



# **SUPPLY CHAIN MANAGEMENT UNIT QUARTERLY SCM IMPLEMENTATION REPORT**

**30 JUNE 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 April, May and June 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 JUNE 2019**

#### **TABLE OF CONTENT**

- SCM processes and transactions of implementing the SCM policy
- Table 1: Purchase orders issued April, May and June 2019
- Table 2: bids advertised April, May and June 2019
- Table 3: bids withdrawn April, May and June 2019
- Table 4: bids awarded April, May and June 2019
- Table 5: Deviations April, May and June 2019
- Table 6: Irregular expenditure April, May and June 2019

## **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.

### 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 4<sup>th</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 has been conducted on the 12 – 13 December 2018. Annual stock taking was conducted on the 19<sup>th</sup> to 20<sup>th</sup> 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. 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 4<sup>th</sup> Quarter ending 30 June 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 2 036 281.68** (See attached Annexures).

**Table 1: Purchase orders issued April, May and June 2019**

REPORT OF ORDERS ISSUED FOR THE MONTH						
Apr-19						
DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
12/04/2019	51290	2011361	Boledi ba Phaake Trading and supply	Advertisment for tabling of IDP Comments and inputs bt the public in one national newspaper and one local nespaper	R 14,300.00	Quotation
30/04/2019	51289	2011380	MIT Group	Advertisment of draft sector plans for public Comments and inputs the in one national newspaper and one local newspaper and provincial gazzette	R 22,900	Quotation
03/04/2019	50149	2011344	Human communication	Adertisment of adjustment budget on news paper on local news paper and one national	R 13,883.89	Quotation

23/04/2019	1356	2011364	Babirwa travel	Accomodation and meals for Mphahlele R attending Capricorn Job evaluation session at Capricorn Munucipality check in 23-26 April 2019	5752.71	Term contract
11/4/2019	51288	2011358	Babirwa travel	Accomodation and meals for Setsiba pleasure attending national spatial development framework indaba at Gallagher estate check in 11-13 April 2019	3542.4	Term contract
2/4/2019	50449	2011343	The assessment toolbox	competency assesement for Senior manager at Community Services	7287.37	Quotation
3/4/2019	5286	2011347	Moedi wa Mogale construction	Hiring of VIP toilet for informaion session at Mafefe Tradition acouncil hall on 29/03/2019	R 7,000.00	Quotation
4/2/2019	50255	2011341	GP van niekerk ondernemings	Sostwarae assurance for inte licences	2992.71	deviation
8/4/2019	51079	2011354	Babirwa travel	Accomodation and meals for 08 memebers of ethics committee from 03-05 April 2019 at Polokwane	25848.45	Term contract
8/4/2019	50844	2011355	Babirwa travel	breakfast of 08 members for sshortlisting of PLED excecutive manager position in Polokwane	1771.2	Term contract

11/4/2019	50780	2011357	Angelious general trading	Catering for 50 including bottled water(50) officials performing on joint operational road block on the 12/04/2019	57500	Quotation
23/04/2019	50144	2011345	Topa katlego consrtuction	Supply and delivery of stationery	29000	Quotation
3/4/2019	50142	2011346	Phelane suppliers and services	Supply and delivery of catridges	116181.95	Term contract
2/4/2019	50147	2011342	Pay day software system cc	RIP seminar and practical workshop	5798	deviation
4/4/2019	50503	2011348/2011349/2011350	Motsemane Trade	Supply and delivery of elecrical tools	299959	Quotation
25/04/2019	50890	2011372	Tsitsane Providing Enterprise	Hiring of VIP toilets for employee wellness programme	4000	Quotation
30/04/2019	50787	2011385	TLR Technologies	catering for 200 people attending mayor boxer tournament	16400	Quotation
30/04/2019	50788	2011387	Sagodimo Trading projects	Supply and delivery boxing gloves	18500	Quotation
30/04/2019	50789	2011381	Riri cleaning Security and Supply	Supply and delivery of boxing punching bags and skipping ropes	27500	Quotation
30/04/2019	50785	2011383	Kgame calculative electricals	breakfast for 100 people attending Mayor tournamnet at Civic centre on 04/05/2019	6600	Quotation
23/04/2019	50143	2011366	Hackfort investment	Supply and delivery of catridges	111713.8	Term contract

