



# **SUPPLY CHAIN MANAGEMENT UNIT**

## **QUARTERLY SCM IMPELMANTATION REPORT**

**30 SEPTEMBER 2019**

## **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 Section 8 of 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 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 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, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements."

Section 44 of 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 July, August and September 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.

### **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 SEPTEMBER 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 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 24<sup>th</sup> to 28<sup>th</sup> 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 are met. Lepelle Nkumpi Municipality has not procured any goods and services under a contract secured by another organ of state during the 1<sup>st</sup> 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 will be conducted in December 2019. Annual stock taking will be conducted in 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 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 1<sup>st</sup> Quarter ending 30 September 2019 relating to subsequent payment of 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 783 595, 58** (See attached Annexures).

**Table 1: Purchase orders issued July, August and September 2019**

REPORT OF ORDERS ISSUED FOR THE MONTH						
Jul-19						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
26/07/2019	1369	LN01369	Ngokgana Trading Enterprise	Qualification verification for four candidates who attended Municipal Manager s interviews	R 1 998,00	QUOTATION
17/07/2019	2551	LN02551	Babirwa travel	Accommodation and meals for cllr Themane attending intergrated National electrification workshop check in 24-25/07/2019 at Midrand	R 1 771,20	Term contract
25/07/2019	1480	LN01480	Babirwa travel	Accommodation and meals for Willy Mashita attending MPAC working session check in 25-08 July 2019 at Polokwane	R 4 464,90	Term contract
17/07/2019	1370	LN01370	Babirwa travel	Accommodation and meals for A Lehomo and Mphahlele Mpho attending graduation Ceremony in Johannesburg check in 25-27 July 2019	R 7 084,80	Term contract
25/07/2019	1481	LN01481	Babirwa travel	Accommodation and meals for 11 MPAC members attending MPAC working session at Bela bela and conference package from 25-08 Jul 2018	R 61 955,10	Term contract

29/07/2019	1477	LNLM01477	Kutullo Tshwanelo le Thakgalo pty ltd	Catering for council meeting at Fahloshannang drop in centre Mafefe on the 29/07/2019	R 12 300,00	QUOTATION
2019/07/08	50799	LNLM50799	TNM Concepts pty ltd	caterring services 100 people (including 100 bottled water)attending disaster advisory forum on the 8th August 2019 at Lebowakgomo fire station	R 8 901,00	QUOTATION
24/07/2019	51876	LNLM51876	Babirwa travel	Acomodation and meals for Manager in the MM office attending provincial services complaints forum meeting check in 24-26 July 2019	R 3 444,00	Term contract
22/07/2019	1368	LNLM01368	The assasement toolbox	Competency assasement for foru candidates for the position of Municipal Manager	R 29 149,48	QUOTATION
31/07/2019	2927	LNLM02927	TLR Technologies	xatering services for 60 forum member attending 1st quarter LED forum held at Cultural centre boardroom on the 31/07/2019	R 5 544,00	QUOTATION
26/07/2019	1372	LNLM01372	Human communications	Advertisement of vacant position for CFO oublished on Sowetan and Sunday world	R 17 561,88	QUOTATION
17/07/2019	51667	LNLM51667	Babirwa travel	Accomodation and meals for RS Ruiters and KJ Magoro attending INEP workshop Midrand check in 24-25 July 2019	R 3 542,40	Term contract

17/07/2019	50766	LN50766	Buhari holdings pty ltd	Supply and delivery of 300 bales refuse bags	R 95 100,00	7 days advert
2019/09/07	51874	LN51874	Babirwa travel	Accommodation and meals for Mokgadi Maubane and Duncan Hlabangwane attending communications forum Lephalale Municipality at Waterburg	R 7 084,80	Term contract
29/07/2019	1479	LN01479	Hlatse kea travelling	hiring of sound system,VIP toilet and 27 rectangular tables with table cloth at Fahloshanany drop in centre for council meeting	R 14 686,00	QUOTATION
29/07/2019	1478	LN01478	Nogane a pheladi	Catering 150 people for council meeting at Fahloshannang drop in centre Mafefe on the 29/07/2019	R 12 600,00	QUOTATION
31/07/2019	50888	LN50888	Tlakula occupational	full medical examination for 5 officials	R 4 250,00	QUOTATION
31/07/2019	50891	LN50891	Tlakula occupational	Medical examination for 27 employees from technical services Department	R 21 600,00	QUOTATION
31/07/2019	50886	LN50886	Tlakula occupational	Medical examination of 30 employees from Community services Department	R 24 000,00	QUOTATION
19/07/2019	50887	LN50887	Mishumo Helath Group	Medical fitness certificate	R 23 000,00	QUOTATION
				<b>Total</b>	<b>R 360 037,56</b>	

