



SUPPLY CHAIN MANAGEMENT UNIT

QUARTERLY SCM IMPELMANTATION REPORT

31 DECEMBER 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 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 October, November and December 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 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 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 2nd Quarter ending 31 December 2019 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 5 905 265, 53** (See attached Annexures).

Table 1: Purchase orders issued October, November, December 2019

REPORT OF ORDERS ISSUED FOR THE MONTH						
OCTOBER						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
2019/10/04	2556	2011701	Chartered Institute of Government Finance Audit and Risk Officers	Registration fee for Mr Gafane LA check in 07-09 October 2019	R 8 024,00	Deviation
2019/10/01	1287	2011674	Babirwa Travel CC	Acomodation,meals,flight for Mr Rudzani Ramuhulu attending GIGFARO coneference from 06-09 October 2019	R 12 279,36	Term Contract
2019/10/01	112	2011673	Babirwa Travel CC	Breakfast and lunch for 13 people attending shortlisting for Executive Manager Corporate Department on the 01/10/2019	R 6 715,80	Term Contract
2019/10/01	51880	2011675	Babirwa Travel CC	Acomodation,meals,flight and car rental for Mr Mr Gafane T attending GIGFARO coneference from 06-09 October 2019	R 17 076,36	Term Contract
2019/10/25	1268	2011728	LRP General Supplier	Supply and delivery of 300 A4 photocopying papers	R 112 665,00	Term Contract

2019/10/30	1390	2011734	Ngokgaka trading enterprise	Qualification verifications of the 5 shortlisted candidates for the position of Chief Financial officer	R 2 660,00	Quotation
2019/10/03	2854	2011697	sunset cleaning and catering	Stage décor with municipal,VIP Tilet,Disabled toiles Sound system and generator for g Lepelle-nkumpi mass prayer day on 04/10/2019 at Civic centre Hall	R 16 400,00	Quotation
2019/10/03	2856	2011699	Nakene PJ PTY LTD	Hiring of 2 X 65 seater Buses to transport people from Lebowakgomo Cluster attending Lepelle-nkumpi mass prayer day on 04/10/2019 at Civic centre Hall	R 12 500,00	Quotation
2019/10/03	2857	2011695	Thokwadi construction and general	Hiring of 2 X 65 seater Buses from Mafefe Cluster for people attending Lepelle-nkumpi mass prayer day on 04/10/2019 at Civic centre Hall	R 17 000,00	Quotation
2019/10/03	2858	2011690	Vice work (pty)LTD	Catering for 200 people attending Lepelle-nkumpi mass prayer day on 04/10/2019 at Civic centre Hall	R 15 800,00	Quotation
2019/10/09	51087	2011708	GT funiture and stationery pr	Hiring of tent and 100 chairs for three days from the 10 to 12 October 2019 for the funeral of Nduna Kekana at Makweng village	R 1 499,00	Quotation

03/10/2019	2855	2855	Pebetse Group pty ltd	Hiring of two 65 seater buses for Lepelle Nkumpi prayer day on 04-10-2019 at civic hall (Mphahlele cluster)	R 15 350,00	Quotation
2019/10/01	2556	2011679	Chartered institute of government finance audit and risk officers	Registration for Mr Rudzani Ramuhulu attending CIGFARO check In 07-09 October 2019	R 8 524,00	Deviation
2019/10/09	1281	2011704	Mahlako tess Trading Enterprise	Supply and delivery of stationery	R 13 280,00	Quotation
2019/10/03	1259	1259	Makhute General Trading	Sound system for suppliers capacity building at civic centre hall	R 6 000,00	Quotation
2019/01/10	51086	51086	Boiketlo baka Trading	Hiring of 7 by 12m tent from 03/10/2019 to 06/10/2019 at kgwaripe village 100 plastic chair from 03/10/2019 to 06/10/2019 for the funeral of Nduna at kgwaripe village	R 6 500,00	Quotation
2019/10/02	2946	2011685	New Sepjatla	Hiring of 22 seater transport from motatanyane to civic centre transport for learners attending career expo at Civic Centre hall from Lebowakgomo High School 17/09/2019	R 5 500,00	Quotation

