



# **LEPELLE-NKUMPI LOCAL MUNICIPALITY**

## **INTERNAL MEMO**

## **BUDGET AND TREASURY**

**TO : AUDIT COMMITTEE**

**FROM : DEPARTMENT BUDGET & TREASURY**

**DATE : 08 JANUARY 2024**

**SUBJECT : SCM second quarter activities (1 October to 31 December 2023)**

### **1. PURPOSE**

The purpose of the report is to inform the Audit Committee on the implementation of SCM activities for the 2nd quarter ended 31 December 2023 in order to maintain oversight over the implementation of Supply Chain Management Policy.

### **2. BACKGROUND**

In terms of Regulation 6(1) read with Regulation 6(2) of the Municipal Supply Chain Management Regulations issued in terms of the Local Government Municipal Finance Management Act 56 of 2003, the council of the Municipality must maintain an oversight role over the implementation of its Supply Chain Management Policy. This report has been compiled in compliance thereto.

Supply chain management Unit is established in terms of notice 868 of 2005, Local Government: Municipal Finance Management Act, 2003: Municipal Supply Chain Management Regulation 7(1). The objective of the unit is to support the municipality to deliver goods/services at the correct time, right price, location, quality and quantities in order to satisfy the needs of the community.

Supply Chain is divided into five sections namely:

- a. Demand management
- b. Acquisition Management
- c. Logistic Management
- d. Contract Management
- e. Disposal management

### 3. DISCUSSION

#### 3.1. Demand and Acquisition Management

Demand management is the first phase of Supply Chain where the procurement plan is developed and prepared in collaboration with the departments. This is a management tool which enable Supply Chain Management Unit to plan and monitor the procurement processes.

The following information must be submitted by End User department before the SCM officials can convene a meeting of Bid Specification Committee:

- Approved permission by Municipal Manager to advertise
- Approved budget
- Approved IDP

The Progress on the implementation of the activities on the Supply Chain Management policy is depicted herein below.

#### 3.1.1 Procurement Plan

The approved Procurement Plan for 2023/24 financial year consists of 131 projects from various departments as per the table below:

Summary of the implementation of procurement plan

DEPARTM ENTs	APPOIN TED	SPECIFICA TION NOT SUBMITTE D	AWAITI NG BAC	AWAITI NG BEC	ON- ADVE RT	AWAITIN G BUDGET ADJUSTM ENT	Tot al
Budget and Treasury	0	1	2	5	0	0	8
Community services	0	4	2	2	0	0	8
Corporate services	0	11	1	2	0	2	16
Office of the MM	1	3	0	1	0	0	5
Technical services	6	70	2	10	6	0	94
TOTAL	7	89	7	20	6	2	131
PERCENTA NGE	5.34	67.94	5.34	15.27	4.58	1.53	100 %

The following is the overall progress on the implementation of the procurement plan per department and quarterly SCM performance reports:

1. Budget and Treasury (08 Bids)
  - 01 (Specification not yet initiated), 02 (Awaiting BAC) and 05 (Awaiting BEC)
2. Community services (08 Bids)
  - 04 (Specification not yet initiated), 02 (Awaiting BAC) and 02 (Awaiting BEC)
3. Corporate services (16 Bids)
  - 11 (Specification not submitted), 01 (Awaiting BAC) , 02 (Awaiting BEC) and 02 (Awaiting budget adjustment)
4. Office of the MM (05 Bids)
  - 01 (Appointed), 03 (Specification not submitted) and 01 (Awaiting BEC)
5. Technical services (94 Bids)
  - 06 (Appointed), 70 (Specification not submitted), 02 (Awaiting BAC), 10 (Awaiting BEC) and 6 (On-advert)

To date, the municipality has appointed 7 bids which is 5.34 % of a total of 131.

## CHALLENGES

- Non-submission of specifications by end-users
- Non-responsiveness of bids
- Shortage of staff in SCM Unit

## SCM PROCESSES AND TRANSACTIONS OF IMPLEMENTING THE SCM POLICY

### 3.1.2 Bids advertised for second quarter

- Bids advertised for the month of October, 07(Community Services department: 02, Technical Services department: 02, Budget and Treasury department: 01, Office of the MM: 01 and Corporate Services department: 01) bids were advertised, for November no bid was advertised and for December 09 bids were advertised (All from Technical Services Department).