30/04/2019	50781	2011388	KMM Investment	Supply and delivery for equipments for Mayor boxing tournament to be held on 04/05/2019	29250	Quotation
12/4/2019	51081	2011362	Khukele pty ltd	hiring of chairs,tent s from Thursday to Friday and supply of sandwiche for funeral of Nduna Micheal Aphane	9100	Quotation
25/04/2019	50895	2011370	Muroa investmnet corporation	Hiring of 12 tables and table cloth for emplouyee wellness at civic centre 26/04/2019	3000	Quotation
25/04/2019	50889	2011369	Hlengiwe sanitary loo	breakfast for 80 people for the purpose of employee wellness to take place 26/04/2019	11920	Quotation
30/04/2019	50791	2011384	Mmmutla wa moswatsi	Hiring of 04 rectangular tablea and table cloth and 50 chairs for Mayor boxing tournament on 04/05/2019	6700	Quotation
30/04/2019	1467	2011395	Dauris Makaleng recycling	Hiring of 26 folded tables with table cloth and VIP toilet for council meeting on 30/04/2019 Ga seloane Community hall	5840	Quotation
30/04/2019	1466	2011394	Lefilwe Temo investmenst	Hiring of sound system for council meeting at Ga seloane community hall on 30/04/2019	2500	Quotation

17/04/2019	1107	2011363	Bakgaidtse General trading	Supply and delivery of 3500 bags of clod mix	525000	Term contract
30/04/2019	1469	2011391	Anikie seithati	Catering for 150 people attending council Gaseloane community hall on 30/04/2019	10800	Quotation
25/04/2019	50131	2011368	Bohlabatsatsi Trading	Supply and delivery photocopy papers	52746	Quotation
30/04/2019	1468	2011389	Touch South Africa projects	Catering for 100 people at Ga Seloane attending council meeting on the 30/04/2019	11550	Quotation
30/04/2019	51291	2011392	MIT Group	advertisement of second supplementary valuation roll on Sowetan and review and government gazzette	28865	Quotation

**May-19**

<b>DATE</b>	<b>RFQ NO</b>	<b>ORDER NO</b>	<b>SERVICE PROVIDER</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>	<b>SCM PROCESS</b>
14/05/2019	2909	2011415	Mmutla wa Moswatsi	Catering service for 150 people at Lebowakgomo sport ground for IDP/budget Imbiso on 15 may 2019	R 11,850.00	Quotation
16/05/2019	2917	2011426	Ramaesela Ramaabele Trading	Hiring of two 65 seater buses for IDP/Imbiso at Mafefe Nokotlou Stadium on 16 may 2019	R 27,000.00	Quotation
13/05/2019	50148	2011410	NGHR Building Construction	supply and delivery of stationery	R 29,940.25	Quotation
14/05/2019	51513	2011417	Cascade Pivotal projects	supply and delivery of salvage sheets	R 22,000.00	Quotation
16/05/2019	2907	2011424	Tintela Trading Enetrprise	catering service for 170 peple at moletlane Hall for IDP /Budget imbiso to be held on the 15 may 2019	R 11,900.00	Quotation
17/05/2019	2916	2011439	Mistic Falls trading	Hiring of 65 seater bus to transport people to IDP/Budget Imbiso at Lebowakgomo High on 15/05/2019	R 7,400.00	Quotation
06/05/2019	50784	2011401	Lefelong Trading and project	procurement for doctor service for mayors Boxing tournament on 04 May 2019	R 29,500.00	Quotation