2019/10/29	50344	2011731	Babirwa Travel CC	Lunch for eight panel members who will be attending interview for position of CFO on the 29/10/2019 at Polokwane (SALGA)	R 2 435,40	Term Contract
2019/10/11	1484	2011715	Babirwa Travel CC	Accommodation and meals for 9 Councillors attending SALGA induction programme at Bela-Bela Local municipality. Check in 14/10/2019, check out 18/10/2019	R 54 366,00	Term Contract
2019/10/17	1394	2011718	Babirwa Travel CC	Accommodation and meals for three officials attending job evaluation for Lepelle-Nkumpi municipality at Mookhopong. Check in 29/09/2019, check out 04/10/2019	R 26 568,00	Term Contract
2019/10/25	1487	2011729	Travesty Trading Enterprise	Sound system with 2 roving microphones and 26 table clothes for ordinary Council meeting to be held on 28/10/2019 at Moletlane Tribal Hall.	R 3 800,00	Quotation
2019/10/17	1607	2011719	TLR Technologies and Projects	Catering for 50 officials on the 18/10/2019 attending joint law enforcement roadblock at Lebowakgomo Civic Centre.	R 4 350,00	Quotation

2019/10/25	1485	2011725	Temogo IT Solutions	Catering for 150 people for ordinary council meeting to be held on 28/10/2019 at Moletlane tribal hall.	R 12 600,00	Quotation
2019/10/25	1486	2011730	Nestab ICT Co-Operative limited	Catering for 150 people for ordinary council meeting to be held on 28/10/2019 at Moletlane tribal hall.	R 11 977,50	Quotation
2019/10/01	1393	2011672	Babirwa travel cc	Conference Package for 11 people attending job evaluation session for Lepelle-Nkumpi at Mookgopong. Check in 30/09/2019 check out 04/10/2019	R 31 254,30	Term Contract
2019/10/11	1284	2011712	Hack Ford Investments pty ltd	Supply and delivery of Catridges	R 158 206,00	Term Contract
2019/10/25	2860	2011727	Mmutla wa Moswatsi pty ltd	Catering services for election of deputy chair person of Local Aids Council of Lepelle-nkumpi Municipality on 25/10/2019	R 3 440,00	Quotation
2019/10/03	2852	2011698	Vumatsa Trading	Catering services for 200 people attending Lepelle-Nkumpi Prayer day against gender-based violence on 04/10/2019 at Lebowakgomo Civic Hall.	R 18 400,00	Quotation

2019/10/21	1397	2011720	Human Communications	Advertisement of Vacant postions of Handy Man, Examiner Officer and Stores Clerk published on 27 and 29 October 2019 on Sunday World and Sowetan.	R 25 609,35	Quotation
2019/10/14	1003	2011716	Babirwa Travel CC	Lunch for 24 people(Technical Services) attending medical examination at Polokwane on 14/10/2019	R 6 494,40	Term Contract
29/10/2019	1003	2011733	Bra Ru Business Enterprise	Purchase of 200 electrical job card books triplicate	R 23 500,00	Quotation
Total					R 660 774,47	

REPORT OF ORDERS ISSUED FOR THE MONTH						
NOVEMBER						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
2019/11/01	1398	2011737	Ngokgaka trading enterprise	Request for qualification verifications of the 5 shortlisted candidates for the position of Executive Manager Corporate Services	R 3 263,00	Quotation
2019/11/08	1311	2011747	Babirwa Travel CC	Lunch for 16 employees (Community Services) undergoing medical examination on 08/11/2019 at Polokwane.	R 4 723,20	Term contract
2019/11/04	2708	2011745	Human Communications	Advertisement for the position of Executive Manager Planning and LED to be published on Sunday World and Sowetan Newspaper on 10/11/2019 and 12/11/2019	R 29 943,24	Quotation
2019/11/01	1951	2011738	Pay Day Software Systems	Pay Day assistance for easy filing from 05 to 08 November 2019	R 29 946,00	Deviation
2019/11/15	1312	2011750	Babirwa Travel CC	Lunch for 16 people undergoing medical examination at polokwane (Dr Tlakula) on the 15 November 2019	R 4 723,20	Term contract

