



SUPPLY CHAIN MANAGEMENT UNIT

QUARTERLY SCM IMPELMANTATION REPORT

31 MARCH 2020

1. PURPOSE

To report to Council the progress in supply chain management implementation and transactions approved by the accounting officer or delegated officials in terms of Council's Supply chain management policy with regard to orders issued, deviations, irregular expenditure, tenders and other SCM processes and transactions as required by the Supply Chain Management Policy of Lepelle-Nkumpi Municipality.

2. BACKGROUND

The Bid specifications, Bid Evaluation and the Bid Adjudication Committees were established in terms of the provision of the Local Government Municipal Finance Management Act.

These Bid Specifications, Bid Evaluation and Bid Adjudication Committees consists of officials with authority to recommend bids in accordance to their terms of reference.

Bids were evaluated and adjudicated in accordance with criteria set out in the preferential Procurement Policy Framework Act (Act no: 5 of 2000 & 2011), the Preferential Regulations published in terms of Government Gazette NO 222549 and the amended PPPFA Regulations 2017.

Bids are evaluated and adjudicated in accordance with preference point system as set in the evaluation criteria specified on the bid document. The bids are recommended by the Evaluation and Adjudication Committees and approved by the Municipal Manager are attached as Table 4.

SCM Regulations 36(2) states that: "The Accounting Officer must record reasons for any deviations in terms of sub regulation (1) (a) and (b) and report them to the next meeting of the Council, and include as a note to the annual financial statements."

The council's supply chain management policy gives the accounting officer the responsibility to record and report all deviations as per Table 5.

The report assists the Council to play an oversight role on the implementation of the Supply Chain Management Policy. It is with this background that the Supply Chain Management Report for the Month of January, February and March be presented to the Economic Cluster Portfolio Committee, Executive Committee and Council for noting.

3. POLICY IMPLICATIONS

All transactions were implemented in accordance with the approved SCM policy of Lepelle Nkumpi Municipality.

4. LEGAL IMPLICATIONS

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. In addition, Regulation 6(3) provides that the quarterly reports on implementation Supply Chain Management Policy must be submitted to the Mayor at the end of each quarter.

5. FINANCIAL IMPLICATIONS

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

6. COMMUNICATION IMPLICATIONS

The report will be made public in the manner prescribed in Regulation 6(4) of the Supply Chain Management Regulations issued in terms of the MFMA.

BUDGET AND TREASURY OFFICE: SUPPLY CHAIN MANAGEMENT UNIT

SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE QUARTER ENDING DECEMBER 2019

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SCM PROCESSES AND TRANSACTIONS OF IMPLEMENTING THE SCM POLICY

Range of procurement processes

Transaction: R0 to R29 999.99(Formal Written Quotations)

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

Transaction: R30 000.00 to R199 999.99(Formal Written Quotations)

The evaluation is done by SCM Manager, one SCM official and end-user and recommendation by CFO made to the Accounting Officer for approval, to all procurement of a transaction value between R 30 000.00 and R199 999.99.

Transaction: R200 000.00 to above (Competitive bidding system)

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.

Supply chain management unit

The accounting officer has established a supply chain management policy. SCMUs operate 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 system.

Training of supply chain management officials

The training of officials involved in implementing the SCM policy was conducted in accordance with any National Treasury Regulations guidelines on supply chain management training as follows: SCM Training Session on the 24th to 28th of June 2019 in preparation of 2019/20 Financial Year.

Procurement Plan

At the beginning of the financial year, the SCM Unit consolidated the procurement plan from end user departments, aligned to the budget and approved by the Accounting Officer, the procurement plan was also submitted to Council.

System of acquisition management

Range of Procurement Threshold

Goods and services are procured through the following processes –

| Threshold Value (VAT inclusive) | Procurement method | Delegated Authority | Oversight role |
|---------------------------------|--|-------------------------|-------------------------|
| 0 – R2 000 | Petty cash purchases | Heads of Departments | Chief Financial Officer |
| R2 001 to R29 999.99 | Three (3) formal written quotations; Quotations must be sourced from the Central Suppliers Database (CSD) | Chief Financial Officer | Municipal Manager |
| R30 000 to R199 999.99 | Formal written quotations be advertised for at seven (7) days on the Notice board and website of the Municipality. The 80/20 Preference Point system would apply. Specification approved by Municipal Manager. Evaluation and recommendations to be done through the technical team and making recommendations to the Chief Financial Officer for Municipal Manager for approval | Municipal Manager | Council |