16/05/2019	2914	2011425	Vicmar Enterprise and Projects	Hiring of sound system and toilet for IDP/Budget imbiso at Lenting Hall On 16 may 2019	R 9,000.00	Quotation
17/05/2019	2901	2011438	Kourtney trading	Catering service of 200 people for IDP/Budget Imbiso at Mafefe nakotlou stadium on 15 may 2019	R 14,000.00	Quotation
27/05/2019	2913	2011462	Bakone Ke Babirwa	Hiring of sound system with two cordless microphones, generator and toilet for IDP/Budget imbiso at Lebowakgomo On 16 may 2019	R 9,200.00	Quotation
16/05/2019	2908	2011427	Gafela Trading and Services	catering service for imbiso including drinks and water on 15 may 2019	R 13,499.85	Quotation
17/05/2019	2921	2011452	Onalerena serogole pty ltd	Hiring of two 65 buses for IDP/Imbiso to be held at Moletlane Hall on 16 may 2019	R 18,500.00	Quotation
06/05/2019	50037	2011398	Babirwa travel	Accomodation and meals for Mashita W at pretoria on 06-08/2019	R 3,542.40	Quotation
17/05/2019	2911	2011454	Machweu kgaladi trading	Hiring of sound system and Vip toilet for IDP/Budget imbiso at Nokotlou stadium On 16 may 2019	R 13,000.00	Quotation

28/05/2019	1137	2011476	Bakgadiitse General and Sealeb Trading	Supply and delivery of 3850 Cold asphalt bags	R 577,500.00	Term contract
27/05/2017	50071	2011464	Hlengiwe sanitary loo	Breakfast and lunch for 80 people including bottled water for take a girl child to work programme at civic centre	13160	Quotation
17/05/2019	50812	2011437	MJA Brothers	repair of ride on mower	R 5,800.00	Quotation
15/05/2019		2011420	Hac fort Investment	Supply and delivery of catridges	R 62,095.80	Term contract
31/05/2019	1473	2011484	Hlengiwe sanitary loo	hiring of sound system,back up generator and supply of 200 bottled water for council meeting held on 31/05/2019 at Civic centre	R 9,900.00	Quotation
16/05/2019	2907	2011424	Tintela Trading Enetrprise	Catering of 170 people attending IDP/Budget imbizo at Moletlane community hall 15/05/2019	R 11,900.00	Quotation
17/05/2019	2916	2011439	Mistic Falls trading	Hring of 65 seater transport for IDP/budget imbizo held at Lebowakgomo high scool trasporting Lebowakgomo community members	R 7,400.00	Quotation
21/05/2019	51526	2011455	Babirwa travel	Accomodation,melas and conference for 07 BEC memebrs attending BEC meeting	R 72,274.80	Term contract

17/05/2019	2918	2011445	Bridma General and supply	Hiring of 2 *65 seater transport,transporting Mphahlele cluster for IDP/Budget imbizo at Lenting community hall on the 19/05/2019	R 17,000.00	Quotation
10/5/2019	50078	2011409	Makhute General services	Catering of 100 people including 100 bottled water for IDP/budget imbizo held at Lebowakgomo high school trasporting Lebowakgomo community members	R 10,000.00	Quotation
31/05/2019	1261	2011477	IMMSA	Affiliation fee for Provincial games at Mogalakwena Municipality	R 10,000.00	Deviation
14/05/2019	2919	2011414	Angelious General trading and projects	Hiring of 3*65 seater transport,transporting Mphahlele cluster for IDP/Budget imbizo at Lenting community hall on the 19/05/2019	R 24,900.00	Quotation
14/05/2019	2904	2011416	Meldies Trading and project	catering service for 170 people at moletlane Hall for IDP /Budget imbizo to be held on the 15 may 2019	R 11,645.00	Quotation

14/05/2019	2920	2011413	Eketsetse Trading	hiring of 2*65 seatre transport,transporting Zebediela cluster community members for IDPbudget Imcbizo ate moletlane Hall for I held on the 15 may 2019	R 17,000.00	Quotation
13/05/2019	50792	2011411	MAL Engineering services	Catering including 100 bottled water for 100 people attending disaster envirnment forum at Lebowakgomo Fire station on 14/05/2019	R 8,999.00	Quotation
15/05/2019	50336	2011423	Just-Ice Computer technilogies	replacement of CCTV cameras	R 198,274.95	7 days advert
24/05/2019	2903	2011457	Bright light Distribution	Catering for 200 people attending IDP at Mphahlele cluster for IDP/Budget imbizo at Lenting community hall on the 19/05/2019	R 14,000.00	Quotation
31/05/2019	51296	2011480	Manapyane Holdings	Advertisement of intention to allinate vacant land on the farm voerspoed 458ks on Sowetan and Capricon voice	R 26,490.00	Quotation
31/05/2019	50798	2011482	Khorela Ruri catering services	Catering for 200 people attending Disaster managent capacity workshop ward committees and CDW on the 24 May 2019	R 12,000.00	Quotation