REPORT OF ORDERS ISSUED FOR THE MONTH						
Aug-19						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
13/08/2019	2930	LNLM02930	Babirwa travel	Accommodation and meals for Maphoru Donald around Johannesburg check in 07-08 August 2019 attending graduation	R1 771,20	Term contract
13/08/2019	1375	LNLM01375	Babirwa travel	Accommodation and meals for Mphahlele CR attending Job evaluation unit session for Molemole Municipality check in 11-16 August 2019	R8 517,78	Term contract
13/08/2019	51495	LNLM51495	Babirwa travel	Accommodation and meals for 2 officials Lekgoro C and D Kganyago attending MIG working session check in 29-02 August 2019	R13 776,00	Term contract
2019/07/08	1601	LNLM01610	Ompie and dons construction	Catering service for 100 people at Civic centre for officials attending women roadblock on the 08/0/2019	R8 500,00	Quotation
13/08/2019	1373	LNLM01373	Babirwa travel	Accommodation and meals for Mphahlele CR attending Job evaluation unit session for Capricorn district Municipality at Bela bela check in 22-26 July 2019	R6 396,00	Term contract
23/08/2019	2932	2011606	Babirwa travel	Accommodation and meals for Lekgau C and Mphahlele T for IDP assessment session at Phalaborwa check in 02-06 September 2019	R14 169,60	Term contract
23/08/2019	1382	LNLM01582	Babirwa travel	Accommodation and meals for CR Mphahlele, Mamapa Lizzy and H Masoga attending job evaluation Unit Job evaluation unit session for Lepelle Nkumpi Municipality at Bela bela	R22 908,75	Term contract

23/08/2019	1381	LNLM01381	Babirwa travel	Full day conference package for 11 attending Job evaluation session for Lepelle-Nkumpi Municipality at Bela bela check in 26-30 August 2019	R37 207,50	Term contract
23/08/2019	51877	LNLM51877	Babirwa travel	Accommodation and meals Mokgadi Maubane check in 25-27 August 2019	R3 542,40	Term contract
28/08/2019	50800	LNLM50800	Cascade Pivotal Projects	Supply and delivery of 10 blankets,10 sleeping mattress,10 tents and 9 salvage sheets	R125 500,00	Term contract
14/08/2019	50256	LNLM50256	Dimension Data Microsoft Solution	Microsoft annual software assurance licensing	R300 385,24	Term contract
26/08/2019	1268	2011588	Iterele serogole Enterprises	Supply and delivery of photocopy papers (300 boxes)	R117 000,00	Term contract
26/08/2019	1272	0002011598; 0002011599, 0002011600, 0002011597,	Agang Batau General trading	Supply and delivery of cleaning materials	R187 730,00	term contract
26/08/2018	1273	2011614;201 1621;201161 7;2011618;	Ngwana Kadiaka Trading Project	Supply and delivery of cleaning materials	R252 505,00	Term contract
				<b>Total</b>	<b>R1 099 909,47</b>	