2019/11/27	2566	2011781	Babirwa Travel CC	Accommodation and meals for The Mayor attending Presidential Launch of Waterberg District Development Model at Shongoane Community Hall (Lephalale) check in 25/11/19 & check out 26/11/19	R 4 797,00	Term contract
2019/11/27	2567	2011780	Babirwa Travel CC	Accommodation and meals for Mr Mashegoane transporting The Mayor attending Presidential Launch of Waterberg District Development Model at Shongoane Community Hall (Lephalale) at Lephalale check in 25/11/19 & check out 26/11/19	R 1 783,50	Term contract
2019/11/18	50343	2011769	Babirwa Travel CC	Accommodation and meals for Ms I Mokgapa attending MISSA, check in 20/11/19 and check out 22/11/19 at Florida Park Fire Station	R 3 542,40	Term contract

2019/11/26	1490		Babirwa Travel CC	Accommodation and meals for MPAC chairperson to attend MPAC Provincial Forum on the 02 & 03 December 2019 at BA - Phalaborwa Local Municipality, check in 01/12/19 & check out 03/12/19	R 3 239,80	Term contract
2019/11/20	1611	2011759	Hlengiwe Sanitary Loo	Catering for 150 people for Lepelle-Nkumpi Cleaning Campaign on the 22 November 2019	R 14 250,00	Quotation
2019/11/20	1610	2011760	Tsitsane Providing Service	Catering for 150 people for Lepelle-Nkumpi Cleaning Campaign on the 22 November 2020	R 14 825,00	Quotation
2019/11/20	51886	2011758	MP Makoko Trading Enterprise	Advertisement of Audit Committee members and chairperson for a period of 3 years published Sunday World and Sowetan	R 25 500,00	Quotation
2019/11/05	2955	2011782	Batsibi Trading	Lunch for 35 people on the 28 November 2019 attending Strategic Planning at MEC residence	R 3 085,00	3 quotation
19/11/2019	51884	2011755	Babirwa Travel CC	Accommodation and meals for Mr. Gafane at Bela-Bela attending SALGA Provincial Members Assembly	R 3 444,00	Term contract

2019/08/11	2561	2011748	Babirwa Travel CC	Accommodation and meals for Mayor attending UCLG World Summit of Local and Leaders at Durban on the 11 to 15 November 2019	26201,08	Term contract
2019/01/11	2564	2011741	SALGA	Registration fee for three members of PMT	R 7 500,00	Organ of state
19/11/2019	2559	2011756	Babirwa Travel CC	Accommodation and meals for Mayor, Chief Whip, Speaker and driver SALGA provincial members at Bela bela on 19-21 November 2019	R 14 034,30	Term contract
26/11/2019	2703	2011768	Babirwa Travel CC	Breakfast and lunch for 13 people attending interview for Corporate Services Manager at SALGA	R 2 398,50	Term contract
2019/04/11	2564	2011740	SALGA	Registration fee for Gafane LA for SALGA Provoncial members	R 2 500,00	Organ of state
19/11/2019	2954	2011754	Mazet services	Catering services for 35 people for two days attending strategic planning from 19-21 November 2019	R 5 170,00	Quotation
TOTAL					R178 668,14	