27/05/2019	51297	2011460	Tsitsana providing services	Catering for 120 people attending IDP/ Rep forum held on 23/05/2019 at Lebowakgomo Civic centre	R 8,580.00	Quotation
14/05/2019	1254	2011418	Agang Batau General Trading	supply and delivery of cleaning materials	R 28,550.00	Term contract
17/05/2019	2904	2011432	Raleka Rafenya Trading Enterprise	Catering for 200 people attending IDP at Mphahlele cluster for IDP/Budget imbizo at Lenting community hall on the 19/05/2019	R 13,800.00	Quotation
17/05/2019	2906	2011449	Canox Construction	catering service for 170 people at moletlane Hall for IDP /Budgetimbiso to be held on the 15 may 2019	R 10,030.00	Quotation
17/05/2019	2922	2011443	Tetelo Mokgadi Trading and Projects	hiring of 2*65 seatre transport,transporting Zebediela cluster community members for IDPbudget Imcbizo ate moletlane Hall for I held on the 15 may 2019	R 15,000.00	Quotation
17/05/2019	2910	2011446	Hlatse Kea Travelling	hiring of tent to accommodate 500 people,500 chairs and 04 rectangular table for IDP/Budegt imbiso at Nokotlou stadium On 16 may 2019	R 16,320.00	Quotation

17/05/2019	2912	2011441	Mokopisi	hiring of tent to accommodate 300 people,300 chairs and 04 rectangular table for IDP/Budget imbiso at Nokotlou stadium On 16 may 2019	R 11,620.00	Quotation
15/05/2019	1251	2011421	Phelane Suppliers and Services	Supply and delivery of Catridges	R 105,813.74	Term contract
10/5/2019	50898	2011408	Babirwa travel	lunch for 10 people attending shortlisting at SALGA polokwane 10/05/2019	R 3,690.00	Term contract
16/05/2019	1257	2011430	National school of governance	training of bid committee and other role players	R 170,000.00	organ of state
27/05/2019	2902	2011459	Sse seso Trading	Catering for 200 people attending IDP/Budget imbiso at Nokotlou stadium On 16 may 2019	R 17,500.00	Quotation
16/05/2019	2915	2010428	Bra Ru Business Enterprise	hiring of sound system with two roving microphones for IDPbudget Imcbizo ate moletlane Hall for I held on the 15 may 2019	R 675.00	Quotation
6/5/2019	50786	2011397	Hlengiwe sanitary loo	Catering for 100 people attending Mayor boxer tournament at Civic centre 04/05/2019	R 7,700.00	Quotation

6/5/2019	50782	2011400	Double HM	Hiring of sound system,back up generator and Two VIP toilet for mayor boxer tournament Civic centre at 04/05/2019	R 17,000.00	Quotation
7/5/2019	50785	2011402	Mistic Falls trading	catering for VIP 100 people attending mayor boxer tournament Civic centre at 04/05/2019	R 10,400.00	Quotation
<b>TOTAL</b>					<b>R 1,767,350.79</b>	