| | | | |
|-------------------------------------|---|-------------------|---------|
| Bids above R 200 000 to R10 000 000 | A competitive bidding process: (i) Advertise for at least 14 days on Lepelle Nkumpi notice boards, website and E-tenders; (ii) 80/20 Preference Point system would apply. Bid Adjudication Committee to make recommendation to the Accounting Officer. | Municipal Manager | Council |
| Bids above R 10 000 000.00 | A competitive bidding process: (i) Advertise for at least 30 days on Lepelle Nkumpi notice boards and websites; (ii) Advertise for at least 30 days on locally circulating newspapers; (iii) 80/20 or 90/10 Preference Point system would apply. Bid Adjudication Committee to make recommendation to the Accounting Officer. | Municipal Manager | Council |

Lists of accredited prospective providers

Lepelle Nkumpi Municipality is utilising the Central Supplier Database. The listing criteria is as per CSD requirements as the listing of suppliers on CSD is no longer controlled by the municipality but centralised to National Treasury Central Supplier Database.

Committee system for competitive bids

A committee system for competitive bids consists of:

- (a) Bid Specification Committee;
- (b) Bid Evaluation Committee; and
- (c) Bid Adjudication Committee;

The accounting officer has appointed in writing the chairpersons and members of each committee taking into account section 117 of the Act.

Composition of Bid Committees

The accounting officer appointed members of each committee based on the Municipal SCM Regulations and LNM SCM Policy:

Functions and Purpose of Committees

The committees has been appointed to execute the functions and purposes of the different committees based on the Municipal SCM Regulations and LNM SCM Policy.

Evaluation and Adjudication of bids on a point system

All bids are evaluated and adjudicated as per the Preferential Procurement Policy framework Act (Act No 5 of 2000) and PPR as amended in 2017 provides the framework within which the Council's preference points systems shall be established. The Act is amended by Preferential Procurement Regulations of 2011 and as amended again in 2017.

LNM has determine its SCM policy and implement it within the required framework.

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

The accounting officer procure goods or services under a contract secured by another organ of state, only if the requirements of Municipal SCM Regulations 32 and MFMA Circular no 96 are met. Lepelle Nkumpi Municipality has not procured any goods and services under a contract secured by another organ of state during the 2nd Quarter.

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

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. (See Table 5)

Unsolicited bids

Lepelle Nkumpi Municipality has not considered any unsolicited bids and has not received any bid outside a normal bidding process.

Logistics management

The accounting officer has established and implemented an effective system of logistics management. Bi-annual stock take has been conducted in 18th and 19th December 2019. Annual stock taking will be conducted from 23 to 24 June 2019.

Prohibition on awards to persons whose Tax matters are not in order

No award has been made to a person whose tax matters have not been declared by the South African Revenue Service to be in order. These was verified through the Central Suppliers Database (CSD).

Prohibition on awards to persons in the service of the state

No award that were made to persons in the service of the State, this is verified through the CSD summary report. Although there were awards that were made to CIGFARO and other professional bodies who have nominated officials serving as board of directors who are employees of the state. National Treasury has issued a communique Ref: 43/1/2/5/1 which indicates that the employees who are serving as board of directors are not receiving any remuneration. The employees serving as board of directors cannot be regarded as possible conflict of interest.

Awards to close family members of persons in the service of the state

No identified award made to close family members of persons in the service of the state as per MBD 4 disclosure forms.

Ethical standards

All the SCM Practitioners, and other role players have signed the Code of Conduct.

Inducements, rewards, gifts and favours to officials and other role players

The Gift Register is available in the Office of the Municipal Manager and facilitated by the Risk Officer.

Sponsorships

No sponsorships were received.

Assessment / Measurement of Supply Chain Management

Lepelle - Nkumpi Municipality monitors and assess the performance of all contractors during the contract period, through the end user departments and facilitated by PMS Unit.

Contractor Assessment

Lepelle - Nkumpi Municipality monitors and assess the performance of all contractors during the contract period, through the end user departments and facilitated by PMS Unit.

Access to bidding information

All bidding information are made available to all interested and affected parties including the Council of Lepelle – Nkumpi Municipality. Bidders are informed of the final bid results through the municipal website. The Accounting Officer submits a report to the next Council meeting after the end of every quarter.

Amendment of the supply chain management policy

The accounting officer has at least annually review the implementation of the SCM Policy.

