



tourism information, Town Entrance, Port St Johns, 5120
P.O. Box 253, Port St Johns, 5120
Tel: 047-5641188; Fax: 047-564 1319 Email Address: info@psidevagency.co.za

**PORT ST JOHNS DEVELOPMENT AGENCY SUPPLY CHAIN MANAGEMENT
PARAGRAPH 6 FOR THE QUARTER TWO REPORT 31 DECEMBER 2025**

**OVERSIGHT REPORT IN TERMS OF PARAGRAPH 6 OF MFMA (ACT 56 OF
2003): MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS (PSJDA
2025/2026 TWO QUARTER REPORT ON IMPLEMENTATION OF SCM POLICY).**

1. PURPOSE

The purpose of the report is to present to the Chief Executive Officer the PSJDA 2025/2026 Quarter Two Report on implementation of Supply Chain Management Policy as prescribed by paragraph 6(3) of the Municipal SCM Regulations.

2. SUMMARY

Paragraph 6(1&3) states that: The Board of Directors of a municipal entity must maintain oversight role over the implementation of its SCM policy. The accounting officer must therefore, before the end of 10 days after the end of each quarter, submit a report on the implementation of SCM policy to the Board of Directors of the municipal entity. These reports must be made public in accordance with section 21A of Municipal Systems Act. This will ensure maintenance of oversight role by the Council and access to municipal information by the communities and public.

This report, herein attached as Annexure A, is tabled for adoption, and will be submitted to the PSJDA Board of Directors in its next sitting.

3. DISCUSSION

[3.1] This oversight report is intended to address the following areas:

- Governance.
- Compliance with legislation.
- Operation Clean Audit; and
- Transparency and Accountability.

[3.2] The benefit of this report is that the Board of Directors will be aware of the impact of distribution of procurement of goods or services by the entity. It will also ensure that economic leaks are plugged and there is more circulation of wealth within the district. The oversight will ensure that procurement of goods or services is done according to the policy and best practices to prevent fraud and corruption.

[3.3] Details of awards made as well as deviations that were approved are attached as an annexure.

4. CONSULTATION

This report will be presented to the Audit & Risk Committee and be tabled for adoption in the next meeting of Board of Directors.

5. ORGANISATIONAL AND PERSONNEL IMPLICATIONS

There are no organizational or personnel implications

- Transparency and Accountability.

[3.2] The benefit of this report is that the Board of Directors will be aware of the impact of distribution of procurement of goods or services by the entity. It will

also ensure that economic leaks are plugged and there is more circulation of wealth within the district. The oversight will ensure that procurement of goods or services is done according to the policy and best practices to prevent fraud and corruption.

[3.3] Details of awards made as well as deviations that were approved are attached as an annexure.

4. CONSULTATION

This report will be presented to the Audit & Risk Committee and be tabled for adoption in the next meeting of Board of Directors.

5. ORGANISATIONAL AND PERSONNEL IMPLICATIONS

There are no organizational or personnel implications.

6. CONSTITUTIONAL AND LEGAL IMPLICATIONS

Section 111 of Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) prescribes that each municipality and municipal entity must have and implement an SCM policy which gives effect to procurement of goods and services.

Paragraph 6 of Local Government: MFMA Municipal Supply Chain Management Regulations which prescribes Board oversight and submission of SCM Implementation Report within a specific date.

7. FINANCIAL IMPLICATIONS

This report has no financial implications except those that are already applicable in procurement of goods and services.

8. RECOMMENDATIONS

Based on the above-mentioned explanation and attached report, it is therefore recommended that the Chief Executive Officer:

- a) Notes PSJDA's report on the implementation of the supply chain management policy for the quarter two report ending 31 December 2025.
- b) After the Chief Executive Officer has interacted with the report, the report is presented to the Board of Directors for adoption.

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT

DETAILS OF PROCUREMENTS PER VALUE THRESHOLD

1. **Quotations accepted:** Value threshold 0.00 to 30 000. **Summary:** 2 quotations were accepted at a total value of **R 6 405.00**

N O	Date	Service provider	Services	End user department	Amount (R)	Province
1.	30/10/2025	Owamatita business trading and enterprise(pty) Ltd	Catering	CEO's office	R 1 026.00	SMME's
2.	11/11/20225	Cindy's travel agency	Accommodation for Board chair attended meeting in East London	CEO's office	R 5 379.00	Durban
					R 6 405.00	Total of two (2) awarded, One (1) were not local SMME's.

NOTE: Out of Two (2) awarded, One(1) were not local SMME;s, therefore the target of 30 % to Local SMME's has been achieved (1/2x100=50%)

2.Request for quotations (RFQ): Value threshold: above 30 000 to 200 000. No RFQ accepted this quarter.

N O	Date	Service provider	Goods and/Services	Amount (R)	Province
1.	11/11/2025	Cindy's Travel	Accommodation for CEO for one month	R 50 122.75	Durban
		TOTAL		R 50 122.75	

QUARTER TWO DEVIATION REGISTER FOR PERIOD ENDING 30 DECEMBER 2025

No deviations from the normal procurement processes were approved

Service provider	Description	Amount	Department	Reason
N/A	N/A	N/A	N/A	N/A

QUARTER TWO FRUITLESS AND WASTEFULL EXPENDITURE FOR PERIOD ENDING 31 DECEMBER 2025

No fruitless and waste-full expenditure from this quarter.

Service provider	Description	Amount	Department	Reason
N/A	N/A	N/A	N/A	N/A

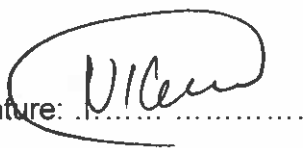
3. Bids over R200,000: NO bids were awarded during this quarter

NO	Date	Service provider	Goods and/Services	Department	Amount (R)	Province
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Prepared by: SCM Officer:

Miss Majali Date: 05/01/2026 Signature: 

Reviewed by Finance Manager:

Miss Gwavu Date: 06/01/2026 Signature: 

Approved by: Acting Chief Executive Officer

Mr S.Z Qobo Date: 07/01/2026 Signature: 