REPORT OF ORDERS ISSUED FOR THE MONTH						
DECEMBER						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
2019/11/12	2704	2011805	Work Dymanics	Competency assessment for three candidates for Executive Manager Corporate Services	R 21 862,10	Quotation
19/12/2019	50818	2011815	Amogelang le tshegofatso Trading pty	Supply and delivery of Massey Fergusn 440 Slasher propshalft	R 7 900,00	Quotation
17/12/2019	1612	LN1612	Lesego Rato Legacy	Catering for 50 people attending road block to be held at Lebowakgomo on the 18/12/2019	R 4 200,00	Quotation
2019/06/12	2866	2011806	Kgame Calculative electriclas	Hiring of bus from Lebowakagomo cluster to Civic hall attending Ward based AIDS council on the 12/12/2019	R 5 000,00	Quotation
2019/11/12	2870	2011808	Ngwanamahula PTY LTD	Hiring of 65 seater transport from Mafefe/Mathabatha cluster attending ward based AIDS council at Madikeleng community hall on the 11/12/2019	R 17 000,00	Quotation
2019/03/12	1952	2011783	Pebetse Group PTY LTD	Supply and delivery of stationery	R 24 715,00	Quotation
2019/11/12	2869	2011801	Kourtney Trading	Catering for 85 people attending ward based AIDS council committee at Madikeleng Community hall on the 11/12/2019	R 6 715,00	Quotation
2019/05/12	1956	2011792	Aganang Batau General Trading And Projects	Supply and delivery of cleaning material	R 85 000,00	Term contract
2019/05/12	1151	2011794	Bakgaditse General Trading JV	Supply and delivery of road maintainance materials as and when required	R 29 916,90	Term contract

20/12/2019	1157	2011816	Bakgaditse General Trading JV	Supply and delivery 3250 bags cold asphalt 25 kg	R 487 500,00	Term contract
2019/12/12	2864		Hunadi A Malope	Catering For 135 People For 2 days attending ward based Aids Council at Lesetsi Community hall	R 13 500,00	Quotation
18/12/2019	2863	2011814	Motlalepula And Girls Trading	Catering for Aids Ward Based Council ZB Cluster on the 19/12/19	R 19 125,00	Quotation
18/12/2019	2867	2011813	Lesedi MNM Enterprise	Hiring of 65 seater bus from Sepanapudi, Ga Matome And Rakgwatha And Return. Route Two- 65 Seater Bus from Gedroogte, Madisha Ditiro, Ntamatise, Volop, Bolahlahok gophong, Mathibela, Mogoto and Mehlaeng and return. Transport for Ward Based Aids Council Committee Meeting for Zebediela Clustor from Malatane, Byldrift, Makgopong, Khur eng, Mehlaeng and return	R 28 000,00	Quotation
2019/11/12	2705	2011809	Babirwa Travel CC	Request for accomodation and meals for M Mphahlele Robert who will be attending Job Evaluation unit meeeting at Euphobia Golf Estate Mokgophong, Check in 16 December, Check out 20 December 2019	R 7 084,80	Term contract
17/12/2019	2956	LN2956	Mokopisi (pty)ltd	Catering Service for 50 people attending Strategic Planning Session (EXCO Lekgotla) For two days 17 and 18 December 2019	R 15 000,00	Quotation

2019/05/12	1955	2011793	Ngwana Kadiaka Trading Projects	Supply and delivery of cleaning material	R 104 315,00	Term contract
2019/03/12	51885	2011784	Institute of Internal Auditors	Renewal of IIASA membership for Rampuru Setati, Maloma I, Hlungwane N and Mohale M	R 10 120,00	deviation
2019/09/12	2868	2011797	Amogelang le tshegofatso	Hiring of 2x65 seater transport and 2x22 seater transport from Mphahlele cluster to Lesetsi community hall attending ward AIDS council	R 29 000,00	Quotation
2019/05/12	1313	2011786	Sunset Cleaning and catering	Supply and delivery of 12 assorted platters, 8 white table cloth, 60 assorted drinks and 100 bottled water	R 6 680,00	Quotation
2019/01/12	2662	201803	Masithulela Construction and General Trading	Catering For 135 People For 2 days attending Aids Based Council at Civic hall on the 12/12/2019	R 7 200,00	Quotation
TOTAL					R 929 833,80	

