



SUPPLY CHAIN MANAGEMENT UNIT

QUARTERLY SCM IMPLEMENTATION REPORT

31 MARCH 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 were evaluated and adjudicated in accordance with preference point system as set in the evaluation criteria specified on the bid document. The bids 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 January, February and March be presented to the Budget and Treasury 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 must be submitted to council after 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 MARCH 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 establish a supply chain management policy. SCMU 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 28th of June 2018.

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 the Accounting Officer approved it.

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 NT CSD.

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 preferential procurement 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 3rd 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 on the 12 – 13 December 2018.

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. 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.

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 2018/2019 for the 3rd Quarter ending 31 March 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 12 211 730,69** (See attached Annexures).

Table 1: Purchase orders issued January, February and March 2019

REPORT OF ORDERS ISSUED FOR THE MONTH						
Jan-19						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
2019/11/01	51392	2011169	Phelane Suppliers and Services	Supply and delivery of 50 cartridges	R 172 288.29	QUOTATION
16/01/2019	51065	2011172	Ditogamano Projects	Supply and delivery breakfast ,plastic chairs for 100 people and 7x12m white tent for Memorial service and Funeral service of Ms Tema DE at Makaung village in ward 24	R10 500.00	QUOTATION
22/01/2019	51394	2011176	Roadies Group	Supply and delivery of Stationery	R20 240.00	QUOTATION
31/01/2019	51064	2011203	Batsibi Trading pty ltd	Supply and delivery of 800 bottled water	R9600.00	QUOTATION
28/01/2019	1453	2011187	Amogelang le Tshegofatso	Hiring of Sound system with two cordless micro folded tables with table cloth and VIP toilet (2 in 1)	R11 960.00	QUOTATION
29/01/2019	1451	2011197	Mogale Engineering Trading	Catering for coucil meeting at Mamaolo for 150 people on the 28/0/2019	R13 050.00	QUOTATION
28/01/2019	1452	2011192	Makgopane Catering and Project	Catering for council meeting for 150 people and bottled water	R12 300.00	QUOTATION
16/01/2019	1206	2011173	Motemos catering and projects	supply and delivery of eyeliner and storage filling box	R29 500.00	QUOTATION

31/01/2019	50686	2011214	Motlalepula and girls trading	hiring of sound system for ward committee at Civic centre on the 31/01/2019	R7800.00	QUOTATION
2019/11/09	50249	201833	Monthapane Trading Enterprise	Supply and delivery double ply tissue and toilet seat wipes	R367 290.00	TERM QUOTATION
2019/01/02	50882	2011216	Human communications	advertisement of vacant post for executive manager planning and LED on Sunday works and Sowetan	R18 844.18	QUOTATION
31/01/2019	51063	2011208	Maele Civil Construction	Catering of 100 people attend ward committee forum at Civic centre on the 31/01/2019	R8000.00	QUOTATION
31/01/2019	51856	2011211	Babirwa travel	Accommodation and meals for councillors Mphahlele check in 30-01 February 2019 in Johannesburg	R3444.00	TERM CONTRACT
31/01/2019	5193	2011209	TLR Technologies and projects	Supply and delivery of 600L White road marking paints	R43980.00	7 DAYS QUOTATION
28/01/2019	50881	2011181	Babirwa travel	Accommodation and meals for Robert Mphahlele for job evaluation session at CDM check 28-01 February 2019	R7084.80	TERM CONTRACT
31/01/2019	51243	2011210	PSF Funerals and tombstones	burial of 6 unknown bodies from Department of wealth forensic pathology unit	19998	QUOTATION
28/01/2019	51853	2011180	Babirwa travel	Accommodation, meals, flight and shuttle for Mayor check in 05-08 February 2019 in Cape town	17424,19	TERM CONTRACT
29/01/2019	5185	2011195	Babirwa travel	Accommodation and meals for Moroaswi check in 30-01	3444	TERM CONTRACT