**Jun-19**

DATE	RFQ NO	ORDER NO	SERVICE PROVIDER	DESCRIPTION	AMOUNT	SCM PROCESS
06/06/2019	1365	2011499	Babirwa Travel	Breakfast and lunch for eight people who will be attending interview for executive manager and LED.to be held at SALGA Polokwane on 06/06/2019	R 3,468.60	Long Term
03/06/2019	51083	2011487	Bridma General supply PTY LTD	funeral service for Ntona mphahlele Kgoadiamo at tooseng 7*12m Tent for 3 days 100 plastic chairs	R 6,500.00	Quotation
12/06/2019	50797	2011507	Metanoia Business Enterprise pty ltd	sound system and VIP toilet for community services awareness campaign at Dithabaneng on 06/06/2019	R 11,500.00	Quotation
03/06/2019	1472	2011492	Mantjororo General trading	15 folded tabled and VIP toilet and 150 bottled water for Distric MPAC forum on 31/05/2019 at Mahltjane community hall	R 8,900.00	Quotation
04/06/2019	50813	2011497	Babirwa Travel	Accomodationa and meals for IMMSA Games that will be at Mokopane on the 7-8 June 2019	R 99,819.42	Term contract

03/04/2019	50149	2011344	Human commucation	Advertisement of adjustment budget on news paper on the local news paper	R 13,883.89	Quotation
03/06/2019	50796	2011486	Amogelang le Tshegofatso	Catering servioce for IDP/Budget Imbiso for 200 people at Dithabaneng C ommunity hall on 06 may 2019	R 18,600.00	Quotation
14/06/2019	50899	2011527	Mazet Services	catering:breakfast and lunch for 46 people including 100 bottled water and 8 tables with table cloth for employee wellness at Civic centre on the 14/06/2019	R 8,320.00	Quotation
14/06/2019	51077	2011525	Maolela Enterprise	Supply and delivery of 402 embroided back packs for ward committeees	154770	7 Days advert
11/6/2019	50794	2011505	Motemos catering and projects	catering for 200 people including 400 bottled water for cleaning campaign at Moletalne on the 07/06/2019	R 19,800.00	Quotation
13/06/2019		2011521	Eketsetse Business enterprise	suuply and delivery of stationery	R 29,000.00	Quotation
19/06/2019	50073	2011530	Kgame calculative electricals	sypply and delivery of 30 calculatyors and 30 dictionaries printed 'take a girl child to work' for Take a girl child to work programm on the 30/05/2018	R 20,400.00	Quotation
12/6/2019	2923	2011511	Mit group	advertisemnet of approval of IDP on Sowetan and capricorn voice	R 21,900.00	Quotation

12/6/2019	50093	2011512	Axe Marumo Capital	Catering for 200 people for handing over of shoes project and rights awarness week at Madikeleng community hall on th 13/06/2019	R 16,998.00	Quotation
12/6/2019	50083	2011509	Motlalepula and girls Trading	Hiring of 2 65 seater transport for transporting community members in Zebediela cluster for ward based council held on Makweng village	R 15,000.00	Quotation
6/6/2019	1365	2011499	Babirwa travel	lunch for 08 people at SALGA attending interview for the position of executive manager planning and LED	R 3,468.60	Term contract
3/6/2019	3160	2011494	Babirwa travel	Conference for 11 people for Job evaluation at Elephant springs 03-07 June 2019	R 56,555.40	Term contract
10/6/2019	51298	2011504	Mokopisi	Catering for 50 people attending LED Forum on 11/06/219 at cultural center	R 4,650.00	Quotation
3/6/2019	1364	2011493	Babirwa Travel	Accommodation and meals for 3 officials attending Job evaluation at Elephant springs 03-07 June 2019	R 21,986.25	Term contract
24/06/2019	50089	2011569	Phenyo pele services	Hiring of 2*65 seater trasnport for from Mphahlele cluster,trasnporting community memebers to attend youth day celebration month at Civic centre	R 22,800.00	Quotation
24/06/2019	50086	2011558	Hlengiwe sanitary loo	Catering services for 200 people including 200 bottled water attending youth day celebration month at Ciciv centre	R 17,400.00	Quotation