Irregular Expenditure

Lepelle-Nkumpi Local Municipality has incurred irregular expenditures in the financial year 2019/2020 for the 3rd Quarter ending 31 March 2020 relating mostly to subsequent payment of contracts that were extended without the approval of council, suppliers not declaring interests, non-submission of original tax certificates, goods and services being procured from suppliers who are not on the supplier's list, tender incorrectly not awarded to bidder with highest points, SCM practitioner not been part of the bid adjudication committee(BAC), tender being awarded to disqualified bidder, accounting officer not ratifying appointment of different bidders, a technical expert not been part of BAC, tenders not advertised for at least 14 days, and the reasons for deviations not been justifiable at an amount of **R 598 645.00** (See attached Annexures).

Table 1: Purchase orders issued January, February March 2020

| REPORT OF ORDERS ISSUED FOR THE MONTH | | | | | | |
|---------------------------------------|--------|----------|---|--|-------------|-------------|
| JANUARY | | | | | | |
| DATE | RFQ NO | ORDER NO | SERVICE PROVIDER | DESCRIPTION | AMOUNT | SCM PROCESS |
| 22/01/2020 | 1412 | 2011837 | Mahenyahenya General Trading and Projects | Hiring of Sound System plus 2 Microphones (Roving) for Council meeting to be Held on 31/01/2020 at Mathabatha community Hall at 11H00. | R 3,500.00 | Quotation |
| 1/22/2020 | 1411 | 2011835 | Kourtney Trading | Catering of 150 people for Council meeting to be Held on 31/01/2020 at Mathabatha community Hall at 11H00. | R 12,750.00 | Quotation |
| 22/01/2020 | 1410 | 2011836 | Rankotsane Trading | Catering service of 150 people for Council meeting to be Held on 31/01/2020 at Mathabatha community Hall at 11H00. | R 12,450.00 | Quotation |
| 31/01/2020 | 2706 | 2011834 | MP Makoko Trading Enterprise | Advertisement of the position of Chief Financial officer on the 22/12/19 in Sunday world and Sowetan newspapers. | R 29,999.00 | Quotation |

| | | | | | | |
|------------|-------|---------|--------------------------------|---|--------------|--------------------|
| 28/01/2020 | 51887 | 51887 | Babirwa Travel CC | Accommodation and meals for Acting Municipal Manager to attend 2nd annual legal government talent management seminar be held on 30-31 January 2020 check in 29 January 2020 check out 31 January 2020 at Birchwood hotel OR Tambo conference center | R 1,771.20 | Long Term Contract |
| 21/01/2020 | 1407 | 1407 | Babirwa Travel CC | Accommodation, meals and conference package for 06 ethics and integrity committee working session check in :21/01/2020 check out:22/01/2020 | R 18,031.80 | Long Term Contract |
| 17/01/2020 | 1158 | 2011825 | Selema Plant Hire Construction | Hiring of Grader for 120 hours as per SLA for Supply and delivery of Plant (as and when required) for a period of 36 Months | R 110,400.00 | Long Term Contract |
| 17/01/2020 | 1159 | 2011824 | Selema Plant Hire Construction | Hiring of Dozer for 100 Hours as per SLA for Supply and delivery of Plant (as and when required) for a period of 36 Months | R 109,250.00 | Long Term Contract |

| | | | | | | |
|--------------|------|---------------------------------|------------------------------------|---|--------------|--------------------|
| 17/01/2020 | 1162 | 2011823 | Selema Plant Hire Construction | Hiring of Tipper Truck for 240 hours as per SLA for Supply and delivery of Plant (as and when required) for a period of 36 Months | R 151,800.00 | Long Term Contract |
| 17/01/2020 | 1160 | 20111818 | Selema Plant Hire Construction | Hiring of excavator for 100 hours as per SLA for Supply and delivery of Plant (as and when required) for a period of 36 Months | R 97,750.00 | Long Term Contract |
| 22/01/2020 | 1408 | LNMO1408 | Babirwa Travel CC | Conference package, accommodation and meals for 12 MPAC members attending working session from 22- 26/01/2020 Check in 22/01/2020 check out 26/01/2020 | R 101,155.20 | Long Term Contract |
| 17/01/2020 | 1161 | 2011822 | Selema Plant Hire Construction | Hiring of lowbed truck for 65 hours as per SLA for Supply and delivery of Plant (as and when required) for a period of 36 Months | R 37,375.00 | Long Term Contract |
| 22/01/2020 | 1613 | 2011830, 2011828,201 1829 | White hall Trading and Projects | Supply and delivery of Traffic Uniform for 10 Traffic Officials as per specification | R 94,380.50 | Long Term Contract |
| TOTAL | | | | | R 780,612.70 | |