				February 201 in Birchwood hotel attending MBD Conference		
15/01/2019	51230	2011170	Lesego la Victor Supply pty ltd	Supply and delivery 200 indegenous plants and fruit trees	110520,5	7 days advert
29/01/2019	5158	2011196	Babirwa travel	Accomodation and meals for Moroaswi for Municipal manager check in 10-12 february 2019 at Birchwood hotel	3440	term contract
29/01/2019	51505	2011194	Alco-Safe pty ltd	Callibration of breathlyser 10 at ALCO SAF rechargeable battery for A500 MK4	7222	TERM CONTRACT
28/01/2019	51854	2011182	Babirwa travel	accomodation and meals for Cllr Makgatio MR attending national health service summit check in 12-14 February 2019 in Ekurhuleni	3923,7	TERM CONTRACT
28/01/2019	51861	2011183	Babirwa travel	accomodation and melas for Rampuru Setati attending public sector forum by institute of internal auditors check in 03-06 February 2019	5202,9	TERM CONTRACT
31/01/2019	51061	2011199	Aidan Trading andproject	Catering for 150 people attending ward committee conference at Civic centre on the 31/01/2019	12150	QUOTATION

REPORT OF ORDERS ISSUED FOR THE MONTH						
Feb-19						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
15/02/2019	51279	2011227	Machweu Kgaladi Trading	Supply and delivery of 500 bottled water and 2 VIP toilet Go Loma Morula at Mafefe traditional council on the 15/02/2019	19500	QUOTATION
21/02/2019	50770	2011235	Mathabatha Princess projects	Catering for 250 people for community awarness campaign at Mathabatha Community Hall on 22/02/2019	20000	QUOTATION
21/02/2019	50772	2011232	Hlatse kea Travelling	breakfast for 50 people during community awarness caimpaign and 500 bottled water	9950	QUOTATION
15/02/2019	51271	2011226	Nogane a Pheladi pty ltd	Supply and delivery of 500 chairs and 20x15 tent including engineer certificate and two fire exteguishers for Go Loma Morula at Mafefe traditional	28800	QUOTATION

				council on the 15/02/2019		
18/02/2019	50130	2011231	LRP General suppliers	Supply and delivery of 150 boxes of A4 papers white	56332,5	TERM CONTRACT
2019/05/02	50768	2011219	Maele Civil Construction and projects	Supply and delivery of 150 Animal grass bales and 150 lucern	117000	7 days advert
22/02/2019	50066	2011246	Lesego rato Legacy	Catering for 200 people attending school shoes event in parnership with one million on the 23/02/2019 at Lebowakgomo civic centre	17800	QUOTATION
26/02/2019	50137	2011251	Manapyane Holdings	Advert for SCM information sharing session 2019 on Sowetan and Capricorn voice	20068	QUOTATION

22/02/2019	50068	2011244	Onalerona Serogole PTY LTD	Hiring of sound system with two cordless microphones and VIP toilet and generator school shoes event in partnership with one million on the 23/02/2019 at Lebowakgomo civic centre	12100	QUOTATION
22/09/2019	50067	2011245	Phenyo Pele Services pty ltd	Hiring of 3*65 seater transport from Mafefe Noko Tlou Stadium to Civic centre for school shoes event in partnership with one million on the 23/02/2019 at Lebowakgomo civic centre	23500	QUOTATION
21/02/2019	50450	2011242	Babirwa travel	Accomodation and meals for Mphahlele CR check in 25-01 march at Polokwane attending Job evaluation meeting	7084,8	TERM CONTRACT
26/02/2019	50136	2011249	Roadies group pty ltd	Supply and delivery of 1200 bottled water (500ml) for	13200	QUOTATION

				SCM information sharing session		
21/02/2019	50774	2011233	Ramaesele Ramaabele Trading	Hiring of 65 seater bus for community awareness campaign to be held on 22/02/2019 at Ga Mathabatha Community hall	13000	QUOTATION
26/02/2019	50773	2011247	Kokotlela Helnex pty ltd	Hiring of 02 VIP toilet,02 rectangular tables,500 chairs,01 sound system and backup generator for Community services campaign at Mathabatha Community hall	23800	QUOTATION
2019/11/02	50775	2011222	Nakene PJ pty ltd	Catering for 100 people attending disaster advisory forum workshop and 100 bottled water	12250	QUOTATION
14/02/2019	1101	2011224	Bakgaditse General Trading enterprise	Supply and delivery of 2800 bags of cold asphalt (25kg per bag)	420000	TERM CONTRACT
27/02/2019	1454	2011253	Batsibi Trading pty ltd	Hiring of sound system and two cordless microphones for	5500	QUOTATION

				special council meeting		
26/02/2019	50694	2011248	Thokwadi Construction	hiring of 65 seater bus transport for community members form Mafefe/Mathabatha cluster to attend MPAC public participation to be held at Civic centre on 06/03/2019	18488	QUOTATION
28/02/2019	51074	2011258	Babirwa travel	Accommodation, meals and conference for 12 MPAC working session people check in 22-25 February in Polokwane	76737,66	TERM CONTRACT
18/02/2019	50127	2011229	Itirele Serogole Enterprise	Supply and delivery of 150 A4 Paper box (white) typek	58500	TERM CONTRACT
27/02/2019	50769	2011252	Thokwadi Trading enterprise	Catering for 250 people for community awareness campaign at Mathabatha Community Hall on 22/02/2019	19250	QUOTATION