REPORT OF ORDERS ISSUED FOR THE MONTH						
SEPTEMBER 2019						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
2019/03/10	28541	2011697	Sunset Cleaning and catering Services	Hiring of sound system,VIP toilet,disability toilet,generator and stage decoration including 5 tables and 20 covered chairs and two fresh flowers for Mass prayer on the 04/10/2019 at Civic centre hall	R16 400,00	Quotation
2019/03/10	2858	2011690	Vice worx pty ltd	Catering for 200 people for Mass prayer on the 04/10/2019 at Civic centre hall	R15 800,00	Quotation
2019/03/10	2856	2011692	Nakene PTY LTD	Hiring of 2 x 65 seater transport from Zebediela cluster to ferry community memebtrs for Mass paryer at civic centre on 04/10/2019	R12 500,00	Quotation
2019/03/10	2853	2011691	Masithulelea and Construction	Catering for 100 people for Mass prayer on the 04/10/2019 at Civic centre hall	R8 700,00	Quotation

2019/03/10	2855		Pebetse Group pty ltd	Hiring of 2 x 65 seater transport from Zebediela cluster to ferry community memebrs for Mass paryer at civic centre on 04/10/2019	R15 350,00	Quotation
2019/03/10	2857	2011695	Thokwadi Construction and general services	Hiring of 1 x 65 seater transport from Mafefe/Mathabatha cluster to ferry community memebrs for Mass paryer at civic centre on 04/10/2019	R17 000,00	Quotation
2019/03/10	2852	2011698	Vumatsa Trading	Catering for 200 people for Mass prayer on the 04/10/2019 at Civic centre hall	R18 400,00	Quotation
18/09/2019	2947	2011654	Axe Marumo capital	hiring of 65 seater transport to ferry learners from Ngwanamorei and Phosane secondary school to civic centre	R16 799,00	Quotation
2019/03/09	2933	2011624	Ngoana Morolana trading	hiring of 20x15 white tent with single pole including engineer certificate and 2 fire extenguishers and liability insurance for the Mafefe heritage celebration	R29 800,00	Quotation

17/09/2019	51496	2011640	Babirwa travel	Accommodation and meals for Magoro KA attending working group meeting for electricity and energy at Musina local Municipality check in 17-18 September 2019	R1 660,50	term contract
18/09/2019	1385	2011646	Babirwa travel	Acomodation and meals for RM Mphahlele attending SDF at thohoyadou Venda check in 11-13 September 2019	R3 468,60	term contract
18/09/2019	2946	2011656	Masithulela construction and general works	catering of 200 for leaners attending tourism career expo at Civic centre hall on the 17/09/2019	R16 400,00	Quotation
27/09/2019	1307	2011668	Bakone ke babirwa pyt ltd	hiring of sound system,VIP toilet and 8 table with table cloth for employee awarness at Civic centre on the 27/09/2019	R11 840,00	Quotation
18/09/2019	2941	2011650	Amogelang le Tshegofatso	hiring of 65 seater transport for learners attending career expo at Civic centre hall on the 17/09/2019 from Mphahlele cluster	R27 200,00	Quotation
17/09/2019	1483	2011630	Babirwa travel	Accommodation and meals for Cllr Mollo MI attending MPAC provincial forum at Bela bela check in 15-16 September 2019	R1 439,10	term contract
2019/09/09	1379	2011626	Boledi wa Phake trading and sons	advertisement of vacant post on Sowetan and Sunday world	R26 861,12	Quotation
27/09/2019		2011670	Madikolo travel and tour	supply and delivery of stationery	R20 225,00	Quotation
23/09/2019	1286	2011662	Manapyane Holdings	advertisement of vacant post on Sowetan and review newspaper	R13 305,00	Quotation
18/09/2019		2011647	Monate Africa pty ltd	supply and delivery of stationery	R23 700,00	Quotation

