

# GREATER TAUNG LOCAL MUNICIPALITY DELEGATION AND APPROVAL FRAMEWORK

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<b>Section 1 Purpose and Scope of the Greater Taung Local Municipality Delegation and Approval Framework</b>
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- 1.1 The objective of this framework document is three-fold:
  - emphasise a culture of accountability over GTLM's resources;
  - ensure that effective controls are communicated to management and staff through clear and comprehensive written documentation;
  - provide a formal delegation of authority that can be implemented to ensure that GTLM's policies are achieved and are in compliance with the relevant legislation.
- 1.2 The objective of the Council and the Accounting Officer should at all times be to delegate maximum authority and responsibility for operations and administration by imposing minimum number of restrictions.
- 1.3 The accountability would in all instances remain with the Accounting Officer, whilst the responsibility and authority for certain areas is delegated to other members of management. This would include for example the authority to:
  - issue instructions and/ or other directives to implement agreed upon GTLM policies and programs in their specific areas of responsibility.
  - establish those procedures necessary to ensure such policy compliance and compatibility operations within the GTLM Directorates.
  - establish guidelines to ensure adherence to policies and procedures towards attainment of results by management and staff.
- 1.4 Failure to comply with the prescribed delegations will result in the institution of disciplinary procedures in terms of the stipulated GTLM policies and procedures.
- 1.5 In exercising any power or delegated authority, the provisions of all the relevant Acts must always be adhered to.
- 1.6 Any authority not specifically addressed in this document will remain the responsibility of the Council and the Accounting Officer and ultimately the Mayor, unless such authority has been delegated to other members of management in writing in documents other than this manual.
- 1.7 This delegation supersedes all other delegation instructions that have previously been issued.
- 1.8 The Local Government Financial Best Practice Manual is an essential and integral part of this document, apart from it constituting the most comprehensive presentation of the delegation framework as pertains provisions of the Municipal Finance Management Act (MFMA).

**Section 2    General Principles**

In line with the Municipal Systems Act (section 59 (2)), the following principles will apply to any delegation or instruction contained in this framework:

- (a) It must not conflict with the Constitution, the Municipal Systems Act or the Municipal Structures Act, Municipal Finance Management Act;
- (b) It must be in writing;
- (c) It is subject to any limitations, conditions and directions the municipal council may impose;
- (d) It may include the power to sub-delegate a delegated power;
- (e) It does not divest the council of the responsibility concerning the exercise of the power or the performance of the duty; and
- (f) It must be reviewed when a new council is elected or, if it is a district council, elected and appointed.

As provided for in Section 61, a 'political structure, political office bearer, councillor or staff member of a municipality to whom a delegating authority has delegated or sub-delegated a power to dispose of matters falling within the area of responsibility of that political structure, political office bearer, councillor or staff member may, or must if instructed to do so by the relevant delegating authority, refer a matter before the political structure, political office bearer, councillor or staff member to the relevant delegating authority for a decision'.

In line with Section 62, a political structure, political office bearer, councillor or staff member of a municipality to whom a delegating authority has delegated or sub-delegated a power or duty, must report to the delegating authority at such intervals as the delegating authority may require, on decisions taken in terms of that delegated or sub- delegated power or duty since the last report.

As provided for in Section 64, the withdrawal, amendment or lapsing of a delegation or subdelegation does not invalidate anything done as a consequence of a decision taken in terms of that delegation or sub-delegation.

Delegations are subject to review as outlined in Section 65, in terms of a process which involves the municipal manager submitting the following to the council, executive committee, or executive mayor (whichever is applicable):

- (a) a report on the existing delegations issued in terms of section 59 by the council and other delegating authorities of the municipality; and
- (b) recommendations on any changes to the existing delegations which the municipal manager may consider necessary.

**Section 3 Policy Framework for delegates**

**Principle 1: A delegated authority or power should have its roots in enabling legislation, should be as specific as possible and preferably also refer to the specific provision in the applicable legislation from which an authority originates**

According to this principle, no power may be delegated in conflict with existing legislation, but must in fact be done in terms of legislation in order not to be unlawful. To be certain that this is the case; the delegation should contain specific reference to the relevant section of the enabling act that mandates such delegation of power.