ITEM NO.	PROJECT NAME	PROJECT NO.	DEPARTMENT	CLOSING DATE	Status as at 31 December 2023
01	Supply and delivery of skip bins	LN010/2022/23	Community Services	09/11/2023	To be evaluated
02	Supply and delivery of compactor truck	LN007/2022/23	Community Services	10/11/2023	To be evaluated

03	Mogotlane Community hall ward 10	LNM054/2023/24	Technical Services	13/11/2023	To be evaluated
04	Supply and delivery of furniture	LNM032/2021/22	Corporate Services	14/11/2023	To be evaluated
05	Panel of two professional service providers for travel management for a period of thirty six (36) months	LNM090/2023/24	Budget and Treasury	27/11/2023	To be evaluated
06	Panel of two professional service providers for printing services for a period of 36 months (As and when required)	LNM044/2020/21	Office of the MM	28/11/2023	To be evaluated
07	Panel of two professional service providers for hiring of plant for a period of 36 months (As and when required)	LNM001/2022/23	Technical Services	29/11/2023	To be evaluated
08	Electrification of Jackyland Ward 13 (500HH)- Turnkey project	LNM091/2023/24	Technical Services	18/12/2023	To be evaluated
09	Development of recreational Facilities	LNM088/2023/24	Technical Services	18/12/2023	To be evaluated

	Seruleng (ward 02)- Turnkey project				
10	Development of recreational Facilities Makushwaneng (ward 07)- Turnkey project	LNM033/2023/2 4	Technical Services	15/01/2024	On advert
11	Development of recreational Facilities Lesetsi (ward 25)- Turnkey project	LNM049/2023/24	Technical Services	18/12/2023	To be evaluated
12	Construction of Magatle Community Hall Turnkey project	LNM094//2023/24	Technical Services	18/12/2023	To be evaluated
13	Electrification of Matjatji village Ward 12 (100HH)- Turnkey project	LNM078/2023/24	Technical Services	17/01/2024	On advert
14	Electrification of Lekurung Ward 30(150HH)- Turnkey project	LNM084/2023/24	Technical Services	17/01/2024	On advert
15	Electrification of Hweleshaneng (30HH)- Turnkey project	LNM080/2023/24	Technical Services	18/01/2024	On advert
16	Electrification of Mapatjakeng	LNM079/2023/24	Technical Services	18/01/2024	On advert

village (39HH)- Turnkey project				
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**NB:** The awaiting of the BEC is as a result of Bid Evaluation Committee members on leave for the month of December to Second week of January hence the sitting of the BEC will resume on the third week of January 2024.

### 3.1.3 Bids withdrawn

No bids were withdrawn during the second quarter

#### **Withdrawal of Appointments due to discrepancies identified in the process of appointment of the below bids**

- Nine (09) appointments for Panel of consultants for professional electrical engineering related services for a period of 03 years
- Twenty (20) appointments for Panel of consultants for professional civil engineering related services for a period of 03 years.

### 3.2 Acquisition Management

The accounting officer has developed a supply chain management policy approved by Council. SCM Unit operates under the direct supervision of the Chief Financial Officer in terms of section 82 of the Act. The Supply Chain Management Unit must give effect to the functions of the supply chain management systems.

#### 3.2.1 Range of procurement processes

##### **a. Quotations: R2001 to R30 000(Formal Written Quotations)**

Formal written quotations are obtained from an approved database of service providers on a rotational basis.

The SCM unit established a system to request quotations that are sent to service providers through the Bitware system, which send the email directly to the service provider's email as per the Central Supplier Database.

Quotations were evaluated in accordance with preference point system of 80/20 as set out in the evaluation criteria specified on the bid document. The preferred quotations are therefore approved by the Accounting Officer.

The following are the transactions processed per month from October to December.