| REPORT OF ORDERS ISSUED FOR THE MONTH | | | | | | |
|---------------------------------------|--------|----------|----------------------------|--|--------|-------------|
| FEBRUARY | | | | | | |
| DATE | RFQ NO | ORDER NO | SERVICE PROVIDER | DESCRIPTION | AMOUNT | SCM PROCESS |
| 6/2/2020 | 2584 | 2011842 | Hlatse Kea Travelling | Hiring of one 65 seater bus that will be transporting people from Mafefe cluster to attend the launch of Capricorn District Development Model on 07/02/2020 at polokwane Aganang Cluster Sport Ground. | 17000 | Quotation |
| 6/2/2020 | 2581 | 2011846 | Mazet Services | Catering for 250 people attending launch of Capricorn District Development Model at Aganang Polokwane on 07/02/2020 | 22500 | Quotation |
| 6/2/2020 | 2582 | 2011851 | Mmutla wa Moswatsi pty ltd | Catering for 250 people attending launch of Capricorn District Development Model at Aganang Polokwane on 07/02/2020 | 20000 | Quotation |
| 6/2/2020 | 2579 | 2011849 | Hlatse Kea Travelling | Hiring of one 65 seater bus that will be transporting people from Mafefe cluster to attend the launch of Capricorn District Development Model on 07/02/2020 at polokwane Aganang Cluster Sport Ground. | 19000 | Quotation |

| | | | | | | |
|------------|------|---------|--|---|----------|-----------|
| 6/2/2020 | 2578 | 2011843 | Ompie and sons Construction pty ltd | Hiring of two 65 seater bus that will be transporting people from Mphahlele cluster to attend the launch of Capricorn District Development Model on 07/02/2020 at polokwane Aganang Cluster Sport Ground. | 28000 | Quotation |
| 6/2/2020 | 2580 | 2011848 | Batsibi Trading | Hiring of one 65 seater bus that will be transporting people from Lebowakgomo cluster to attend the launch of Capricorn District Development Model on 07/02/2020 at polokwane Aganang Cluster Sport Ground. | 15000 | Quotation |
| 24/02/2020 | 2959 | LN02959 | Boledi Ba Phake Trading and Supply | Advertising of Public Notice 2018/19 Annual Report on the Local and National Newspaper. | 21758.33 | Quotation |
| 21/02/2020 | 2710 | 2011860 | Boledi Ba Phake Trading and Supply | Advertisement for position of Executive Manager Planning and LED to be published on National and Local newspaper | 28000.3 | Quotation |
| 25/02/2020 | 2960 | 2011865 | Babirwa Travel | Accommodation and meals for Maphoru Donald in Birchwood hotel in Gauteng attending 3rd annual local government performance seminar. Check in 26/02/2020 check out 28/02/2020 | 3542.4 | Long-Term |

| | | | | | | |
|------------|---------|----------|---|--|----------|-----------|
| 17/02/2020 | 2571 | LnM02571 | Babirwa Travel | Accommodation and meals for Cllr Mphahlele RL who will be attending working group SALGA on the 18-19 February 2020 at Lephalale Municipality. Check in 17/02/2020 check out 19/02/2020 | 3444 | Long-Term |
| 18/02/2020 | LN02587 | | Babirwa Travel | Accommodation and meals for Mr. Mashegoane (Mayor's driver who will be transporting the mayor to Thohoyandou who will be attending LED capacity Building Programme. Check in 18/02/2020 Check out 21/02/2020 | 3929.85 | Long-Term |
| 27/02/2020 | 2871 | 2011887 | Mistic Falls Trading Pty Ltd | Catering services for 100 people attending ward based aids council chairperson workshop to be held at Civic Centre hall Lebowakgomo on 27/02/2020 | 9000 | Quotation |
| 21/02/2020 | 2709 | 2011861 | Boledi Ba Phake Trading and Supply | Advertisement for the position of Municipal Manager to be published on National and Local newspaper. | 27009.62 | Quotation |
| 27/02/2020 | 51891 | 2011888 | Maredi A Mologadi Catering and Projects | Catering services for 50 people attending quarterly district back to basic engagement reporting session | 4000 | Quotation |