The wording of the delegation should not be vague but be very specific in order to ensure legal certainty in the interpretation of the delegated power. The person to whom such power is delegated should be absolutely sure what he/ she may or may not do in terms of the delegation. Delegated authority is often tested in our Courts and therefore the wording of the delegation should also be able to pass the test of objective interpretation by the adjudicator of fact.

**Principle 2: The functional official that is actually executing the activities in terms of the enabling legislation should as far as practical and possible be empowered by way of delegation to execute his/ her duties. In other words a delegated power should vest as near as possible to the operational functionary, but at the same time embrace the principles of transparency, accountability and proper governance**

In order to speed up service delivery and to cut out unnecessary "red tape", Authority should delegate power to the lowest possible level where it could be executed with responsibility. The process of delegating powers is a continuous balancing act of interest between effectiveness and accountability: the lower the powers are delegated, the quicker the decision making process, but on the other hand Authority must have regard for the fact that accountability remains with it and must therefore be certain that the person or body to whom a power is delegated, has the competency to execute such power.

**Principle 3: Delegation should at all times be executed within and subject to the Authority normal practices, procedures and other regulations, and should be granted with the view of maximizing the Authority administrative and operational efficiency. It should furthermore provide for adequate checks and balances to ensure responsible and accountable decision making**

According to this principle, no delegated power is executed in a vacuum, but must take into account and must comply with existing Authority decisions, policies, guidelines, practices, procedures, the approved budget and most important of all - the existing legislative framework contained in applicable Acts and Regulations promulgated in terms thereof. It is thus clear that a very definite framework exists in which a power must be executed. The delegate must make sure that he/ she is informed of this framework and it is his/ her duty to take note of all possible changes to it, in order for all his/ her actions to be legitimate. A person not adhering to this could be subjected to punitive measures such as disciplinary action, be held liable for losses or could even be criminally prosecuted.

**Principle 4: All delegations including sub-delegations must be in writing**

Although this is a short principle, the importance thereof cannot be emphasized enough. The purpose of this principle is to create legal certainty. Where no written proof of a delegation exists, Authority should regard the power as never having been delegated, as the courts will do the same, unless there are implied and reasonable indications to the contrary.

**Principle 5: Any power delegated to any of the Authority's structures or staff members may be further sub-delegated on condition that the principles contained herein are adhered to and sub-delegation of the specific power is not prohibited by legislation**

**Principle 6: For legal opinion for its perusal and comments to ensure that the same complies with enabling legislation**

This would be one of the checks and balances in order to ensure that powers are not delegated unlawfully and that it is in the interest of good corporate governance.

**Principle 7: For purposes of duly maintaining the Authority's system of delegations, the Accounting officer will be responsible for the upkeep of the said system and to ensure that all delegations are included in the System of Delegations and to meet the legal requirements.**

In practice the Accounting officer will maintain and keep up to date a loose leave file of all delegations, arranged according to the respective functional structures which will be updated with each approval of new or amended delegations.

**Principles 8: All delegated powers are and remain subject to and should be executed in accordance with any limitations, directions, applicable policies, conditions or enactments, as approved by Council and subject to legislation.**

This principle refers specifically to any limitations, conditions and directions that the Authority may impose regarding the execution of a specific delegated power. Authority as a collective body remains responsible for all its powers and duties, even where the powers are delegated, it is only reasonable for Authority to take all precautionary measures it considers necessary to ensure proper execution of a power. This is also one of the most effective checks and balances that can be built into a delegation.

**Principle 9: The execution of a delegation that has financial implications for the Council should only be executed by the person who has a specific responsibility and authority to incur expenditure under a specific vote**

The purpose of this principle is to make provision for budget control and accountability by persons responsible for a specific vote number, firstly by properly applying his/ her mind in compiling a detailed, well motivated and complete budget, and secondly by restricting expenditures to the approved budget.

**Principle 10: No delegation may be granted or executed if there are insufficient funds on a specific vote or a specific item does not appear on the Municipality's budget**

This principle also pertains to financial control and audit procedures. Authority approves the full budget, and it can therefore be reasonably implied that all items appearing on the budget carry Authority's prior approval. This is also one of the important checks and balances which may be exercised by Authority.

