



CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU

**Supply Chain  
Management Policy**

(Incorporating Preferential Procurement)

Approved : 08 December 2011  
Council : C 36/12/11

## CODE OF ETHICAL STANDARDS

### *General*

348. In addition to this Code of Ethical Standards, the codes of conduct for municipal councillors and employees shall apply in the application of this Supply Chain Management Policy.
349. A code of ethical standards is hereby established for officials and all role players in the supply chain management system in order to promote:
- 349.1 mutual trust and respect; and
  - 349.2 an environment where business can be conducted with integrity and in a fair and reasonable manner.
350. An official or other role player involved in the implementation of the supply chain management policy:
- 350.1 must treat all providers and potential providers equitably;
  - 350.2 may not use his or her position for private gain or to improperly benefit another person;
  - 350.3 may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
  - 350.4 notwithstanding clause 350.3, must declare to the City Manager details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
  - 350.5 must declare to the City Manager details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the City;
  - 350.6 must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
  - 350.7 must be scrupulous in his or her use of property belonging to the City;
  - 350.8 must assist the City Manager in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and

- 350.9 must report to the City Manager any alleged irregular conduct in the supply chain management system which that person may become aware of, including;
- 350.9.1 any alleged fraud, corruption, favouritism or unfair conduct;
- 350.9.2 any alleged contravention of this policy; or
- 350.9.3 any alleged breach of this code of ethical standards.
351. Declarations in terms of clause 350.5 must be recorded in a register which the City Manager must keep for this purpose.
352. The City has adopted the National Treasury's code of conduct for supply chain management practitioners and other role players involved in supply chain management. This code of conduct is binding on all officials and other role players involved in the implementation of the supply chain management policy.
353. A copy of the National Treasury code of conduct is available on the website [www.treasury.gov.za/mfma](http://www.treasury.gov.za/mfma) located under "legislation".
354. A breach of the code of conduct adopted will be dealt with in accordance with schedule 2 of the Systems Act.

#### ***Inducements, Rewards, Gifts and Favours***

355. No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant:
- 355.1 any inducement or reward to the City for or in connection with the award of a contract; or
- 355.2 any reward, gift, favour or hospitality to any official or any other role player involved in the implementation of the supply chain management policy.
356. The City Manager must promptly report any alleged contravention of clause 355 to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.
357. Clause 355 does not apply to gifts less than R350 in value or gifts from a single source in any calendar year that does not exceed R350 in value.

### **Sponsorships**

358. The City Manager must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is:
- 358.1 a provider or prospective provider of goods or services; or
  - 358.2 a recipient or prospective recipient of goods disposed or to be disposed.

### **Objections and Complaints**

359. Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

### **Resolution of Disputes, Objections, Complaints and Queries**

360. The City Manager shall appoint an independent and impartial person not directly involved in the supply chain to assist in the resolution of disputes between the City and other persons regarding:
- 360.1 any decisions or actions taken in the implementation of the supply chain management system; or
  - 360.2 any matter arising from a contract awarded in the course of the supply chain management system; or
  - 360.3 to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
361. The City Manager, or another official designated by the City Manager, is responsible for assisting the appointed person to perform his or her functions effectively.
362. The person appointed must;
- 362.1 strive to resolve promptly all disputes, objections, complaints; or
  - 362.2 queries received; and
  - 362.3 submit monthly reports to the City Manager on all disputes, objections, complaints or queries received, attended to or resolved.
363. A dispute, objection, complaint or query may be referred to the relevant provincial treasury if;

- 363.1 the dispute, objection, complaint or query is not resolved within 60 days; or
- 363.2 no response is forthcoming within 60 days.
364. If the Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
365. The provisions above must not be read as affecting a person's rights to approach a court at any time.