2019/11/02	51275	2011223	Boledi a phake Trading	advertisment of 2017/18 annual report public notice on Sowetan and Capricorn voice	21 379.68	QUOTATION
28/02/2019	50129	2011256	Rekgothe and sons trading and project	Supply and delivery of 150 A4 Paper box (white) typek	70500	QUOTATION
28/02/2019	51827	2011261	Babirwa travel	Accomodation and meals for Mogashoa A check in 10-12 February 2019 attending SALGA in Birchwood	3444	TERM CONTRACT
22/01/2019	51857	2011179	Babirwa travel	Accomodation, meals and conference package for BAC members attending BAC meeting check in 22-25 January 2019	22629,25	TERM CONTRACT
15/02/2019	51270	2011228	Retang dimakatso trading	breakfast and lunch for 40 people and 80 bottled water attending Exco Lekgotla mid year review on 06/02/2019	8400	QUOTATION

REPORT OF ORDERS ISSUED FOR THE MONTH						
Mar-19						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
13/03/2019	50335	2011297	Human Communications	advertisement of vacant post of the Municipal Manager to be published on Sunday World and Sowetan	29836,61	QUOTATION
2019/06/03	50698	2011280	Mahlodi a Mphela projects and Projects	Hiring of 65 seater transport to ferry members to attend MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	12400	QUOTATION
13/03/2019	50885	2011298	Human Communications	advertisement of vacant post to be published on Sunday World and Sowetan	29836,61	QUOTATION
19/03/2019	50132	2011309	Vice works pty ltd	catering for 150 people for SCM information sharring session 2019 on the 15/03/2019 at Civic centre	10950	QUOTATION
2019/06/03	50696	2011285	Mahlodi a Mphela projects and Projects	Hiring of 65 seater transport to ferry members to attend MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	11900	QUOTATION

2019/05/03	50140	2011267	KTMS Holdings	catering for 150 people for SCM information sharring session 2019 on the 15/03/2019 at Civic centre	17800	QUOTATION
2019/06/03	51069	2011282	Batsibi Trading pty ltd	catering for 150 people for MPAC public hearing on the 14/03/2019 at Civic centre	12750	QUOTATION
2019/05/03	50695	2011271	Morontsheng Trading pty ltd	Hiring of 65 seater transport to ferry members to attend MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	8400	QUOTATION
2019/05/03	50138	2011268	Sabetha Empire Business enterprise	catering for 150 people for SCM information sharring session 2019 on the 15/03/2019 at Civic centre	9550	QUOTATION
2019/06/03	50697	2011281	Tetelo Mokgadi Trading and project	Hiring of 65 seater transport to ferry members to attend MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	11500	QUOTATION
2019/05/03	50687	2011270	Sunset Cleaning and catering services	Catering for 150 people attending MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	13125	QUOTATION

2019/05/03	50689	2011269	Vice works pty ltd	Catering for 150 people attending MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	9990	QUOTATION
2019/05/03	50688	2011272	Maredi a mologadi Catering	Catering for 150 people attending MPAC public comments on 2017/18 annual report to be held at Civic centre on the 06/03/2019	12300	QUOTATION
2019/06/03	50699	2011283	Boledi ba Phake trading	advertisement of MPAC public participation	15100	QUOTATION
2019/08/03	52029	2011291	Metanoia business enterprise	repairs of garden maintenance machines brush cutters Stihl	24500	QUOTATION
2019/01/03	50880	2011263	Mogale ka moka Trading	pest controller to fumigate Municipal offices (Traffic,Pound,Library,Civic centre and cultural centre)	R27500.00	QUOTATION
19/03/2019	51070	2011306	Hlengiwe Sanitary loo pty ltd	Hiring of sound system with two cordless microphones and 2 in 1 VIP toilet for MPAC hearing on 14/03/2019	9200	QUOTATION
2019/05/03	50777	2011274	Thapsa Caterings pty ltd	Catering and bottled water for 50 officials at Traffic station on 22/02/2019 attending traffic law enforcement joint operation	5550	QUOTATION

