asset is uneconomical to repair;
- (b) the asset is irreparable;
- (c) the relevant department has no further use for the asset; and no other department requires the asset.

#### **21. SCM Risk Management and Internal Control**

- 1) In the SCM context, risk management ensures that a supply chain identifies and understands the risks to which it is exposed. Risk management also guarantees that the SCM department creates and implements an effective plan to prevent losses or reduce the impact if a loss occurs. Risk management is an integral part of good management of SCM activities and cannot be effectively performed in isolation from other aspects of supply chain management.
- 2) The risk management process shall be applied to all stages of supply chain management, be it the Demand, phase (conceptual stage, project definition, etc.), Acquisition Phase (specification preparation acquisition approval or implementation to completion) or any of the other management phases.
- 3) The risks pertaining to Supply Chain Management should at all times comply with the criteria laid down in UW's enterprise risk management framework and shall provide for an effective system for the identification, consideration and avoidance of potential risks in UW's SCM system.
- 4) In order for SCM department to manage its performance and resultant improvement interventions, it will apply its internal control framework as well as maintaining the appropriate records/portfolio of evidence.
- 5) SCM Risk and Internal Control section is responsible for implementing the approved Procurement policy framework, including implementation of effective internal controls and measures to ensure risk mitigation and compliance thereto, and to facilitate investigations into related non-compliance.

### 21.1. Internal Control

- 1) An SCM internal control framework must provide for:
  - (a) the entire virtuous cycle of supply chain management;
  - (b) identified risks;
  - (c) control activities;
  - (d) type of control activity (management, administrative and accounting);
  - (e) preventative, detective and corrective control activities;
  - (f) responsible employee; and
  - (g) management of assessment.

### 21.2. Performance Management

- 1) The SCM unit must ensure that an effective internal monitoring system is implemented in order to determine on the basis of a retrospective analysis, whether the authorised SCM processes are followed and whether the desired SCM Policy objectives are achieved. SCM performance can be broken down into two categories of performance measurement:
  - (a) Internal-review characterised by pro-active and re-active (retrospective) monitoring of the SCM policy, to assess internal controls and processes followed.
  - (b) External-review that monitors and assess the performance of all contractors during the contract period.
- 2) The performance monitoring and evaluation system referred to above must, amongst others, provide for a scorecard mechanism which describes the key performance targets to be met in relation to the strategic and or operational planning processes referred to in Demand Management.
- 3) Performance management shall accordingly be characterized by a monitoring process and retrospective analysis to determine whether
  - (a) value for money has been attained;
  - (b) proper processes have been followed;
  - (c) desired objectives have been achieved;
  - (d) there is an opportunity to improve the process;
  - (e) suppliers have been assessed;
  - (f) there has been deviation from procedures, and what were the reasons deviation;
  - (g) Instances of alleged and or confirmed fraud or corruption; and
  - (h) If there has been deliberate splitting of total procurement requirements that should have been consolidated to avoid a specific threshold/procurement mechanism.

#### 21.2.1. Contractor Assessment

- (a) UW is to ensure that the performance of all contractors is to be assessed during the period of the contract.
- (b) The relevant project/contract manager must ensure that the performance of all contractors is assessed during the period of the contract, and it is recommended at

the completion stage of the project/contract a final/closeout assessment of the contractor be performed. Any/all contractor assessments undertaken should be filed with the original contract and be available for future reference.

- (c) The reliability of the contractor should be monitored in terms of, among others:
  - (i) Capacity and capability to deliver (delivery periods);
  - (ii) Quality and Quantity;
  - (iii) Identify any breach of contract; and
  - (iv) Attainment of contract/project objectives and deliverables.
- (d) When contractors do not perform according to the contractual obligations and UW does not address the matter during the execution of the contract, such non-performance cannot be deemed as sound reasoning for passing over the bid of such supplier/service provider when evaluating future bids.

**21.2.2. Monitoring of the SCM Process and Performance**

- (a) The purpose of reporting is to measure the achievement of UW’s SCM objectives.
- (b) All actions pertaining to the SCM function, with specific reference to the acquisition
- (c) function must be recorded continuously in order to:
- (d) Prove accountability; and
- (e) Gather management information to enable managers to:
  - (i) Measure performance in terms of achievement of goals;
  - (ii) Measure compliance with SCM norms and standards;
  - (iii) Determine cost efficiency of the acquisition process;
  - (iv) Identify any breach of Policy; and
  - (v) Determine whether UW’s SCM objectives are consistent with Government’s broader policy focus.

**22. Supplier Prohibition**

- 1) Umgeni Water may at its discretion suspend or prohibit for a period of 2 years, suppliers/service providers, individual persons or businesses, that default on any contract performance, wilfully or negligently and or engage in corrupt or fraudulent activities.
- 2) Prohibition and removal of suppliers from Umgeni Water’s Approved Supplier List must follow uniform criteria and a fair process for blacklisting such persons. Written approval by the relevant delegated official shall be granted for the for suspending a supplier based on grounds for blacklisting and observation of the appropriate procedure to prohibit a supplier.
- 3) No tender shall be awarded to a bidder (or any of its members, directors, partners or trustees) whose names appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury’s List of Restricted Suppliers.

**23. Monitoring & Evaluation of the SCM Policy**

The Finance Division has the overall responsibility for the monitoring and evaluation of the implementation of this policy, through periodical reporting to EXCO and the relevant oversight committees. .

**24. Deviation from policy**

Only the Accounting Officer has the authority to approve any deviations from the policy after due consideration for the prevention of danger to life, emergency and unforeseen circumstances or situations.

**25. Cross Reference to Other Policies and Procedures**

All these documents are available on the intranet under Corporate Policies, Procedures and Forms.

- 1) Delegations of Authority
- 2) Fixed Asset Policy
- 3) Terms of Reference for the Bid Committees
- 4) UW Archiving Policy
- 5) Declaration of interest procedure
- 6) Enterprise Development Strategy
- 7) Enterprise Development Policy
- 8) BEE Policy
- 9) Co-operatives Policy
- 10) UW code of ethical conduct
- 11) SCM procedures
- 12) Standard operating procedure – Framework Agreements

**26. Version History**

Indicates the major changes that have been made to the document over its lifetime:

Version/ Revision No.	Effective Date
1	25 October 2007
2	22 September 2010
3	18 June 2011
4	18 July 2012
5	22 July 2015
6	30 January 2019
7	22 July 2020
8	23 December 2021
9	01 June 2023