Table 2: Bids Advertised October, November, and December 2019

OCTOBER 2019

BID NUMBER	BID DESCRIPTION	CLOSING DATE	STATUS
LNMO11/2019/20	Development of Recreational Facilities Seruleng	18 October 2019	Closed on 01 November Awaiting Bid Evaluation
LNMO10/2019/20	Installation of 12 Highmast Lights	14 October 2019	Referred Back to Bid Evaluation Committee
LNMO11/2019/20	Electrification of 35 Households for Makushwaneng	15 October 2019	Referred Back to Bid Evaluation Committee
LNMO013/2019/20	Electrification of 109 Households for Mahlatjane	16 October 2019	Appointed
LNMO01/2019/20	Development of Rrecreational Facility Lekurung	16 October 2019	Put on Hold Due to High Bidding Prices and estimate compared to the available Budget

NOVEMBER 2019

BID NUMBER	BID DESCRIPTION	CLOSING DATE	STATUS
LNLM007/2019/20	Panel of Profession of Three (3) for Travel Management Services for a Period of Twenty Four (24) Months	06 December 2019	Closed on 11 December 2019 Awaiting Evaluation
LNLM008/2019/20	Supply and Delivery of Toilet Papers for a Period of Thirty Six (36) Months	09 December 2019	Closed on 12 December 2019 Awaiting Bid Evaluation
LNLM026/2018/19	Panel of Two Service Providers for Supply and Delivery of Disaster Relief Material on as and When Basis for (Thirty Six) 36 Months	10 December 2019	Closed on 13 December 2019 Awaiting Evaluation
LNLM003/2019/20	Professional Service Provider to Render Cash Collection Services for a Period of Thirty Six (36) Months	11 December 2019	Closed on 10 December 2019 but no Bids Were Received. To be Re-Advertised
LNLM013/2018/19	Supply, Installation and Maintenance of Security Equipment for Period of 36 Months	12 December 2019	Closed on 06 December 2019 Awaiting Bid Evaluation
LNLM015/2019/20	Supply and Delivery of Stationery for a Period of 12 Months	09 December 2019	Referred Back to Bid Specification Committee and to be Re-Advertised

LNM013/2018/19	Supply, Installation and Leasing of Photocopy Machines for a Period of 36 Months	10 December 2019	No Bidder Qualified to the Final Stage. To be Re-Advertised
LNM78/2019/20	Construction of Maraleleng Community Hall Re - advert	28 November 2019	Closed on 28 November 2019 Awaiting Evaluation

DECEMBER 2019

BID NUMBER	BID DESCRIPTION	CLOSING DATE	STATUS
LNM018/2019/20	Supply and Delivery of Refuse bags for a Period of 36 Months(as and when required)	10 January 2020	Awaiting Closing Date
LNM005/2019/20	Operation and Maintenance of Lepelle-Nkumpi Municipality Landfill for a Period of 36 Months	09 January 2020	Awaiting Closing Date
LNM004/2019/20	Professional Service Provider of Insurance for a period of (36) months for Lepelle-Nkumpi Municipality	09 January 2020	Awaiting Closing Date