2019/05/03	50700	2011273	Boledi ba Phake trading	adevertisement of MPAC public hearing on Sowetan	15100	QUOTATION
25/03/2019	50876	2011321	Moipone Lebeso Clinical psychologist	the services of a psychologist for Themane PG	3900	QUOTATION
13/03/2019	51273	2011299	Sabetha Empire Business enterprise	Catering for LED forum meeting on the 14 March at Civic centre for 60 people including 60 (500m1) bottled water	5400	QUOTATION
14/03/2019	51287	2011305	Human communications	Advertisement of sale of sites on Sowetan and City presss	29642,26	QUOTATION
2019/06/03	51514	2011279	Bonatwau pty ltd	02* FK 1.8 Slasher and 2 by tooplink mf 440	73000	7 days advert
20/03/2019	50139	2011310	Chabane Consulting	VIP Catering for information sharing session held at Civic centre on the b15/03/2019 for 100 people	10800	QUOTATION
05/03/20119	50690	2011276	Muroa investment corporations	Hiring of sound system and VIP toilet for MPAC public participation held on 06/03/2019 atCivic centre	8500	QUOTATION
22/03/2019	50135	2011313	Double MH	Hiring of VIP TOILET X2 ,generator and sound system for SCM informtaion sharing session held on the 15/03/2019	15600	QUOTATION

21/03/2019	50145	2011294	ZB Community radio station	adevrtising of SCM information sharring session from morning,afternoon and evening shows	14700	deviation
25/03/2019	51284	2011330	Axe marumo capital	supply of 160 (500ml) bottled water	1598,4	QUOTATION
19/03/2019	51281	2011314	Vumatsa trading	catering of 200 people for IDP rep forum on the 20/03/2019 at Civic centre and 200 bottled water	15300	QUOTATION
22/03/2019	51280	2011326	Moraswi a boreledi pty ltd	Supply and delivery of 3000 (500ml) bottled water for IDP imbizos	28800	QUOTATION
14/03/2019	50133	2011311	maredi a mologadi trading and project	Catering 150 people for SCM information sharing session on the 15/03/2019	11250	QUOTATION
20/03/2019	51285	2011322	Sabbetha empire	supply of 200 bottled water (500ml) for information sharring session at Mafefe	1700	QUOTATION
28/03/2019	51282	2011329	Mantjororo general trading	catering of 80 people for information sharing session at Mafefe village on 29/03/2019	6800	QUOTATION
14/03/2019	1465	2011333	Double HM	Hiring of sound system,generator and VIP toilet for SCM information session on 15/03/2019	5800	QUOTATION

29/03/2019	5188	2011337	Babirwa travel	Accomodation and meals for TS Moraswi attending CDM lekgotla at Belabela check in 03-05 April 2019	5166	TERM CONTRACT
29/03/2019	1460	2011340	Babirwa travel	Accomodation and meals for Cllr Ramokolo MM and Themane MD attending CDM lekgotla at Belabela check in 03-05 April 2019	10332	TERM CONTRACT
22/03/2019	1456	2011317	Babirwa travel	Accomodation and meals for Cllr Ntsoane PB attending CDM lekgotla at Belabela check in 03-05 April 2019	5166	TERM CONTRACT
29/03/2019	5188	2011337	Babirwa travel	Accomodation and meals for Cllr Thobejane attending CDM lekgotla at Belabela check in 03-05 April 2019	5166	TERM CONTRACT
22/03/2019	1459	2011316	Babirwa travel	Accomodation and meals for willy Mashita attending MPAC working session at Polokwane check in 22-24 March 2019	3198	TERM CONTRACT
23/03/2019	1461	2011338	Babirwa travel	Accomodation and meals for Mampa MC while dring the Mayor to attending CDM lekgotla in Belabela check in 03-05 March 2019	5166	TERM CONTRACT

22/03/2019	1458	2011320	Babirwa travel	Accomodation and meals for 12 MPAC members attending MPAC working session at Polokwane 11 people check in 23-24 March 2019 and 10 people check in 22-24 March 2019	39015,6	TERM CONTRACT
22/03/2019	1352	2011319	Babirwa travel	Accomodtion and meals for Mphahlele CR check in 25-09 March 2019 attending Capricorn district job evaluation in Euphoria Golf estate	7670,28	TERM CONTRACT