| | | | | | | |
|--------------|------|---------|-------------------------------|--|------------------|--------------------|
| 6/2/2020 | 2577 | 2011850 | Sagodimo Trading Projects CC | Hiring of two 65 seater buses transporting people from Iepelle-nkumpi to Polokwane Aganang cluster to launch Capricorn district development model on 07/02/2020 | 25200 | Quotation |
| 6/2/2020 | 2958 | 2011838 | Boiketlo Baka trading 317 | Hiring of a 15x30 white tent and VIP mobile toilet for Go Loma Marula at Batau Baseloane on 07/02/2020 | 13500 | Quotation |
| 25/02/2020 | 2651 | 2011863 | Babirwa Travel CC | Conference package, accommodation and meals for 20 people attending meeting of organizational structure to be held at Bolivia Lodge in Polokwane. Check in 02/03/2020 Check out 04/03/2020 | 115921.35 | Long-Term |
| 25/02/2020 | 1305 | 201186 | TLR Technologies and projects | Service of firefighting equipment within the Municipality | 29900 | Quotation |
| 28/02/2020 | 1415 | 2011891 | Babirwa Travel CC | Conference package, accommodation and meals for 12 people attending MPAC Working session to be held in Polokwane. Check in 28/02/2020 check out 02/03/2020 | 80220.6 | Long-Term Contract |
| 28/02/2020 | 1416 | 2011890 | TLR Technologies and projects | Hiring of sound system for council meeting scheduled for 28/02/2020 | 3850 | Quotation |
| TOTAL | | | | | 490776.45 | |

| REPORT OF ORDERS ISSUED FOR THE MONTH | | | | | | |
|---------------------------------------|--------|----------|---------------------------------------|--|--------|-------------|
| MARCH | | | | | | |
| DATE | RFQ NO | ORDER NO | SERVICE PROVIDER | DESCRIPTION | AMOUNT | SCM PROCESS |
| 2/3/2020 | 50349 | 2011896 | Manapyane Holding Pty Ltd | Advertisement of MPAC invitation for public participation on 2018/19 repo to be held at Lebowakgomo civic hall on 10/03/2020 | 13920 | Quotation |
| 12/3/2020 | 1858 | 2011959 | Lesego Rato Legacy | Catering services for 150 people attending information sharing on 13/03/2020 | 11700 | Quotation |
| 3/3/2020 | 2962 | 2011903 | KTSM Holdings pty ltd | Lunch for 30 people attending Management Planning Session at Legislature hall on 03/03/2020 | 2670 | Quotation |
| 12/3/2020 | 1857 | 2011957 | Nkarane Trading and supply pty ltd | Catering services for 150 people attending information sharing on 13/03/2020 | 11700 | Quotation |
| 12/3/2020 | 1861 | 2011956 | Tsitsane Providing Enterprise pty ltd | Catering services for 100 people attending information sharing on 13/03/2020 | 8195 | Quotation |
| 9/3/2020 | 1851 | 2011912 | Mokgehle and Modifa Trading | Supply and delivery of 500 Arch Lever files | 25000 | Quotation |

| | | | | | | |
|------------|------|---------|---|--|-------|-----------|
| 12/3/2020 | 1419 | 2011955 | TLR Technologies and Projects | Catering for 150 people attending MPAC public participation at Lebowakgomo Civic Centre on 12/03/2020 | 12225 | Quotation |
| 11/3/2020 | 1860 | 2011944 | Nkarane Trading and supply pty ltd | Hiring of sound system for information sharing on 13/03/2020 | 4000 | Quotation |
| 10/3/2020 | 2968 | 2011930 | Maredi a Mologadi Catering and projects | Breakfast and lunch for 80 people for enforcement of eviction on 12 and 13 March 2020 | 11840 | Quotation |
| 17/03/2020 | 2964 | 2011968 | TLR Technologies and Projects | Breakfast and lunch for 90 people attending organizational strategic planning on 17/02/2020 | 10602 | Quotation |
| 5/3/2020 | 2967 | 2011902 | MP Makoko Trading Enterprise | Advertisement of IDP Amended on National and Local Newspaper | 13900 | Quotation |
| 9/3/2020 | 1863 | 2011911 | MP Makoko Trading Enterprise | Advertisement of adjustment budget for 2019/20 financial year to be published on National and Local newspaper. | 13900 | Quotation |
| 10/3/2020 | 2971 | 2011925 | Batsibi Trading pty ltd | Hiring of 2 in 1 mobile toilet from 11/03/2020 to 12/03/2020 | 6600 | Quotation |