**Principles 11: Delegated powers can at any stage be withdrawn or amended by the delegating authority**

If and when Authority is not satisfied with the manner in which a delegated power is executed by a person or body to whom the power was originally delegated, Authority can by way of a report and resolution to that effect, withdraw the power(s), amend the powers, add new conditions or limitations. It is for this reason that a reporting system should be in place, in order for Authority to monitor the execution of delegated powers.

**Principles 12: Delegated powers do not absolve the Delegating Authority from the responsibility to exercise power or perform duties**

It should be very clear that although the execution of a power can be delegated, the responsibility and accountability can never be delegated, and Authority will always retain this (whether before court in a claim or, whatever the case might be)

**Principle 13: Delegated powers must always be reviewed when a new Council is elected( in terms of Section 59(2)(f), of the LG: Municipal Systems Act.**

**Principle 14: The Framework will be subjected to review on an annual basis as part of the GTLM's Quality Management System (QMS).**



<b>Section 4 Approval and change control in respect of this document</b>
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- 3.1 All policies and guidelines should be approved by the Council and subject to periodic review. The Municipal Manager is nominated as custodian of all policies and is responsible for:
- Maintaining an up to date set of all policies and guidelines;
  - Reviewing these when legislative or other changes require that they be updated. This review should however take place at least annually; and
  - Communicating all policies and guidelines to relevant staff and other stakeholders and obtaining their signature to the effect that they have read and understood them.
- 3.2 Any departures from the approved policies and guidelines, including this delegation of authority, of GTLM, will require the prior written approval from both of the following persons:
- The Mayor; and
  - The Municipal Manager.
- 3.3 It is critical that all changes made to the manual are properly and timeously communicated to all relevant persons within the GTLM.
- 3.4 The following steps will be applicable for the control and change management of all policies and guidelines, including this delegation of authority document:
- All recommended changes or requests for changes are recorded on a change request form, which would detail the suggested changes together with the reasons for such changes.
  - The change request form is authorised by the relevant Manager. The authorised change request form is forwarded to the custodian.
  - If considered appropriate by the custodian the suggested changes are circulated between Managers for comments for a defined period. All comments are forwarded back to the custodian.
  - After agreement has been reached between the custodian and the Manager a final proposal is submitted to the Council.
  - Changes in policies and guidelines will be effective within one week after final approval has been received from Council. The policy document will also be online within one week after authorisation.
  - The custodian is ultimately responsible for applying the changes and finalising the document. The new document is made available on the Intranet (or emailed to everyone) within one week after Council has approved the changes.
  - Any changes made will result in the manual being re-issued in its entirety.
  - After each change taking place the custodian will circulate an e-mail to all employees with details of the change, including:
    - the previous version of the policy or procedure prior to change being effected,



- the new version of the policy or procedure after changes have been effected,
  - the reason for change, and
  - the effective date of the change.
- All employees receiving such a notification prints the notification document, dates and signs as proof that they have familiarised themselves with the contents of the policies and guidelines, and that they undertake to adhere to any such policies and guidelines. This notification, once signed, is to be forwarded to the custodian.
- Failure to apply the revised policy from the date of implementation will lead to disciplinary action being taken.

<b>Section 5</b>	<b>Legislative and constitutional context of this document</b>
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Extracts from the Constitution of the Republic of South Africa Act, Act 108 of 1996, in particular as contained in Chapter 7, are attached as Annexure 1

Extracts from the Municipal Systems Act, 32 of 2000 are attached as Annexure 2.

Extracts from the Municipal Structures Act, Act 117 of 1998 are attached as Annexure 3.

Extract from the Municipal Finance Management Act, Act 56 of 2003, specifically the Local Government Financial Best Practice, as outlined earlier, form an essential and integral part of the Framework, and constitutes Annexure 4.

Extract from the Treasury Regulations for departments, constitutional institutions and public entities issued in terms of the Public Finance Management Act, Act 1 of 1999 are attached as Annexure 5.