Table 3: Bids withdrawn October, November, December 2019

OCTOBER 2019

BID NUMBER	BID DESCRIPTION	REASONS FOR WITHDRAWAL
No bids withdrawn		

NOVEMBER 2019

BID NUMBER	BID DESCRIPTION	REASONS FOR WITHDRAWAL
No bids withdrawn		

DECEMBER 2019

BID NUMBER	BID DESCRIPTION	REASONS FOR WITHDRAWAL
No bids withdrawn		

Table 4: Bids awarded October, November, December 2019

AWARDED BIDS OCTOBER 2019

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

AWARDED BIDS NOVEMBER 2019

IT E M	Bid Description	Bid Amount	Successful Bidder	B- BB EE Lev el	Reasons for Award	Municipality
1	Construction of Ga – Ledwaba Community Hall (LNM077/2019/20)	R 4 949 528. 94	Thalema Trading Enterprise	01	The service provider fully met our specification The highest scorer at 100 Points	Polokwane Municipality
2	Contractor for Electrification of Mahlatjane Village 109 Households with 75 Connections (LNM0013/2019/20)	R 1 761 075. 50	Kingki Electrical Contractor	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	Lepelle Nkumpi Municipality
3	Completion of Hwelereng Access Road from Gravel to Tar (LNM031/2017/18)	R 3 751 844. 74	Maditsi Jan Construction and Projects	01	The service provider fully met our specification The highest scorer at 100 Points	Lepelle Nkumpi Municipality

4	Supply and Delivery of Protective Clothing for a Period of 24 Months (LNM014/2019/20)	R 9 706. 00	Thalema Trading Enterprise	01	The service provider fully met our specification The highest scorer at 100 Points Bidder B= 99.84 Bidder C= 98.61	Polokwane Municipality
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AWARDED BIDS MONTHLY REPORT DECEMBER 2019

The letters intention to appoint were issued in November to the following bidders, price were negotiated based on the available budget and appointment letters with negotiated amount were issued in December:

IT E M	Bid Description	Bid Amount	Successful Bidder	B- BB EE Lev el	Reasons for Award	Municipality
1	Construction of Ga – Ledwaba Community Hall (LNM077/2019/20)	R 4 500 000. 00	Thalema Trading Enterprise	01	The service provider fully met our specification The highest scorer at 100 Points	Polokwane Municipality

2	Contractor for Electrification of Mahlatjane Village 109 Households with 75 Connections (LNM0013/2019/20)	R 1 494 000. 00	Kingki Electrical Contractor	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	Lepelle Nkumpi Municipality
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AWARDED BIDS MONTHLY REPORT DECEMBER 2019

IT E M	Bid Description	Bid Amount	Successful Bidder	B- BB EE Lev el	Reasons for Award	Municipality
1	Cleaning of Illegal Dumping Within the Jurisdiction of Lepelle Nkumpi Municipality for a Period of 36 Months as and when Required (LNM064/2018/19)	R 1 999, 85	Manthabo2 Air Conditioning Electrical and General Construction cc	01	The service provider fully met our specification The highest scorer at 100.00 Points Bidder B= 77.60 Bidder C= 81.47 Bidder D= 73.84	Lepelle Nkumpi Municipality

Table 5: Deviations October, November, December 2019

DEVIATION REPORT FOR OCTOBER 2019

DEVIATION REPORT FOR OCTOBER 2019: SOLE SUPPLIER

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

DEVIATION REPORT FOR OCTOBER 2019: EXCEPTIONAL OR IMPRACTICALLY

NO	DESCRIPTION	REQUEST NUMBER	NAME OF SERVICE PROVIDER	INVOICE DATE	CONTRACT VALUE	REASON FOR DEVIATIONS
01	Registration fee for CIGFARO 90 th annual conference at Durban international convention from 07-09 October 2019 for Mr. Gafane T	02556	Chartered institute of government finance audit and risk officers	19/09/2019	R 8 024.00	CIGFARO hosted the annual conference at Durban and as a results obtaining quotations from other service providers becomes impractical.
02	Registration fee for CIGFARO 90 th annual conference at Durban international convention from 07-09 October 2019 for Mr. Rudzani Ramuhulu	51127	Chartered institute of government finance audit and risk officers	21/06/2019	R 8 024.00	CIGFARO hosted the annual conference at Durban and as a results obtaining quotations from other service providers becomes impractical.

DEVIATION REPORT FOR OCTOBER 2019: EMERGENCY

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

TOTAL DEVIATION AMOUNT FOR MONTH ENDING OCTOBER 2019 = R 16 048.00

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

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

DEVIATION REPORT FOR NOVEMBER 2019: EXCEPTIONAL OR IMPRACTICALLY

NO	DESCRIPTION	REQUEST NUMBER	NAME OF SERVICE PROVIDER	INVOICE DATE	CONTRACT VALUE	REASON FOR DEVIATIONS
01	Payday assistance for easy filling from the 05-08 November 2019.	01951	Pay Day Software System cc	19/11/2019	R 29 946.00	Payroll Unit is using payroll system for easy filling and as a results obtaining quotations from other service providers becomes impractical.

