
GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

NATIONAL TREASURY

NO. 503

05 MAY 2020

**LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 -
EXEMPTION FROM REGULATIONS 4(3) and 29(2) OF MUNICIPAL SUPPLY CHAIN
MANAGEMENT REGULATIONS, 2005**

I, Tito Titus Mboweni, hereby in terms of section 177(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), exempt municipalities and municipal entities from regulation 4(3) and 29(2) of the Municipal Supply Chain Management Regulations, 2005, published under Government *Gazette* 27636 dated 30 May 2005 ("the Regulations"), as set out in the Schedule.



**TT MBOWENI
MINISTER OF FINANCE**

SCHEDULE**Exemption**

1. Subject to the conditions in paragraph 2, municipalities and municipal entities are exempted from compliance with regulations 4(3) and 29(2) of the Regulations insofar as the regulations-
 - (a) prohibit the delegation or sub-delegation of any supply chain management powers or duties to a person who is not an official of the municipality or municipal entity or to a committee which is not exclusively composed of officials of the municipality or municipal entity; and
 - (b) require a bid adjudication committee to consist of four senior managers.

Conditions

2. When applying paragraph 1, a municipality or municipal entity must implement the following conditions:
 - (a) For municipalities with four senior managers approved in their organogram but filled less than four and the posts are funded and are not subject to a moratorium emanating from implementing cost containment measures, the municipality or municipal entity will be given six to 12 months from the date of this exemption to fill the specific positions subject to the bid adjudication committee still having a senior supply chain management practitioner and a technical expert in the relevant field as contemplated in regulation 29(2)(ii) and (iii);

- (b) Where it is not viable for the posts in subparagraph (a) above to be filled, yet there are vacant positions, the municipality or municipal entity may consider appointing an official in an acting capacity to fulfil the role of senior manager in those instances;
- (c) For those municipalities or municipal entities with less than four senior managers approved in their organogram, they may utilise senior managers from neighbouring municipalities in accordance with section 88 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998); and
- (d) Senior Managers who are members of the bid adjudication committee will be allowed to sub-delegate, in writing, their responsibilities to competent staff members in cases where they cannot attend specific sittings of the committee.