<b>Section 6</b> <b>Schedule of decisions reserved for the Council</b>
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The following matters are the sole competency of the Council and can, under no circumstances, be delegated to any of the municipality's other political structures, political office bearers, councillors, or staff members:

- The passing of by-laws;
- The approval of budgets;
- The imposition of rates and other taxes, levies and duties; and
- The raising of loans.
- The power to set tariffs
- The power to decide to enter into a service delivery agreement in terms of section 76 (b)
- The power to approve or amend the municipality's integrated development plan

The following powers may, within a policy framework be determined by the municipal council, be delegated to an executive committee or executive mayor only:

- (a) Decisions to expropriate immovable property or rights in or to immovable property; and
- (b) The determination or alteration of the remuneration, benefits or other conditions of service of the municipal manager or managers directly responsible to the municipal manager.

The council may only delegate to an executive committee or executive mayor or chief financial officer decisions to make investments on behalf of the municipality within a policy framework determined by the Minister of Finance.

**Section 7 Schedule of delegated powers**

	Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)		
			COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CEO		MANAGE R (Specify)	
1	The Constitution of the Republic of South Africa, Act 108 of 1996  The Municipal Systems Act	<b>A: GOVERNANCE</b> <ul style="list-style-type: none"> <li>• The passing of by-laws;</li> <li>• The approval of budgets;</li> <li>• The imposition of rates and other taxes, levies and duties;</li> <li>• The raising of loans.</li> <li>• The setting of tariffs</li> <li>• Entering into a service delivery</li> <li>• Approval and amendment of IDP</li> <li>• Performance of the MM</li> <li>• Performance of staff</li> <li>• Annual Financial Statements</li> <li>• Annual Report</li> </ul>	✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓				✓ ✓			
2	Municipal Finance Management Act  Municipal Systems Act  Municipal Structures Act	<b>B: GENERAL</b>  <b>MANAGEMENT B</b> <b>ORGANISATIONAL MATTERS</b>	✓							

Duty of power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.1 Strategic plan				✓		
	1.1.1 Organisational structure				✓		
	1.1.2 Departmental structure				✓		
	1.1.3 Sub-Sections structures					✓	
	1.1.4 Delegation of Authority Framework				✓		
	1.1.5 Policies, Processes and Procedures				✓		
	<b>C: FINANCIAL MATTERS</b>						
	1.2 Planning, Budgeting & Financial management					✓	CFO and Budget Office Manager
	1.2.1 Medium Term Expenditure Framework (MTEF)					✓	CFO and Budget Office Manager
3	Municipal Finance Management Act The Budget (Division of Revenue Act) Treasury Regulations and Circulars						

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.2.2 Annual Budget					✓	CFO and Budget Office Manager
	1.2.3 Departmental Budgets					✓	Relevant Director in consultation Budget Office Manager
	1.2.4 Funds not budgeted for				✓		After consultation with the CFO
Municipal Finance Management Act The Budget (Division of Revenue Act) Treasury Regulations and Circulars	1.2.5 Reallocation of funds 1.2.6 Accounting Policy 1.3 Banking	✓					On recommendation of the MM, having consulted with the CFO In consultation with the MM



Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.3.1 Appointment of Bankers	✓					After recommendation by the Municipal Manager
	1.3.2 Opening of bank accounts					✓	CFO in consultation with the MM
	1.3.3 Appointment of signatories	✓					Upon approval of the MM
	1.3.4 Signing of cheques					✓	No downwards delegation
	1.3.5 Electronic transfer of funds					✓	
	1.3.6 Municipal Guarantees	✓					With the approval of the MM and authorized by Council
	1.3.7 Approval of debit orders					✓	

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.3.8 Foreign currency transactions					✓	
	1.4 Procurement & Expenditure					✓	
Municipal Finance Management Act  The Budget (Division of Revenue Act)  Treasury Regulations and Circulars	D: PROCUREMENT OF GOODS AND SERVICES OR SUPPLY CHAIN  1.4.1 Approval for proposed purchases (operational expenditure)					✓	Subject to the authorization by the Manager responsible for the vote and the level of Purchase limits, as outlined in detail in next section.
	1.4.3 Entertainment expenditure					✓	
	1.4.4 Professional fees					✓	

