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GSP II Reflection Learning Sharing

Public Procurement

Supply Chain Management (SCM) Portal Empowering Municipal Finance

Supply Chain Management (SCM) and procurement reform is a key priority of the Government of South Africa. There is ample evidence from reports by the Auditor-General of South Africa that the SCM function in municipalities is performing poorly due to organisational, individual, and technological capacity challenges. Thus, a comprehensive SCM Review and Analysis research study was completed in each partnered municipality to assess their respective organisational and individual capacity, to identify their challenges and to determine where the most significant impact could be made. Based on the results of this study, action plans were devised to address the challenges in each municipality. Within the broader objectives of the GSP II, the project aims to improve SCM in partner municipalities through organisational and individual capacity development.

Diagnostic Analysis

The SCM System constitutes the policies, standard operating procedures (SOPs) and business processes governing the implementation of SCM within any municipality. The SCM review and implementation analysis, undertaken in 2018, found that very few municipalities had systems in place that could enable all stakeholders within the municipality to understand (and follow) the detailed requirements in respect of SCM processes and require-

ments. Based on engagements with role-players, including SCM managers and officials, the development and implementation of an SCM Portal that would serve to empower individuals throughout each of the partner municipalities had been identified as an extremely important intervention.

Overview

An SCM Portal provides comprehensive access to information on SCM regulations, procedures, tools, templates, and guidance as well as ensuring that the municipal SCM policy and SOPs are captured and readily accessible to all municipal officials in a single (intranet) storage space, accessible to all municipal personnel.

The overarching objective of the intervention is to empower municipal officials with access to a webpage that contains the relevant municipal SCM policy, SOPs, and good practice guidance. Activities to put this in place have served to provide municipalities with a standardised municipal SCM system including policies and SOPs that comply with the regulatory frameworks governing municipal SCM.





What was done

The implementation of the SCM Portal has entailed the following process milestones:

- SCM Portal on-boarding to ensure that there is a common understanding of the result as well as the requirements to put the portal in place.
- Data collection (municipal specific SCM policy, SOPs, tools, templates, SCM Circulars and good practice).
- Information, communication, and technology (ICT) support in respect of integration into the respective municipal intranet to ensure sustainability of the SCM Portal.
- Validation workshops to present the draft SCM Portal design and content.
- The training of municipal officials to access, utilise, and maintain the SCM Portal.

Outcomes

The SCM Portal empowers individuals throughout a municipality by providing comprehensive access to information on SCM regu-

lations, procedures, tools, and templates. As the Portal provides direct access to detailed information regarding every aspect of the SCM function and how it should be executed, it can make an important contribution to SCM governance, regulatory compliance, knowledge management and improved efficiency.

Reflection

When SCM personnel can explicitly identify the steps that are required to execute a specific function or task, it follows that the execution of the task is in line with regulatory and good practice requirements and will enable the practice to be institutionalised.

The greatest challenges lie with ensuring that there is collaboration between the municipal SCM and IT functionaries, that there is management support for the initiative and that resources are allocated for updating the portal in line with changes in the municipal SCM system and regulations.

The Governance Support Programme (GSP II) is a Technical Cooperation programme co-steered at national level in a partnership between the Department of Cooperative Governance (DCoG), the National Treasury (NT), the Department of Public Service and Administration (DPSA), the Department of Planning, Monitoring and Evaluation (DPME), and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the latter responsible for the implementation of the German development contributions on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). The programme was co-financed by the United States Agency for International Development (USAID) and the Department for International Development of the United Kingdom (DFID).

The GSP II provided technical, policy and process advice to support the South African public sector. The programme strengthened capacity for local government planning, financial management and oversight and was executed in the Provinces of Mpumalanga and Eastern Cape.

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