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PORT ST JOHNS DEVELOPMENT AGENCY SUPPLY CHAIN MANAGEMENT PARAGRAPH 6 FOR THE QUARTER THREE REPORT 31 MARCH 2026

OVERSIGHT REPORT IN TERMS OF PARAGRAPH 6 OF MFMA (ACT 56 OF 2003): MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS (PSJDA 2025/2026 THIRD 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 Three 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.

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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 Three report ending 31 March 2026.
- 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:** 15 quotations were accepted at a total value of **R 131 698.38**

NO	Date	Service provider	Services	End user department	Amount (R)	Province
1.	13/01/2026	Yamakhome (pty) ltd	Cleaning material	Corporate Service	R 8050.00	SMME's
2.	14/01/2026	For you travel Agency	Accommodation , Flight and shuttle for Board member attended meeting in Mthatha	CEO's Office	R 15 674.19	ORTDM
3.	15/01/2026	Iyiphendule Skills developments	Fridge	Finance Unit	R 9 800.99	SMME's
4.	15/01/2026	Lucky Events	Accommodation for CEO attended meeting in East London	CEO's Office	R 1 988.60	BCM
5.	15/01/2026	Liyabona Facilities Management	Accommodation for One Audit committee member and Chairperson for Audit Committee attended board meeting in Mthatha	CEO's Office	R 5 161.00	BCM
6.	16/01/2026	For you travel Agency	Confence hall inclusive of assessors in Mthatha for board meeting	CEO's Office	R 9 850.55	ORTDM
7.	23/01/2026	Liyabona facilities management	Accommodation for Union member attended strategic planning in Mthatha	CEO'Office	R 1 996.50	BCM

8.	23/01/2026	Lucky events	Accommodation , Flight and shuttle for Board member attended Strategic planning in Mthatha	CEO's Office	R 9 375.63	BCM
9.	30/01/2026	Liyabona facilities management	Accommodation , Flight and shuttle for Board Member attended Strategic planning in Mthatha	CEO's Office	R 12 565.34	BCM
10.	06/02/2026	Arena Holdings	Advert for Assist in preparation of Annual Financial statement	Finance Unit	R 13 972.50	ORTDM
11.	06/02/2026	For you travel agency	Accommodation for Baord Chair in Port St Johns.	CEO's Office	R 7 674.75	ORTDM
12.	16/02/2026	Xhasanan trading and projects	Softwares	Corporate Service	R 28 306.33	SMME's
13.	17/02/2026	For you travel agency	Accommodation for CEO attended meeting in Queenstown	CEO's Office	R 1 915.00	ORTDM
14.	20/02/2026	Cindy's travel	Accommodation for CEO attended meeting in East London	CEO's Office	R 3 586.00	DBN
15.	16/03/2026	Sweet Coutext (pty) ltd	Catering for risk management session.	CEO's Office	R 1 781.00	SMME's

					R 131 698.38	Total of fifteen (15) awarded, Eleven (11) were not local SMME's.
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NOTE: Out of Fifteen (15) awarded, Eleven (11) were not local SMME's ,was therefore the target of 30 % to Local SMME's has not been achieved (4/15x100=27%)

Reason not achieved 30%

The target of 30% procurement from local SMMEs was not achieved, primarily due to the limited availability of certain essential services within the local SMME sector. Consequently, services such as accommodation were procured from external providers.

2.Request for quotations (RFQ): Value threshold: above 30 000 to 300 000. No RFQ accepted this quarter.

N O	Date	Service provider	Goods and/Services	Amount (R)	Province
1.	15/01/2026	Cindy's Travel	Accommodation for CEO for 16 days	R 32 200.00	Durban
2.	23/01/2026	Cindy's Travel	Accommodation for 12 people attended strategic planning in Mthatha	R 50 922.00	Durban
3.	23/01/2026	Cindy's Travel	Conference venue inclusive of assessors for strategic planning in Mthatha	R 45 057.00	Durban
4.	05/03/2026	MSQ Technologies	Website Development Maintenance, Website and emailing hosting	R187 125.80	ORTDM
		TOTAL		R315 304.80	

QUARTER THREE DEVIATION REGISTER FOR PERIOD ENDING 31 MARCH 2026.

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 THREE FRUITLESS AND WASTEFULL EXPENDITURE FOR PERIOD ENDING 31 MARCH 2026.

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 R300,000: 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: 13/04/2026 Signature: 

Reviewed by Finance Manager:

Miss Gwavu Date: 13/04/2026 Signature: 

Approved by: Chief Executive Officer

Mr S.Z Qobo Date: 13/04/2026 Signature: 