Table 2: bids advertised January, February and March 2019

JANUARY 2019

BID NUMBER	BID DESCRIPTION	CLOSING DATE	STATUS
LNM104/2017/18	Tarring of road S to Q phase 2	22 February 2019	Awarded
LNM012/2017/18	Rakgoatha stormwater management	22 February 2019	Discontinued, funds no longer available on the adjusted budget
LNM096/2017/18	Pannel of two suppliers supply and delivery of stationary for a period of 24 months	22 February 2019	Awaiting Evaluation
LNM051/2017/18	Cleaning of illegal dumping within the jurisdiction of Lepelle Nkumpi Municipality for a period of 36 months	22 February 2019	Awaiting Evaluation
LNM004/2018/19	Construction of Ga Molapo community hal	27 February 2019	Awarded
LNM024/2018/19	Construction of Maralaleng Community hall	27 February 2019	Awaiting Evaluation
LNM015/2018/19	Upgrading of Mooiplaas access road from gravel to paving blocks and stormwater control	28 February 2019	Awarded
LNM016/2018/19	Upgrading of Malakabeng access road from gravel to paving blocks and stormwater control	28 February 2019	Withdrawn
LNM055/2018/19	Professional Service provider for review of environment management plan	26 February 2019	Awaiting Evaluation
LNM056/2018/19	Professional Service provider for licensing of municipal borrow Pits	26 February 2019	Awaiting Evaluation

LNM050/2018/19	Supply and delivery of ICT equipment	26 February 2019	Discontinued, funds no longer available on the adjusted budget
LNM067/2018/19	Printing and folding of municipal monthly statements for a period of 36 months	01 March 2019	Evaluated and adjudicated end of third quarter. Awaiting approval
LNM071/2018/19	Panel of two (2) Service providers for Supply and delivery of protective clothing for a period of 36 months(as and when required)	01 March 2019	Evaluated and adjudicated end of third quarter. Awaiting approval

FEBRUARY 2019

BID NUMBER	BID DESCRIPTION	CLOSING DATE	STATUS
No bids advertised			

MARCH 2019

BID NUMBER	BID DESCRIPTION	CLOSING DATE	STATUS
LNM078/2018/19	Professional Service provider for preparation of AFS	29 March 2019	Evaluated and adjudicated end of third quarter. Awaiting approval.

Table 3: Bids withdrawn January, February and March 2019

JANUARY 2019

BID NUMBER	BID DESCRIPTION	REASONS FOR WITHDRAWAL
No bids withdrawn		

FEBRUARY 2019

BID NUMBER	BID DESCRIPTION	REASONS FOR WITHDRAWAL
LNM016/2018/19	Upgrading of Malakabeng Access Road from Gravel to Paving Blocks and Stormwater Control	Funds no longer available on the adjusted budget

MARCH 2019

BID NUMBER	BID DESCRIPTION	REASONS FOR WITHDRAWAL
No bids withdrawn		

Table 4: Bids awarded January, February and March 2019

AWARDED BIDS JANUARY 2019

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

AWARDED BIDS FEBRUARY 2019

ITEM	Bid Description	Bid Amount	Successful Bidder	B-BBEE Level	Reasons for Award	Registered address
1.	Construction of Hlakano Community Creche LNM022/2018/19	R 1 178 751.00	Mmasekgaila JV Bakgaditse General Trading	01	The service provider fully met our specification The highest scorer at 100 Points Bidder B= 57.78	Makaung Village Ga – Mphahlele
2.	Construction of Kliphuiwel Community Creche LNM023/2018/19	R 1 178 751.00	Mmasekgaila JV Bakgaditse General Trading	01	The service provider fully met our specification The highest scorer at 100 Points	Makaung Village Ga – Mphahlele
3.	Drilling and Equipping of Six Boreholes in Various Municipal Facilities (LNM031/2018/19)	R 2 366 899.24	Benyera Consulting and Contracting	01	The service provider fully met our specification The highest scorer at 100 Points	Midrand