18/09/2019		2011658	Mokgehle and modifa Trading	supply and delivery of stationery	R27 105,00	Quotation
23/09/2019		2011663	Kgaladi a mogaleadi general trading	supply and delivery of stationery	R12 245,00	Quotation
17/09/2019	2778	2011639	Babirwa travel	Acomodation and meals for Shai Lonnic attending inaguration SALGA at Lephalale check in 25-27 September 2019	R3 444,00	Quotation
14/09/2019	2946	2011685	New Sepeila	Hiring of 22 seater from Motantanyane ,22 seater transport from Moetlane attending tourism career expo on the 17/09/2019 and 22 seater transport from Lebowakgomo	R5 500,00	Quotation
30/09/2019	1393	2011672	Babirwa travel	conference package for 11 people attending Job evaluation at Mookgopong Municipalit check in 30-04/10/2019	R31 254,30	term contract
16/09/2019	2938	2011649	Hlengiwe sanitary	PA system for the tourism career expo on the 17/09/2019	R7 000,00	Quotation
28/09/2019	2936	Inm02936	Babirwa travel	Conference package 60 people attending women in business 2019 on the 29/08/2019	R31 242,00	term contract
2019/05/09	2254	LNm02554	Babirwa travel	Accomodation and meals for M Molala and Matsetela P attending Gala Dinner for signing of EPWP protocol agreements by all municipalities	R2 706,00	term contract
				<b>Total</b>	<b>R417 344,62</b>	

**Table 2: bids advertised July, August and September 2019**

**JULY 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>CLOSING DATE</b>	<b>STATUS</b>
LNM064/2018/19	Cleaning of illegal dumping within the jurisdiction of Lepelle Nkumpi Municipality for period of 36 months	13 August 2019	The tenders were advertised on the 12 July 2019 and were supposed to close on the 13 August 2019 and during the process of opening the bids, it was realized that there were some chemicals that were spilled in the tender box which spoiled the tender documents.
LNM014/2019/20	Supply and delivery of protective clothing period of 24 months (on as when required basis)	13 August 2019	
LNM013/2018/19	Supply, installation and leasing of photocopy machines for period of 36 months	13 August 2019	
LNM015/2019/20	Supply and delivery of stationery for period of 12 months (on as when required	13 August 2019	
LNM068/2018/19	Service provider for licensing of municipal borrow pits Re advert	13 August 2019	

**AUGUST 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>CLOSING DATE</b>	<b>STATUS</b>
<b>No bids advertised</b>			

## **SEPTEMBER 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>CLOSING DATE</b>	<b>STATUS</b>
LNLM077/2019/20	Construction of Ga Ledwaba Community hall	10 October 2019	Awaiting Closing Date
LNLM78/2019/20	Construction of Maralaleng Community hall	04 October 2019	Awaiting Closing Date
LNLM079/2019/20	Completion of upgrading of Hwelereng Access Road from Gravel to Tar and Storm water Control	07 October 2019	Awaiting Closing Date
LNLM010/2019/20	Installation of 12 high mast lights	14 October 2019	Awaiting Closing Date
LNLM012/2019/20	Electrification of 35 households for makhushwanen	15 October 2019	Awaiting Closing Date
LNLM 0013/2019/20	Electrification of 109 households Mahlatjane village	16 October 2019	Awaiting Closing Date
LNLM001/2019/20	Development of recreational facilities Lekurung	16 October 2019	Awaiting Closing Date
LNLM015/2019/20	Supply and delivery of stationery for period of 12 months (on as when required)	30 September 2019	Evaluation Stage
LNLM068/2018/19	Service provider for licensing of municipal borrow pits	01 October 2019	Awaiting Closing Date
LNLM064/2018/19	Cleaning of illegal dumping for period of 36 month within the jurisdiction of Lepelle Nkumpi Municipality	14 October 2019	Awaiting Closing Date
LNLM014/2019/20	Supply and delivery of protective clothing period of 24 months (on as when required basis)	15 October 2019	Awaiting Closing Date

LN013/2018/19	Supply, installation and leasing of photocopy machines for period of 36 months	17 October 2019	Awaiting Closing Date
LN011/2019/20	Development of recreational facility Seruleng	18 October 2019	Awaiting Closing Date

### **Table 3: Bids withdrawn July, August and September 2019**

#### **JULY 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>REASONS FOR WITHDRAWAL</b>
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No bids withdrawn

#### **AUGUST 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>REASONS FOR WITHDRAWAL</b>
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No bids withdrawn

The following tenders were advertised on the 12 July 2019 and were supposed to close on the 13 August 2019 and during the process of opening the bids, it was realized that there were some chemicals that were spilled in the tender box which spoiled the tender documents. The bids were affected:

<b>ITEM NO</b>	<b>BID NUMBER</b>	<b>DESCRIPTION</b>
1	LNM064/2018/19 Re advert	Cleaning of illegal dumping within the jurisdiction of Lepelle Nkumpi Municipality for a period of 36 months
2	LNM014/2019/20 Re advert	Supply and delivery of Protective clothing for a period of 24 months (as and when required)



3	LN013/2018/19 Re advert	Supply, installation and leasing of photocopy machines for a period of 36 months
4	LN024/2019/20	Supply and delivery of stationery of 12 months for a period of months
5	LN068/2018/19 Re advert	Service provider for licensing of municipal Borrow pits

## **SEPTEMBER 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>REASONS FOR WITHDRAWAL</b>
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No bids withdrawn

**Table 4: Bids awarded July, August and September 2019**

## AWARDED BIDS JULY 2019

ITEM	Bid Description	Bid Amount	Successful Bidder	B-BBEE Level	Reasons for Award	Registered address
NO BIDS AWARDED FOR THE MONTH OF JULY 2019						

## AWARDED BIDS MONTHLY REPORT AUGUST 2019

## AWARDED BIDS AUGUST 2019

ITEM	Bid Description	Bid Amount	Successful Bidder	B-BBEE Level	Reasons for Award	Registered address
NO BIDS AWARDED FOR THE MONTH OF AUGUST 2019						

## AWARDED BIDS MONTHLY REPORT SEPTEMBER 2019

ITEM	Bid Description	Bid Amount	Successful Bidder	B-BBEE Level	Reasons for Award	Registered address
NO BIDS AWARDED FOR THE MONTH OF SEPTEMBER 2019						

**Table 5: Deviations July, August and September 2019**

**DEVIATION REPORT FOR JULY 2019**

**DEVIATION REPORT FOR JULY 2019: SOLE SUPPLIER**

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

**DEVIATION REPORT FOR JULY 2019: EXCEPTIONAL OR IMPRACTICALLY**

NO	DESCRIPTION	REQUEST NUMBER	NAME OF SERVICE PROVIDER	APPROVAL DATE	CONTRACT VALUE	REASON FOR DEVIATIONS
1	Registration fee for Rampuru Setati attending Public Sector Forum	51860	The Institute of Internal Auditors SA	21/02/2019	R 4 186.00	Institute of Internal Auditors SA was hosting public sector forum on 04-05 February 2019, as a results obtaining quotes from other service

						providers becomes impractical.
2	Registration fee for L Kanyane attending Waste Management Conference	51508	Institute of Waste Management	11/10/2018	R 6 060.00	The institute of waste management of Southern Africa will be hosting its bi annual waste management conference in Gauteng from 15-19 October 2018 , as a results obtaining quotes from other service providers becomes impractical
3	Registration fee for Mr PD Somo attending IMASA annual general meeting	50329	Institute for Municipal Administrators of South Africa	11/10/2018	R4 500.00	The institute for municipal administrators of South Africa will be hosting its 20 IMASA annual general meeting and conference on 17-19 October 2018, as a results obtaining quotes from other service providers becomes impractical

**DEVIATION REPORT FOR JULY 2019: EMERGENCY**

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

**TOTAL DEVIATION AMOUNT FOR MONTH ENDING 31 JULY 2019 = R 14 746.00**

**DEVIATION REPORT FOR AUGUST 2019**

**DEVIATION REPORT FOR AUGUST 2019: SOLE SUPPLIER**

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

**DEVIATION REPORT FOR AUGUST 2019: EXCEPTIONAL OR IMPRACTICALLY**

NO	DESCRIPTION	REQUEST NUMBER	NAME OF SERVICE PROVIDER	INVOICE DATE	CONTRACT VALUE	REASON FOR DEVIATIONS
01	Registration fee for ITMPOSA annual conference at Durban from 9-10 November 2016	4935	Institute of Traffic and Municipal police officers of Southern Africa	02/06/2019	R11 700.00	ITMPOSA hosted the annual conference at Durban and as a results obtaining quotations from



						other service providers becomes impractical.
02	Registration fee for exhibition expo for a square meter shell space(stall and design furniture) for 2018 Gauteng gate way show	51127	Ramsay Media Pty Ltd	21/06/2019	R27 555.73	Ramsay Media is the only service provider that is managing the process of exhibition for the 2018 Gauteng gateway show and as a results obtaining quotations from other service providers becomes impractical