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.4.5 Lease of premises	✓					
	1.5 Fixed Assets	✓					
	1.5.1 Acquisition of fixed assets	✓					As per Capital Expenditure
	1.5.2 Writing off of assets	✓					On recommendation of the MM
	1.5.3 Disposal of fixed assets	✓					On recommendation of the MM
	1.6 Investments	✓					On recommendation of the MM
	1.6.1 Appointment of portfolio managers	✓					On recommendation of the MM
	1.6.2 Amounts to be invested			✓			On the recommendation of the MM

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.6.3 Changes in portfolios	✓					On recommendation of the MM
	Capitalization of investments	✓					On recommendation of the MM
	1.7 Insurance	✓					On recommendation of the MM
	1.7.1 Determination of risk portfolio to be insured			✓ Budget Committee			
	1.7.2 Appointment of Insurance Brokers	✓					On recommendation of the MM
The Constitution	E. HUMAN RESOURCE MATTERS						
Municipal Systems Act	1.8 Conditions of Service					✓ D: CS	

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.9 HR Benefits structure	✓					On recommendation by the MM
	1.10 Main Levels of Remuneration	✓					On recommendation by the MM
	1.11 Creation of vacancies					✓	For the approval of the MM
	1.12 Issuing of appointment letters					✓	Director Corporate Services, and as approved by the MM
	1.13 Annual Increases	✓					On recommendation by the MM
	1.14 Promotions				✓		On recommendation of the Directors

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE (Specify)	MM	CFO	
	1.15 Resignations	✓			✓		And in the case of MM the Council
	1.16 Industrial Relations actions					✓ D: CS	
	1.17 Leave approval				✓	✓	Relevant Directors; and MM for Directors
	1.18 Study loans					✓	
	1.19 Bursaries					✓	
	1.20 Training expenditure				✓		As per policy On recommendation by the Director Corporate Services
	1.20.1 Up to R 5000 per course, and/or less than 1 week from operational duties					✓	



Duty or power, as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.20.2 Above R 5 000 per course, and/or more than 1 week from operational duties				✓		
	1.21 Membership fees				✓		
	1.22 Relocation costs					✓	D: CS
	1.23 Overseas trips				✓		With the approval of council
	1.24 Contractors & Consultants				✓		
Municipal Systems Act	F: LEGAL MATTERS Operational contracts for services rendered						Ascertaining compliance and that these are in line with provisions

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.26 Settlements				✓		On the recommendation of legal services, and the approval of council
	1.27 Debt recovery					✓	
The Constitution	G: ADMINISTRATIVE MATTERS						
Municipal Structures Act	1.28 Accommodation and S & T				✓		
Municipal Systems Act	1.28.1 Council Transport						✓ D: CS
	1.28.2 Use of car - up to one week						✓ D: CS
	1.28.3 Use of car - more than one week				✓		
	1.29 Internal correspondence				✓		✓ If specific to department, the relevant director

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.30 External correspondence, i.e. letters, etc.				✓		
	1.31 Access Control					✓	
	1.32 Permits for the removal of assets from one point to another					✓	On the recommendation of the relevant director
	1.33 Bulk printing						✓
Municipal Systems Act	H: MARKETING, COMMUNICATION & STAKEHOLDER RELATIONS						D: CS
	1.34 Communication and Stakeholders relation policies				✓		

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
	1.35 Media liaison including press releases	✓					After consultation with management and to delegate accordingly
	1.36 Marketing including sponsorships and donations	✓					After consultation with management and to delegate accordingly
	1.37 Organised local government membership fees				✓		On recommendation of the Director of Corporate Services
The Constitution	I: COMMUNITY SERVICES					✓	D: CoS

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
<p>The Constitution of South Africa. (108 of 1993)</p> <p>The Municipal Systems Act (32 of 2000)</p> <p>Land Use Planning Ordinance, 1985 (15 of 1985)</p> <p>Town Planning and Townships Ordinance, 1986 (15 of 1986)</p> <p>White Paper on Spatial Planning and Land Use Management</p> <p>Housing Act, 1997 (107 of 1997)</p> <p>Environmental Conservation Act, 1989 (73 of 1989)</p>	<p>J: MUNICIPAL SPATIAL PLANNING, LAND DEVELOPMENT and LAND USE MANAGEMENT</p> <ul style="list-style-type: none"> <li>- Control of Public Nuisance</li> <li>- Local Amenities</li> <li>- Municipal Pounds</li> <li>- Building Regulations</li> <li>- Municipal Planning</li> <li>- Trading Regulations</li> <li>- Billboards and Display of Advertisements in Public Places</li> <li>- Street Trading</li> <li>- Municipal Public Transport</li> </ul> <p>(Refer to GTLM Powers and Functions)</p>						<p>✓</p> <p>D: DLUP</p>