#### **October 2023**

- Four service providers were appointed for rendering different services as follows:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	Catering for Traditional Health Practitioners for integrated training session (60 People)	R5100.00	Hunadi A Malope Catering Services	The bidder scored the highest points	Mamaolo village
2.	Advert of IDP amendments on National newspaper	R19500.00	Moditi and Sons Trading and Projects	The bidder scored the highest points	Bolahlagomo
	Catering service for Council meeting (300 people)	R28500.00	Tlakane Rampuru Construction and Projects	The bidder scored the highest points	Makurung Village
4.	Supply and delivery of salvage sheets	R28910.00	Matwins Investment	The bidder scored the highest points	Makotse village

### November 2023

- Three service providers were appointed for rendering different services as follows:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	Catering services for Ward Committee Forum?	R29400.00	Darryl Distributors and General Trading	The bidder scored the highest points	Hwelereng
2.	22 Seater buses x 3 for community members attending IDP meeting in Ga-Molapo hall.	R5175.00	Tlakale Mampuru Construction	The bidder scored the highest points	Makurung

3.	22 seater buses x 3 for community members attending IDP meeting at Ward 8, Mathibela	R3450.00	Mphapo Trading	The bidder scored the highest points	Zone R Lebowakgomo
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### December 2023

- Six service providers were appointed for rendering different services as follows:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	Lunch for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	R19980.00	Vice Worx	The bidder scored the highest points	Unit F, Lebowakgomo
2.	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	R19000.00	The Don Cash and Property Trading	The bidder scored the highest points	Hweleshaneng
3.	2000 bottled water for the launch of Mayor's cleaning awareness campaign at Lebowakgomo	R23999.99	Batho Phafogang Construction	The bidder scored the highest points	Tooseng
4.	Catering for the launch of Mayor's cleaning awareness campaign at	R19000.00	Ngoanamorolana	The bidder scored the highest points	Ga-Ledwaba



	Lebowakgomo for 200 people				
5.	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	R21000.00	Ompie and Sons Construction	The bidder scored the highest points	Lenting
6.	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	R17457.00	TLR Technologies and Projects	The bidder scored the highest points	Manoge village, Ga-Mphahlele

**Challenges on quotations: Above R2000 to R30 000 (Formal Written Quotations):**

- Non response from service providers (service providers not responding)
- Incorrect information submitted by Service providers, for instant, using of multiple addresses on CSD which make it difficult for them to submit because of the distance.

**b. Bids: Above R30 000 to R200 000 (Formal Written Quotations)**

- The evaluation is done by SCM Manager, one SCM official, an end-user and recommendation by CFO made to the Accounting Officer for approval/disapproval of transactions valued above R 30 000 to R200 000.
- Formal written quotations were advertised for at least seven (7) days on the Notice board and website of the Municipality.
- Quotations are evaluated as per the administration compliance outlined on the RFQ documents and on 80/20 Preference Points system

The following are the transactions processed per month from October to December.

**October 2023**

No appointments were made for the month of October

**November 2023**

No appointments were made for the month of November

**December 2023**

- One service provider was appointed for this period. See details below:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	30 X 15 seater mini buses for EPWP for Mayor's cleaning awareness campaign at Lebowakgomo	R90500	Tintela Trading Enterprise	The bidder scored the highest points	Zebediela

Challenges on Transaction: R30 000.00 to R200 000.00 (Formal Written Quotations):

- Non response from service providers (service providers not adhering to the administration compliance)
- Shortage of staff

**c. Bids: Above R200 000.00 (Competitive bidding system)**

The bid committees are composed in line with section 27,28 and 29 of Supply Chain Management Regulations. Due to the back log, two Bid Evaluation Committees were established to expedite the appointments of Service Providers to enable service delivery to the communities.

- Competitive bidding process is being followed for any specific procurement of a transaction value above R 200 000.00 (VAT included) and the procurement of long term contracts.
- A competitive bidding process:
  - Advertise for at least 14 days on Lepelle Nkumpi notice boards, website and E-tenders for Bids above R 200 000 to R10 000 000.00
  - Advertise for at least 30 days on Lepelle Nkumpi notice boards, website and E-tenders for Bids above R 10 000 000.00.
- The following are the transactions processed per month from October to December.

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October 2023

- One service provider was appointed for this period. See details below:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	Upgrading of storm water control (Unit B)	R4 167 579.19 (VAT Inclusive)	Rea Holdings (Pty) Ltd	The bidder scored the highest points	Polokwane

### November 2023

No appointments were made for the month of November

### December 2023

- One service provider was appointed for this period through Transversal contract (RT57). See details below:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	Supply, delivery and registration of Speaker and Mayor's vehicles	R1 068 202.10	NMI Durban South Motors	Transversal contract(RT57)	Durban

Challenge on Bids: Above R200 000.00

- None responsive bidders (service providers not adhering to the administration compliance)

### 3.3 Logistics Management

Logistic management function entails procurement of goods and services through request for quotations and contracted services as an when required basis. Furthermore, it ensures that strategic materials that support service delivery are accessible when required.