DEVIATION REPORT FOR NOVEMBER 2019: EMERGENCY

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

TOTAL DEVIATION AMOUNT FOR MONTH ENDING NOVEMBER 2019 = R 29 946.00

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

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

DEVIATION REPORT FOR DECEMBER 2019: EXCEPTIONAL OR IMPRACTICALLY

NO	DESCRIPTION	REQUEST NUMBER	NAME OF SERVICE PROVIDER	INVOICE DATE	CONTRACT VALUE	REASON FOR DEVIATIONS
01	Renewal of Institute of Internal Auditors South Africa membership for Internal Audit officials.	51885	Institute of Internal Auditors of South Africa	05/12/2019	R 10 120, 00	Internal Audit Unit are members of the Institute of Internal Auditors of South Africa and the have to renew their membership with IIASA on an annual basis, as a result obtaining quotes from other service providers becomes impractical.

DEVIATION REPORT FOR DECEMBER 2019: EMERGENCY

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

TOTAL DEVIATION AMOUNT FOR MONTH ENDING DECEMBER 2019 = R 10 120, 00

TOTAL DEVIATION AMOUNT FOR THE QUARTER ENDING 31 DECEMBER 2019 = R 56 114.00

Table 6: irregular expenditure October, November and December 2019

Lepelle Nkumpi Local Municipality - 31 October 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 2019/20	General Comments
NO IRREGULAR EXPENDITURE INCURRED FOR THE MONTH OF OCTOBER										

Lepelle Nkumpi Local Municipality - 30 November 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 2019/20	General Comments
1	Maditsi Jan Construction and Projects	Completion of Lehlokwaneng/ Tswaing Access Bridge (LNM033/2015/16)	LNM070/2015/2016	R4 192 483.21	Bid document not fully initialized	Bid document not fully initialized	Tender	2017/2018	R 191 948,38	The Municipality has appointed Maditsi Jan Construction and Projects for Completion of Lehlokwaneng/ Tswaing Access Bridge and AG has during its 2017/18 audit identified some irregularities.
2	Bawelile Consulting Engineers	Professional Service Provider for Upgrading of Access Road from Unit S to Q	LNM037/2014/15	2 305 855,00	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	2015/2016	R 49 686,22	The municipality has appointed Bawelile Consulting Engineers for Professional Service Provider for Upgrading of Access Road from Unit S to Q and the AG has during its 2015/16 audit identified some irregularities.
									R 241 634,60	

Lepelle Nkumpi Local Municipality - 31 December 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 2019/20	General Comments
1	Shumba Engineering Services	Construction of Lehlokwaneng/Tswaing: Small Access Bridge	LNLM030/2015/2016	264 368,94	Request for quotation not sent	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2015/2016	R 55 867,09	Shumba Engineering Services was appointed for Construction of Lehlokwaneng/Tswaing: Small Access Bridge LNLM030/2015/2016 and AG has during its 2015/16 audit identified that request for quotation not sent out at least 14 days before the closing date
2	Papate Elias and construction	Contractor for Rakgoatha internal street and storm water	LNLM033/2017/18	21 022 925.54	The bid document not fully completed and initialize every page	The bid document not fully completed and initialize every page	Tender	2017/2018	R 1 054 544,46	The Municipality has appointed has appointed Papate Elias and construction for Rakgoatha internal street and stormwater and AG has during its 2017/18 audit identified some irregularities.
3	Bagaphala projects and trading	Upgrading of Hwelereng access road gravel to TAR	LNLM032/2017/18	R20 439 578.68	bidders did not include municipal rates, taxes and service charges for director(s), however they were awarded with contracts.	bidders did not include municipal rates, taxes and service charges for director(s), however they were awarded with contracts.	Tender	2017/2018	R 66 459,95	Bagaphala projects and trading was appointed for Upgrading of Hwelereng access road gravel to TAR AG has during its 2017/18 audit identified some irregularities.
4	Manco Business Enterprise	Electrification of Makhophong village	LNLM103/2017/18	1 471 336,69	The contracts were extended without the approval of council	The contracts were extended without the approval of council	Tender	2018/2019	R 414 502,39	Manco Business Enterprise was appointed for Electrification of Makhophong village and AG has during its 2018/19 audit identified some irregularities.
5	Manco Business Enterprise	Electrification of Makhophong village	LNLM103/2017/19	1 471 337,69	The contracts were extended without the approval of council	The contracts were extended without the approval of council	Tender	2018/2019	R 385 238,40	Manco Business Enterprise was appointed for Electrification of Makhophong village and AG has during its 2018/19 audit identified some irregularities.