| | | | | | | |
|------------|-------|---------|-------------------------------|---|---------------|--------------------|
| 2/3/2020 | 50350 | 2011894 | Manapyane Holding Pty Ltd | Advertising Public Notice for MPAC for 2018/19 annual reports to be advertised on National and Local newspaper | 13920 | Quotation |
| 2/3/2020 | 1856 | 2011897 | Manapyane Holding Pty Ltd | Advertisement of information sharing session to be advertised on National and Local newspaper | 19849 | Quotation |
| 24/03/2020 | 1316 | 2012011 | Lesego Rato Legacy | Supply and delivery of Medical gloves and sanitizers | 48790 | Deviation |
| 17/03/2020 | 2966 | 2011964 | MP Makoko Trading Enterprise | Advertisement of Re-submission of unapproved new building plans for re-assessment to be published on national and local newspaper | 13900 | Quotation |
| 11/3/2020 | 1420 | 2011949 | TLR Technologies and Projects | Hiring of sound system for public participation scheduled for 12/03/2020 | 4000 | Quotation |
| 19/03/2020 | 1854 | 2011994 | Nora Elle pty ltd | Supply and delivery of toilet paper rolls and Hygiene toilet seat wipes | 61500 | Long-Term Contract |
| 12/3/2020 | 51669 | 2011954 | Phenyo Pele Services pty ltd | Supply and delivery of brush cutter | 23900 | Quotation |
| | | | | TOTAL | 332111 | |

Table 2: Bids Advertised January, February, and March 2020

JANUARY 2020

| BID NUMBER | BID DESCRIPTION | CLOSING DATE | STATUS |
|-------------------|--|---------------------|---|
| LNLM016/2019/20 | Professional service provider for licensing of borrow pits Re advert | 17 February 2020 | Adjudication stage |
| LNLM025/2019/20 | Professional service provider for VAT contingency review of Lepelle-Nkumpi Municipality for a period of 36 months | 09 March 2020 | To be re advertised (expired validity period) |
| LNLM009/2019/20 | Preparation of Annual financial statements for a period of 12 months | 18 February 2020 | Appointed |
| LNLM007/2019/20 | Panel of Professional service provider for Travel Management for a period of 24 months Re- advert | 06 March 2020 | To be re advertised (expired validity period) |
| LNLM026/2019/20 | Panel of two Service providers for Supply and delivery of disaster relief materials (as and when required) for a period of 36 months Re advert | 05 March 2020 | Adjudication stage |
| LNLM013/2018/19 | Supply, installation and leasing of photocopy machines for a period of 36 months Re advert | 10 February 2020 | Re advertised |

| | | | |
|---------------|--|------------------|---------------|
| LN003/2019/20 | Professional service provider render cash collection Services for a period of 36 months Re- advert | 10 February 2020 | Re advertised |
|---------------|--|------------------|---------------|

FEBRUARY 2020

| BID NUMBER | BID DESCRIPTION | CLOSING DATE | STATUS |
|-------------------|--|---------------------|--------------------|
| LN010/2019/20 | Installation of 12 highmast lights Re advert | 25 February 2020 | Appointed |
| LN024/2019/20 | Upgrading of Hweleshaneng access road from gravel to tar | 27 February 2020 | Appointed |
| LN002/2019/20 | Construction of road and storm water Kliphuwel | 28 February 2020 | Appointed |
| LN021/2019/20 | Completion of Madisha Ditoro Community hall | 24 February 2020 | Adjudication stage |

MARCH 2020

| BID NUMBER | BID DESCRIPTION | CLOSING DATE | STATUS |
|-------------------|---|---------------------|---|
| LN003/2019/20 | Professional service provider to render cash collection for a period of 36 months | 07 April 2020 | Closing date extended to 11 June due to national lockdown |
| LN024/2019/20 | Construction of Maralaleng Community hall | 26 March 2020 | Appointed |
| LN022/2019/20 | Supply, installation and maintenance of Security equipment for a period 36 months | 31 March 2020 | Closing date extended to 12 June due to national lockdown |

Table 3: Bids withdrawn January, February, March 2020

JANUARY 2020

| BID NUMBER | BID DESCRIPTION | REASONS FOR WITHDRAWAL |
|-------------------|-----------------|------------------------|
| No bids withdrawn | | |

FEBRUARY 2020

| BID NUMBER | BID DESCRIPTION | REASONS FOR WITHDRAWAL |
|-------------------|-----------------|------------------------|
| No bids withdrawn | | |

MARCH 2020

| BID NUMBER | BID DESCRIPTION | REASONS FOR WITHDRAWAL |
|-------------------|-----------------|------------------------|
| No bids withdrawn | | |