#### 3.3.1 Orders issued

The order issued for the second quarter amounted to R 2 196 325.00

October 2023

- Nine (9) orders were issued for rendering different services amounting to R733 821.64 as follows:

ORDERS ISSUED FOR THE MONTH								
Oct-2023								
NO	DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	Address	AMOUNT	SCM PROCESS
1	03/10/2023	DI00000594	1001148	Reakgona Travel Services and Projects	Accommodation and meals for Speaker and driver attending Ward Committee conference	Polokwane	R12457.26	Long Term
2	06/10/2023	DI00000563	1001149	Public Relations Institute of South Africa	Training on advanced public relations writing for 02 officials	Rosebank	R36216.00	Deviation
3	06/10/2023	DI00000597	1001150	Reakgona Travel Services and Projects	Accommodation and meals for two officials attending training on advanced public relations writing hosted by PRISA	Polokwane	R23069.00	Long Term
4	12/10/2023	DI000000596	1001151	Hunadi A Malope Catering Services	Catering for Traditional Health Practition	Mamaolo village	R5100.00	Quotation

No	DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	Address	AMOUNT	SCM PROCESS
					ers for integrated training session (60 People)			
5	12/10/2023	DI000000592	1001152	Thalema Trading Enterprise	PPE for EPWP employees	Gadikgale	R566800.00	Long Term
6	24/10/2023	DI000000600	LN0600	Reakgona Travel Services and Projects	Accommodation and meals for one official attending 2023 annual meeting of the general committee of the Municipal Gratuity Fund	Polokwane	R2306.00	Long Term
6	24/10/2023	DI000000556	1001154	Business Connexions	Licensing services: Standard OV SSL-2 Year Multi domain OV SSL	Centurion	R10963.38	Long Term
7	24/10/2023	DI000000578	1001156	Moditi and Sons Trading and Projects	Advert of IDP amendments on National newspaper	Bolahlakgomo	R19500.00	Long Term
8	27/10/2023	DI000000602	1001157	Tlakane Rampuru Construction and Projects	Catering service for Council	Makurung Village	R28500.00	Quotation

					meeting (300 people)			
9	31/10/2023	DI00000609	1001158	Matwins Investment	Supply and delivery of salvage sheets	Makotse village	R28910.00	Quotation
					<b>TOTAL AMOUNT</b>		<b>R733821.64</b>	

### November 2023

- Five (5) orders were issued for rendering different services amounting to **R104 897.96** as follows:

ORDERS ISSUED FOR THE MONTH								
Nov-2023								
No	DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	Address	AMOUNT	SCM PROCESSES
1	17/11/2023	DI00000637	1001159	Reakgona Travel Services and Projects	Accommodation, meals and transport for 04 officials attending MFMP classes in Pretoria	Polokwane	R54415.70	Long Term
2	20/11/2023	DI00000668	1001161	Reakgona Travel Services and Projects	Accommodation and meals for Speaker and driver sitting of Council of Speakers on 21 to 22 November 2023	Polokwane	R12457.26	Long Term
3	27/11/2023	DI00000669	1001162	Darryl Distributors and	Catering services for Ward	Hwelering	R29400.00	Quotation

				General Trading	Committee Forum			
4	30/11/2023	DI00000677	1001163	Tlakale Mampuru Construction	22 Seater buses x 3 for community members attending IDP meeting in Ga-Molapo hall.	Makurung	R5175.00	Quotation
5	30/11/2023	DI00000674	1001164	Mphapo Trading	22 seater buses x 3 for community members attending IDP meeting at Ward 8, Mathibela	Zone R Lebowak gomo	R3450.00	Quotation
<b>TOTAL AMOUNT</b>							<b>R104897.96</b>	

**December 2023**

- Thirteen (13) orders were issued for rendering different services amounting to **R 1 448 105.40** as follows:

**REPORT OF ORDERS ISSUED FOR THE MONTH**

Dec-2023

N o.	DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
1	04/12/2023	DI000000569	1001165	Manthabo2 Air conditioning Electrical and General	Replacement of air-conditioners at the foyer, legal office and budget manager's office	R55607.10	Long term Contract
2	08/12/2023	DI000000705	1001166	Reakgona Travel Services and Projects	Accommodation and meals for Municipal Manager for attending	R2076.21	Long term Contract



					SALGA MM's form at Lephalale on 11-12 December 2023			
3	13/12/2023	DI000000712	1001169	NMI Durban South Motors	Supply, pre-delivery inspection, licencing & registration, number plate, smash & grab and registration of Mayor's vehicle	Durban	R553 227.13	RT57 Contract
4	13/12/2023	DI000000713	1001170	NMI Durban South Motors	Supply, pre-delivery inspection, licencing & registration, number plate, and registration of Speaker's vehicle	Durban	R514 974.97	RT57 Contract
5	20/12/2023	DI000000725	1001171	Reakgona Travel Services and Projects	Catering service (Lunch and breakfast) for Mayor's Magoshi forum on 21 December 2023	Polokwane	R58 351.00	Long term Contract
6	20/12/2023	DI000000727	1001172	Reakgona Travel Services and Projects	Conference package (Conference venue) for Mayor's Magoshi forum on 21 December 2024	Polokwane	R52 932.00	Long term Contract
7	21/12/2023	DI000000719	1001173	Vice Worx	Lunch for the launch of Mayor's cleaning awareness campaign at	Unit F, Lebowa kgomo	R19 980.00	Quote





					Lebowakgomo for 200 people			
8	21/12/2023	DI000000718	1001174	The Don Cash and Property Trading	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	Hweles haneng	R19000.00	Quotation
9	21/12/2023	DI000000729	1001175	Batho Phafogang Construction	2000 bottled water for the launch of Mayor's cleaning awareness campaign at Lebowakgomo	Toosen g	R23999.99	Quotation
10	21/12/2023	DI000000721	1001176	Ngoanamorolana	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	Ga-Ledwaba	R19000.00	Quotation
11	21/12/2023	DI000000720	1001177	Ompie and Sons Construction	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	Lenting	R21000.00	Quotation
12	22/12/2023	DI000000715	1001178	TLR Technologies and Projects	Catering for the launch of Mayor's cleaning awareness campaign at Lebowakgomo for 200 people	Manoge village, Ga-Mphahlele	R17457.00	Quotation
13	21/12/2023	DI000000723	LNM723	Tintela Trading Enterprise	30 X 15 seater mini buses for EPWP for Mayor's cleaning awareness	Zebediela	R90500.00	Quotation



					campaign at Lebowakgomo		
				TOTAL AMOUNT			R 1 448 105.40

### 3.4 Inventory management

The closing balance as at the 30<sup>th</sup> November is R1 969 003 .58 and was taken as opening balance for the month of December 2023.

The purchase of inventory from 1 October to 31 December amounted to R159 070.06 and the issues that were made amounted to R 1 99 098. 77. There was no stock correction made during the second quarter. Therefore, the closing balance for the period ended 31 December 2023 is R1 954 526.72

### 3.4 Procurement of goods and services under contracts secured by other organs of state

Lepelle Nkumpi Municipality has procured services under a contract secured by another organ of state during the 2<sup>nd</sup> quarter. The appointed service provider and the organ of state that secured the contract:

- One service provider was appointed for this period through Transversal contract (RT57) from National Treasury. See details below:

Item	Bid Description	Bid Amount	Successful Bidder	Reasons for Award	Address
1.	Supply, delivery and registration of Speaker and Mayor vehicles	R1 068 202.10	NMI Durban South Motors	Transversal contract(RT57)	Durban

### 3.5 Deviation from, and ratification of minor breaches of, procurement processes

SCM Regulations 36(2) states that: "The Accounting Officer must record reasons for any deviations in terms of sub regulation."