**DEVIATION REPORT FOR AUGUST 2019: EMERGENCY**

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

**TOTAL DEVIATION AMOUNT FOR MONTH ENDING AUGUST 2019 = R 39 255.73**

## DEVIATION REPORT FOR SEPTEMBER 2019

## DEVIATION REPORT FOR SEPTEMBER 2019: SOLE SUPPLIER

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

## **DEVIATION REPORT FOR SEPTEMBER 2019: EXCEPTIONAL OR IMPRACTICALLY**

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

**DEVIATION REPORT FOR SEPTEMBER 2019: EMERGENCY**

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

**TOTAL DEVIATION AMOUNT FOR MONTH ENDING SEPTEMBER 2019 = R 0.00**

**TOTAL DEVIATION AMOUNT FOR THE QUARTER ENDING 30 SEPTEMBER 2019 = R 54 001.73**

**Table 6: irregular expenditure July , August and September 2019**

### **Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditure for July 2019**

**LEPELLE NKUMPI MUNICIPALITY**[illegible]

**Lepelle Nkumpi Local Municipality - 31 August 2019 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
1	RTT Management pty Ltd	Electrification of Makgopong,Maralal eng and Tooseng village	LN007/2019/17	R3 425 783.51	there were no invitation and evaluation of the local production and content in the bid specification of the tender	invitation and local content not part of specification	Tender	2017/2018	R155 583,41	The Municipality has appointed RTT Management pty Ltd of Electrification of Mookgopong,Maralal eng and Tooseng village and the internal audit during its 2017/18 audit identified some irregularities.
<b>TOTAL</b>									<b>R155 583,41</b>	

Lepelle Nkumpi Local Municipality - 30 September 2019 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
1	RTT Management Pty Ltd	Electrification of Makgopong, Maralaleng and Tooseng village	LNMO07/2019/17	R3 425 783.51	there were no invitation and evaluation of the local production and content in the bid specification of the tender	invitation and local content not part of specification	Tender	2017/2018	R155 583,41	The Municipality has appointed RTT Management Pty Ltd of Electrification of Mookgopong, Maralaleng and Tooseng village and the internal audit during its 2017/18 audit identified some irregularities.
2	Tshabalala Multi Service	Maintenance of 16 highmast lights	LNMO82/2016/17	R1 396 956.00	there were no invitation and evaluation of the local production and content in the bid specification of the tender	invitation and local content not part of specification	Tender	2017/2018	R135 535,33	The Municipality has appointed Tshabalala Multi service for maintenance of 16 highmast lights and the internal audit during its 2017/18 audit identified some irregularities.
3	Bawelile Consulting Engineers	Professional Service Provider for Upgrading of Access Road from Unit S to Q and AG has during its 2015/16 audit identified	LNMO37/2014/15	2 305 855,00	Request for quotation not sent out	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2015/2016	R106 431,35	The Municipality has appointed Bawelile Consulting Engineers for Professional Service Provider for Upgrading of Access Road from Unit S to Q and AG has during its 2015/16 audit identified some irregularities..
<b>Total</b>									<b>R397 550,09</b>	

## 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 30 September 2019 (Table 1)

1.3. Detailed list of bids advertised for the period ended 30 September 2019 (Table 2).

1.4. Detailed list of bids withdrawn for the period ended 30 September 2019 (Table 3).

1.5. Detailed list of bids awarded for the period ended 30 September 2019 (Table 4).

1.6. Detailed list of deviations approved by the accounting officer for the period ended 30 September 2019 (Table 5)

1.7. Detailed list of irregular expenditures for the period ended 30 September 2019 (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.