4.	Construction of Malakabaneng Community Creche LNM021/2018/19	R 1 796 974.20	Qcobs CC	01	The service provider fully met our specification The highest scorer at 100 Points	Polokwane
5.	Hiring of Plant for a Period of 36 Months As And When Required (LNM033/2018/19)	R 9 760.00	Selema Plant Hire Construction	01	The service provider fully met our specification The highest scorer at 100 Points	Polokwane
6	Development of Recreational Facilities Makhushwaneng (Ward 7) (LNM001/2018/19)	Basic Professional Fees, Plus Provisional Sum (Subject to Municipal Approval) Plus 15% VAT	Mont Consulting Engineers	N/A	Panel of Consultants	Polokwane

AWARDED BIDS MARCH 2019

IT E M	Bid Description	Bid Amount	Successful Bidder	B- BB EE Lev el	Reasons for Award	Registered address
<p style="text-align: center;">NO BIDS AWARDED FOR THE MONTH OF MARCH 2019</p>						

Table 5: Deviations January, February and March 2019

DEVIATION REPORT FOR JANUARY 2019

DEVIATION REPORT FOR JANUARY 2019: SOLE SUPPLIER

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

DEVIATION REPORT FOR JANUARY 2019: EXCEPTIONAL OR IMPRACTICALLY

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

DEVIATION REPORT FOR JANUARY 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 JANUARY 2019= R0.00

DEVIATION REPORT FOR FEBRUARY 2019

DEVIATION REPORT FOR FEBRUARY 2019: SOLE SUPPLIER

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

DEVIATION REPORT FOR FEBRUARY 2019: EXCEPTIONAL OR IMPRACTICALLY

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

DEVIATION REPORT FOR FEBRUARY 2019: EMERGENCY

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

TOTAL DEVIATION AMOUNT FOR MONTH ENDING 28 FEBRUARY 2019= R0.00

DEVIATION REPORT FOR MARCH 2019

DEVIATION REPORT FOR MARCH 2019: SOLE SUPPLIER

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

DEVIATION REPORT FOR MARCH 2019: EXCEPTIONAL OR IMPRACTICALLY

NO	DESCRIPTION	REQUEST NUMBER	NAME OF SERVICE PROVIDER	INVOICE DATE	CONTRACT VALUE	REASON FOR DEVIATIONS
01	Advert for MPAC public participation and public hearing on 2017/18 Draft annual report from 28-04 March 2019 (morning, afternoon and evening shows)	51075	Zebediela Community Radio station	29/03/2019	R 21 000.00	Zebediela Community radio station is the local radio station in the area and the jurisdiction of Lepelle-Nkumpi Municipality in order to attract residence for MPAC public participation and public hearing on 2017/18 draft annual

						report from 28-04 March 2018
	Independent external investigators	N/A	Paradigm Forensic services	28/02/2019	R39 670.48	Paradigm Forensic services was appointed by council for investigating allegations of financial misconduct against the Municipal Manager and Chief Financial Officer

DEVIATION REPORT FOR MARCH 2019: EMERGENCY

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

TOTAL DEVIATION AMOUNT FOR MONTH ENDING MARCH 2019 = R60 670.48

TOTAL DEVIATION AMOUNT FOR QUARTER ENDING 31 March 2019 = R60 670.48

Table 6: irregular expenditure January, February and March 2019

Lepelle Nkumpi Local Municipality - 31 January 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 2018/19	General Comments
1	Mailtronic Direct Marketing	Printing of Monthly Municipal Statements for a period of 24 Months	LNM070/2015/2016	904 833,07	Municipal accounts in arrears for more than 90 days for Director Y Moody for the amount of R 683.51	Municipal accounts for winning bidder in arrears for more than 90 days	Tender	2015/2016	R87 677,39	The municipality has appointed Mailtronic for printing of Municipal statements as and when Required for a Period of 24 Months and the AG has during its 2015/16 audit identified some irregularities.
2	Thuso Projects	Rakgoatha Upgrading of Internal Streets and Stormwater	LNM036/2015/2016	1 300 000,00	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	2015/2016	R271 127,36	Thuso Projects was appointed for upgrading of Rakgoatha internal street and stoprmwater and AG has during its 2015/16 audit identified some irregularities.
3	Maduludi CC	Upgrading of Access Road from Unit S to Q	LNM070/2015/2016	10 559 256,49	Tender above 10m	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2015/2016	R577 737,20	Maduludi CC was appointed for upgrading of Upgrading of Access Road from Unit S to Q and AG has during its 2015/16 audit identified some irregularities.
							TOTAL		R936 541,95	