6	Manco Business Enterprise	Electrification of Makhophong village	LN103/2017/20	1 471 338,89	The contracts were extended without the approval of council	The contracts were extended without the approval of council	Tender	2018/2019	R 215 079,47	Manco Business Enterprise was appointed for Electrification of Makhophong village and AG has during its 2018/19 audit identified some irregularities.
7	Aobakwe Consulting Engineers	Development of Recreational Facilities in Majane	LN101/2018/19	Panel of Consultants	Bid committees were not involved in the awarding of the bid	Bid committees were not involved in the awarding of the bid	Tender	2018/2019	R 1 515 396,54	Aobakwe Consulting Engineers was appointed for Development of Recreational Facilities at Majane and AG has during its 2018/19 audit identified some irregularities in the appointment of Panel of Consultants.
8	Dolmen Engineers CC	Upgrading of Kliphuiwel access road from gravel to Tar	LN102/2018/19	Panel of Consultants	Bid committees were not involved in the awarding of the bid	Bid committees were not involved in the awarding of the bid	Tender	2018/2019	R 1 186 308,28	Dolmen Engineers CC was appointed for Upgrading of Kliphuiwel access road from gravel to Tar and AG has during its 2018/19 audit identified some irregularities in the appointment of Panel of Consultants.
9	Math Engineers	Installation of 12 Highmast Lights		Panel of Consultants	Bid committees were not involved in the awarding of the bid	Bid committees were not involved in the awarding of the bid	Tender	2018/2019	R 415 150,00	Math Engineers was appointed for Installation of Highmast Lights and AG has during its 2018/19 audit identified some irregularities in the appointment of Panel of Consultants.
10	Muteo Consulting	Electrification of Tjane Village	LN104/2018/19	Panel of Consultants	Bid committees were not involved in the awarding of the bid	Bid committees were not involved in the awarding of the bid	Tender	2018/2019	R 136 507,88	Muteo Consulting was appointed for Electrification of Tjane Village and AG has during its 2018/19 audit identified some irregularities in the appointment of Panel of Consultants.
11	Math Engineers	Electrification of Byldrift Village		Panel of Consultants	Bid committees were not involved in the awarding of the bid	Bid committees were not involved in the awarding of the bid	Tender	2018/2019	R 218 576,47	Math Engineers was appointed for Electrification of Byldrift Village and AG has during its 2018/19 audit identified some irregularities in the appointment of Panel of Consultants.
									R 5 663 630,93	

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 December 2019 (Table 1)
 - 1.3. Detailed list of bids advertised for the period ended 31 December 2019 (Table 2).
 - 1.4. Detailed list of bids withdrawn for the period ended 31 December 2019 (Table 3).
 - 1.5. Detailed list of bids awarded for the period ended 31 December 2019 (Table 4).
 - 1.6. Detailed list of deviations approved by the accounting officer for the period ended 31 December 2019 (Table 5)
 - 1.7. Detailed list of irregular expenditures for the period ended 31 December 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.