Deviation from, and ratification of minor breaches of, procurement processes are processed as per requirements of Municipal SCM Regulations and the Lepelle-Nkumpi Municipality SCM Policy is reflected under

- Two deviations were processed and approved for this period Amounting to R4 203 795.19. See details below

DEVIATION REGISTER FOR THE MONTH ENDING OCTOBER 2023							
N O.	DESCRIPT ION	ORDER NO	COMPA NY	ORDER DATE	AMOU NT	Addres s	REASON FOR DEVIATI ON
1	Registratio n fee for two officials attending PRISA training on advanced public relations writing on 9 to 13 October 2023	1001149	The Public Relation s Institute of South Africa	06/10/20 23	R36 216.00	Roseba nk	PRISA is hosting a training session about advance d public relations writing; it is impractic al to receive three quotes.
2	Upgrading of storm water control (Unit B)	LN086/202 3/24	Rea Holdings (Pty) Ltd	20/10/20 23	R4 167 579.19	Polokwa ne	Deviate from SCM processe s (From 14 days advert to 5 days advert) due to emergen cy as we are approach ing rainy season)
			<b>Total</b>		R4 203 795.19		

### 3.5 Contract Management

To implement contract management practices that will ensure that parties meet their obligations under the contract, and these obligations are appropriately recorded and disclosed in the Financial Statements. It should be noted that proper contract management have a potential to improve opportunities, decrease costs and enhance service delivery.

All departments must adhere to the prescripts of Supply Chain Management when dealing with extensions or variations to avoid irregular expenditures.

- The Municipality has Eighty-four (84) contracts on the contract register, where Technical Services unit has 26, Budget and Treasury has 12, Corporate Services has 31, Community services has 04, Planning and LED has 03, Municipal Manager's Office has 01 and leasing out of municipal property has 07 contracts.
- Twenty-one (21) contracts are in operation, where Technical Services unit has 03, Budget and Treasury has 06, Corporate Services has 05, Community services has 01, Planning and LED has 02, and leasing out of municipal property has 04 contracts in operation.
- The contracts which have since expired are Twenty-six (26), where Technical Services unit has 10, Budget and Treasury has 03, Corporate Services has 05, Community services has 03, Planning and LED has 01, Municipal Manager's Office has 01 and leasing out of municipal property has 03 expired contracts.
- There are five (05) contracts are on extension, where Budget and Treasury has 03, Corporate Services has 02. Two of those for Budget and Treasury were extended during the second quarter.
- Eight (08) project base on finalization of the case for legal services
- Eight (08) contract on month to month, wherein Corporate Services has 06 and Technical has 02.
- Six (06) contract extended till the completion of the project for Technical Services
- Two (02) case finalized contracts for Corporate Services
- Two (02) terminated contracts, wherein 01 is for budget and treasury and 01 is for Corporate Services
- One (01) contract is still on hold for Technical Services
- The number of contracts which will expire in the next six months are Five (05), wherein 04 is for Technical Services and 01 for Corporate Services.

## Summary of the contract register

Department s	CO NT RA CT EX PI R ED	TER MIN ATE D	FIN ALI SE D	IN OPE RAT ION	BAS E ON FINA LISA TION OF THE CAS E	O N M O N T H T O M O N T H	EXT END ED TILL THE COM PLE TION OF THE PRO JEC T	ON HO LD	ON EXT ENT ION	EX PI R IN G IN TH E NE XT SIX MO NT HS	T O T A L
Technical Services	10	0	0	3	0	2	6	1	0	4	23
Budget and Treasury	3	1		6	0	0	0	0	3		13
Corporate Services	5	1	2	5	8	6	0	0	2	1	33
Community services	3	0	0	1	0	0	0	0	0		4
Planning and LED	1	0	0	2	0	0	0	0	0		3
Municipal Manager's Office	1	0	0	0	0	0	0	0	0		1
Leasing out of municipal property	3	0	0	4	0	0	0	0	0		7
<b>TOTAL</b>	<b>26</b>	<b>2</b>	<b>2</b>	<b>21</b>	<b>8</b>	<b>8</b>	<b>6</b>	<b>1</b>	<b>5</b>	<b>5</b>	<b>84</b>

### 4. CHALLENGES

- Non-submission of specifications by end-users
- Non-responsiveness of bids
- Shortage of staff in SCM Unit

### 4. IMPLICATIONS.

1. Impact on service delivery if bids are not awarded on time
2. Procurement plan may not be 100% implemented

#### 4.2. LEGAL IMPLICATION(S)

Non-compliance with the implementation of Supply Chain Management policy and other legislative requirements may lead to irregular expenditure.

#### 4.3. FINANCIAL IMPLICATION(S)

All transactions reported had been processed as per the vote numbers provided on the approved budget.