Table 4: Bids awarded January, February, and March 2020

AWARDED BIDS January 2020

| IT E M | Bid Description | Bid Amount | Successful Bidder | B- BB EE Lev el | Reasons for Award | Municipality |
|--------------|--|--------------|--------------------------------------|-----------------------------|---|-----------------------------|
| 1 | Supply and delivery of toilet papers for a period of 36 months (LNM008/2019/20) | R 291.00 | Nora Elle (Pty) Ltd | 01 | The service provider fully met our specification The highest scorer at 100 Points Bidder B= 88.61 Bidder C= 81.47 Bidder D= 73.84 | Ga Nkwana |
| 2 | Contractor for Electrification of Makushwaneng Village 35 Households with 34 Connections (LNM0012/2019/20) | R 675 712.40 | Mahlatji Mmetji Trading and projects | 01 | The service provider fully met our specification The highest scorer at 100 Points Bidder B= 70.30 Bidder C= 79.09 Bidder D= 71.37 | Lepelle Nkumpi Municipality |

AWARDED BIDS FEBRUARY 2020

| IT E M | Bid Description | Bid Amount | Successful Bidder | B- BB EE Lev el | Reasons for Award | Municipality |
|--------------|--|-----------------|----------------------|-----------------------------|--|------------------------|
| 1 | Operation and management of landfill site for a period of 36 months (LNM005/2019/20) | R 14 898 250.00 | Mascon Trading | 01 | The service provider fully met our specification The highest scorer at 100 Points Bidder B=58.16 | Polokwane Municipality |

AWARDED BIDS MONTHLY REPORT MARCH 2020

| ITEM | Bid Description | Bid Amount | Successful Bidder | B-BBEE Level | Reasons for Award | Municipality |
|-------------------------------|-----------------|------------|-------------------|--------------|-------------------|--------------|
| NO BIDS WERE AWARDED IN MARCH | | | | | | |

Table 5: Deviations January, February, March 2020

DEVIATION REPORT FOR JANUARY 2020

DEVIATION REPORT FOR JANUARY 2020: SOLE SUPPLIER

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | APPROVAL DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|------|-------------|-------------------|-----------------------------|------------------|-------------------|--------------------------|
| NONE | | | | | | |

DEVIATION REPORT FOR JANUARY 2020: EXCEPTIONAL OR IMPRACTICALLY

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | INVOICE DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|----|-------------|-------------------|-----------------------------|-----------------|-------------------|--------------------------|
| 01 | NONE | | | | | |

DEVIATION REPORT FOR JANUARY 2020: EMERGENCY

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | APPROVAL DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|------|-------------|-------------------|-----------------------------|------------------|-------------------|--------------------------|
| NONE | | | | | | |

TOTAL DEVIATION AMOUNT FOR MONTH ENDING JANUARY 2020= R 0.00

DEVIATION REPORT FOR FEBRUARY 2020

DEVIATION REPORT FOR FEBRUARY 2020: SOLE SUPPLIER

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | APPROVAL DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|------|-------------|-------------------|-----------------------------|------------------|-------------------|--------------------------|
| NONE | | | | | | |

DEVIATION REPORT FOR FEBRUARY 2020: EXCEPTIONAL OR IMPRACTICALLY

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | INVOICE DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|----|-------------|-------------------|-----------------------------|-----------------|-------------------|--------------------------|
| 01 | NONE | | | | | |

DEVIATION REPORT FOR FEBRUARY 2020: EMERGENCY

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | APPROVAL DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|------|-------------|-------------------|-----------------------------|------------------|-------------------|--------------------------|
| NONE | | | | | | |

TOTAL DEVIATION AMOUNT FOR MONTH ENDING FEBRUARY 2020= R 0.00

DEVIATION REPORT FOR MARCH 2020**DEVIATION REPORT FOR MARCH 2020: SOLE SUPPLIER**

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | APPROVAL DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|------|-------------|-------------------|-----------------------------|------------------|-------------------|--------------------------|
| NONE | | | | | | |

DEVIATION REPORT FOR MARCH 2020: EXCEPTIONAL OR IMPRACTICALLY

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | INVOICE DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|----|--|-------------------|-----------------------------|-----------------|-------------------|--|
| 01 | Preliminary services of the employed staff and purchase of equipment to dismantle the illegal structures by the Sherriff against the court order from the Polokwane High Court against illegal occupiers of the farm Voorspoed 458KS | N/A | Sherriff Phalala | 24/03/2020 | R20 000.00 | Sherrif Phalala was authorized by the court to act on behalf of the Municipality against illegal occupiers of the farm Voorspoed 458KS hence obtaining other quotations became impractical |

| | | | | | | |
|-----------|---|-----|-----------------------------|--------------|-------------|--|
| 02 | Hiring services of 6M scaffolding in order for electrical Department personnel to attend non-functional lights at Civic centre hall for the meeting between the Municipality and the National Council of provinces (NCOP) | N/A | Matietji Trading Enterprise | INVOICE DATE | R 12,630.00 | |
|-----------|---|-----|-----------------------------|--------------|-------------|--|