Duty or power as set out in legislation	Functional Area (Detailed procedures to carry out the function)	Delegated to:					Specific requirements (Notes)
		COUNCIL	MAYOR	COMMITTEE E (Specify)	MM	CFO	
The Constitution	J: TECHNICAL SERVICES						✓ D: TS

4B: (the matrix of this schedule starts with the legislative mandate, as the functional area can only be established by legislation)



**Section 8 Purchase limits and authority for goods and services**

Goods	Goods will include all stationary, equipment, furniture, food, refreshments, computer hardware and software, venues and catering for workshops, etc.
Services	Services will include all consultancy services and the outsourcing of any services to services providers. In all cases the Accounting Officer must approve a terms of reference and an agreement with payment on deliverables must be signed, with a disbursement schedule aligning each disbursed amount with timeframes, quantity and quality.

All orders of goods and services must be made in line with the approved annual budget or in terms of virement delegation and approved policy and procedures must be adhered to at all times.

Estimated order value:		Method of Procurement		Level of delegated authority
A		B		C
1	R1 R2 000	Procure without inviting competitive bids or price quotations by means of petty cash. Petty cash procedures should be complied with.		Head of Department
2	R2 001 R10 000	Procure by obtaining at least three (3) verbal or written quotations preferably from where applicable, a list of prospective suppliers of the municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 14(1)(b) and (c) of the SCM Policy, if it is not possible to obtain three quotations, the reasons must be recorded and reported quarterly to the AO/ designated official. The order should, however be placed against written confirmation from the selected supplier if the quotation was submitted verbally.		Head of Department
3	R10 001 R200 000	<ul style="list-style-type: none"> <li>■ Invite and accept written quotations from as many suppliers as possible, that are registered on the list of prospective suppliers database of the municipality.</li> <li>■ Where no suitable suppliers are available from the list of prospective suppliers, quotations may be obtained from other prospective suppliers.</li> <li>■ If it is not possible to get three (3) written price quotations, the reasons should be recorded and approved by Municipal Manager or his or her delegate.</li> <li>■ apply the prescripts of the Preferential Procurement Policy Framework Act 5 of</li> </ul>		Municipal Manager

			<p>2000 and its associated Regulations.</p> <ul style="list-style-type: none"> <li>■ All requirements must, in addition to the requirements of paragraph 17 of the SCM Policy, be advertised for at least seven days on the notice board and website of the municipality.</li> <li>■ Offers received must be evaluated on a comparative basis taking into account any unconditional discounts and for this purpose the Tax Clearance Certificate, Declaration of Interest) and Preference Points Claim Form (in terms of the Preferential Procurement Regulations 2001) must be completed and scrutinized. Separate Preference Points Claim Forms will be used for the promotion of the specific goals for which points have been allocated. The successful provider will be the one scoring the highest points.</li> </ul>	
R200 001	And above		<ul style="list-style-type: none"> <li>■ Goods, works or services may not be deliberately be split into parts or items of lesser value merely to avoid complying with requirements of the prescribed thresholds. When determining transaction values, a requirement for goods, works or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.</li> <li>■ To further promote transparency all bids must be published in appropriate media and made available on the municipality's website. The responsibility for advertisement costs will be that of the department requiring goods or services.</li> <li>■ Should it be impracticable to invite competitive bids for specific procurement, e.g. in urgent or emergency cases or in case of a sole supplier, the accounting officer may procure goods or services, in accordance with section 36(2) of the SCM Regulations through any convenient process which may include direct negotiations. The reasons for deviating from inviting competitive bids should be recorded and approved by the Accounting Officer or his/her delegate and report them to the next council meeting.</li> <li>■ The prescripts of PPPFA 5 of 2000 and its associated regulations must be adhered to.</li> </ul>	Municipal Manager



**K. Gabanakgosi**  
**Municipal Manager**