<u>Lepelle Nkumpi Local Municipality - 28 February 2019 Irregular expenditure register</u>										
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 2018	General Comments
1	Mailtronic Direct Markering cc	Printing of Monthly Municipal Statements for a period of 24 Months	LNM070/2015/2016	904 833,07	Municipal accounts in arrears for more than 90 days for Director Y Moodly for the amount of R 683.51	Municipal accounts for winning bidder in arrears for more than 90 days	Tender	2015/2016	69539,33	The municipality has appointed Mailtronic for printing of Municipal statements as and when Required for a Period of 24 Months and the and AG has during its 2015/16 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	399826,97	The municipality has appointed Bawelile Consulting Engineers for Professional Service Provider for Upgrading of Access Road from Unit S to Q and the and AG has during its 2015/16 audit identified some irregularities.
							TOTAL		469366,30	

Lepelle Nkumpi Local Municipality - 31 March 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 2018/19	General Comments
1	Maisaya Business centre pty ltd	Hiring of 7x12 tent,100 chairs from the 03-05 January 2019 and supply of sandwiches for 100 people attending memorial service and funeral of ward committee member (Ms Nkuna RE)	N/A	R16500.00	The SCM process was not followed in appointing the service provider	The SCM process was not followed in appointing the service provider	Quotation	2018/19	R16 500,00	The municipality has appointed appointed Maisaya Business centre to cater for the memorial and funeral of ward committee member and SCM processes where not followed due to recess granted to officials by the Municipality during December .
2	Bawelile Consulting Engineers	Professional Service Provider for the Electrification of Mamatonya	LNM003/2016/17	45 015,75	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	R19 413,06	Bawelile Consulting Enginners CC was appointed as Professional Service Provider for the Electrification of Mamatonya and AG has during its 2015/16 audit identified some irregularities.
3	Shumba Engineering Services	Construction of Lehlokwaneng/Tswaing:	LNM030/2015/2016	264 368,94	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	R91 089,39	Shumba Engineering Services was appointed for Construction of Lehlokwaneng/Tswaing: Small Access Bridgend AG has during its 2015/16 audit identified some irregularities.
4	MPTJ Construction (PTY) LTD	Electrification of Khureng Village	LNM001/2017/18		local production and content not specified in the bid specification	local production and content not specified in the bid specification	Tender	2017/18	R206 384,17	MPTJ Construction was appointed for electrification of Khureng Village and internal audit has during its 2017/18 audit identified some irregularities.
5	MPTJ Construction (PTY) LTD	Electrification of Khureng Village	LNM001/2017/18		local production and content not specified in the bid specification	local production and content not specified in the bid specification	Tender	2017/18	R314 951,17	MPTJ Construction was appointed for electrification of Khureng Village and internal audit has during its 2017/18 audit identified some irregularities.
6	Bagaphala projects and trading	Upgrading of Hwelereng access road g	LNM032/2017/18	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	2017/18	R3 435 982,00	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.

7	Bagaphala projects and trading	Upgrading of Hwelereng access road g	LN032/2017/18	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	2017/18	R1 163 702,00	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.
8	Bagaphala projects and trading	Upgrading of Hwelereng access road g	LN032/2017/18	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	2017/18	R19 413,06	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.
9	Bagaphala projects and trading	Upgrading of Hwelereng access road gravel to TAR	LN032/2017/18	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	2017/18	R580 039,90	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.
10	Bagaphala projects and trading	Upgrading of Hwelereng access road gravel to TAR	LN032/2017/18	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	2017/18	R1 815 136,00	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.
11	Bagaphala projects and trading	Upgrading of Hwelereng access road g	LN032/2017/18	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	2017/18	R184 115,40	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.

					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.				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.
12	Bagaphala projects and trading	Upgrading of Hwelereng access road gravel to TAR	LNM032/2017/18	R20 439 578.68			Tender	2017/18	R1 576 392,00	
13	Vomayise Consulting Pty Ltd	Appointment of Service Provider for Supply, delivery, registration and licensing of 12 Cubes refuse Compactor Truck	LNM042/2016/17	1 382 704.29	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	2017/18	R1 382 704,29	Vomayise Consulting Pty Ltd Appointment of Service Provider for Supply, delivery, registration and licensing of 12 Cubes refuse Compactor Truck and AG has during its 2017/18 audit identified some irregularities.
							Total		R10 805 822,44	

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