DEVIATION REPORT FOR MARCH 2020: EMERGENCY

| NO | DESCRIPTION | REQUEST NUMBER | NAME OF SERVICE PROVIDER | APPROVAL DATE | CONTRACT VALUE | REASON FOR DEVIATIONS |
|------|-------------|-------------------|-----------------------------|------------------|-------------------|--------------------------|
| NONE | | | | | | |

TOTAL DEVIATION AMOUNT FOR MONTH ENDING MARCH 2020= R 32 630.00

TOTAL DEVIATION AMOUNT FOR THE QUARTER ENDING 31 MARCH 2020 = R 32 630.00

Table 6: irregular expenditure January, February and March 2020

Lepelle Nkumpi Local Municipality - 31 January Irregular expenditure register

| No | Service provider | Description (of service rendered) | Tender no (Only for tenders) | Awarded amount | Reason for Irregular | Reason for Irregular (Summarised) | Tender or quotation | Period identified | Total Irregular 2017/18 | General Comments |
|--|------------------|-----------------------------------|------------------------------|----------------|----------------------|-----------------------------------|---------------------|-------------------|-------------------------|------------------|
| NO IRREGULAR EXPENDITURE INCURRED FOR THE MONTH OF JANUARY | | | | | | | | | | |

Lepelle Nkumpi Local Municipality - 28 February Irregular expenditure register

| N o | Service provider | Description (of service rendered) | Tender no (Only for tenders) | Awarded amount | Reason for Irregular | Reason for Irregular (Summarised) | Tender or quotation | Period identified | Total Irregular 2017/18 | General Comments |
|--------------|-------------------------------|--|------------------------------------|----------------|---|--|------------------------|-------------------|----------------------------|---|
| 1 | Ngungwa Development | Upgrading of Mathabatha Road from Gravel to Tar and Stormwater | LNMO35/201 5/2016 | 13,046,318.14 | Tender above 10m not advertised for 30 days | Tender above 10m not advertised for 30 days | Tender | 2015/2016 | 481514.97 | The municipality has appointed Ngungwa Development for Professional Service Provider for Upgrading of Mathabatha Road from Gravel to Tar and Stormwater and the and AG has during its 2015/16 audit identified some irregularities. |
| 2 | Kanas Consulting Engineers | Professional Service Provider for the Electrification of Mahlatjane | LNMO05/201 6/17 | 75,000.00 | Request for quotation not sent out at least 14 days before the closing date | Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date | Tender | 2016/2017 | 104500 | The municipality has appointed Kanas Consulting Engineers Professional Service Provider for the Electrification of Mahlatjane and AG has during its 2016/17 audit identified some irregularities. |
| Total | | | | | | | | | 586014.97 | |

impi Local Municipality - 31 March Irregular expenditure register

| Service provider | Description (of service rendered) | Tender no (Only for tenders) | Awarded amount | Reason for Irregular | Reason for Irregular (Summarised) | Tender or quotation | Period identified | Total Irregular 2017/18 | General Comments |
|--|-----------------------------------|------------------------------|----------------|----------------------|-----------------------------------|---------------------|-------------------|-------------------------|------------------|
| NO IRREGULAR EXPENDITURE INCURRED FOR THE MONTH OF MARCH | | | | | | | | | |

RECOMMENDATIONS

1. That cognizance be taken of the content of the report including:

1.1. Detailed list of SCM processes and transactions

1.2. Detailed list of purchase orders issued for the period ended 31 March 2020 (Table 1)

1.3. Detailed list of bids advertised for the period ended 31 March 2020 (Table 2).

1.4. Detailed list of bids withdrawn for the period ended 31 March 2020 (Table 3).

1.5. Detailed list of bids awarded for the period ended 31 March 2020 (Table 4).

1.6. Detailed list of deviations approved by the accounting officer for the period ended 31 March 2020 (Table 5)

1.7. Detailed list of irregular expenditures for the period ended 31 March 2020 (Table 6).

1.8. That the Accounting Officer, in compliance with Regulation 6(4) of the Supply Chain Management Regulations issued in terms of the Local Government: Municipal Finance Management Act 56 of 2003, makes this report public in the manner prescribed in section 21A of the Local Government: Municipal Systems Act No 32 of 2000, for access thereof by the public.