24/06/2019	50090	2011568	Morwamogodi Projects and suppliers	Hiring of 2*65 seater transport for from Zebula cluster,transporting community members to attend youth day celebration month at Civic centre	R 21,700.00	Quotation
22/06/2019	2925	2011564	Mit group	advertisement of property rates tariffs for 2019/20 on Sowetan,Review and government gazette	R 26,800.00	Quotation
24/06/2019	50085	2011559	Motjilela Tshwane Trading	Catering services for 200 people including 200 bottled water attending youth day celebration month at Civic centre	R 16,200.00	Quotation
24/06/2019	50088	2011562	Batsibi Trading	Hiring of VIP toilet,Generator and Sound system youth day celebration month at Civic centre	R 18,700.00	Quotation
24/06/2019	50092	2011561	Retang Dimakatso Trading	Procurement of decoration of Civic hall stage and chair covers for youth month celebration on 25/06/2019	R 10,000.00	Quotation
24/06/2019	50087	2011560	Mazet Service	Catering services for 200 people including 200 bottled water attending youth day celebration month at Civic centre	R 8,200.00	Quotation
21/06/2019	50075	2011548	Tsemokgo PTY LTD	Catering for 85 people for ward based AIDS council meeting at Mahlatjane hall on the 04/06/2019 at Mathabatha/Mafeke cluster	R 7,819.15	Quotation
21/06/2019	50081	2011539	Maropolla-Ntsweng	Catering for 85 people for ward based AIDS council meeting at Maijane hall on the 04/06/2019 at Mathabatha/Mafeke cluster	R 11,475.00	Quotation

12/6/2019	50019	2011510	Sebopa M.K Trading Enterprise	Catering for 85 people for ward based AIDS council meeting at Zebediela hall on the 04/06/2019 at Mathabatha/Mafefe cluster	R 19,125.00	Quotation
24/06/2019	50085	2011559	Motjilela Tshwane Trading	Catering for youth celebration on 25/06/2019 and bottled at Civic centre	R 16,200.00	Quotation
24/06/2019	50092	2010561	Retang Dimakatso Trading	decoration for youth celebration on 25/06/2019 and bottled at Civic centre	R 10,000.00	Quotation
24/06/2019	2925	2011564	Mit group	Advertisement of public property rates tariffs for 2019/2020 financial year Sowetan, review and government gazette	R 26,800.00	Quotation
14/06/2019	50072	2011528	Mayo GJ construction	Hiring of 2 x 15 seater transport for take a girl child to work from Sepanapudi and Matome	R 6,000.00	Quotation
<b>TOTAL</b>					<b>R 774,739.31</b>	

**Table 2: bids advertised April, May and June 2019**

**APRIL 2019**

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

**MAY 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>CLOSING DATE</b>	<b>STATUS</b>
LNM063/2018/19	Professional Service provider for Training of Councilors	07 June 2019	Evaluated and adjudicated end of fourth quarter. Awaiting approval.

**JUNE 2019**

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

**Table 3: Bids withdrawn April, May June 2019**

**APRIL 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>REASONS FOR WITHDRAWAL</b>
-------------------	------------------------	-------------------------------

No bids withdrawn

**MAY 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>REASONS FOR WITHDRAWAL</b>
-------------------	------------------------	-------------------------------

No bids withdrawn

**JUNE 2019**

<b>BID NUMBER</b>	<b>BID DESCRIPTION</b>	<b>REASONS FOR WITHDRAWAL</b>
-------------------	------------------------	-------------------------------

No bids withdrawn

**Table 4: Bids awarded April, May and June 2019**

**AWARDED BIDS APRIL 2019**

ITEM	Bid Description	Bid Amount	Successful Bidder	B-BBEE Level	Reasons for Award	Registered address
1	Contractor for access road from gravel to tar Mooiplass	R 25 211 028.06	Moribo/Maditsi JV	01	<p>The service provider fully met our specification</p> <p>The highest scorer at 100 Points</p> <p>Bidder B scored=84.91points</p>	Maijane Gampahlele
2	Tarring of road S to Q	R 8 461 797.52	PJMJ Engineering and plant hire	01	<p>The service provider fully met our specification</p> <p>The highest scorer at 100 Points</p> <p>Bidder B scored=97.04points</p>	Polokwane

					<p>Bidder C scored=93.33points</p> <p>Bidder D scored=87.36points</p> <p>Bidder E scored=82.85points</p> <p>Bidder F scored=81.10points</p> <p>Bidder G scored=75.49points</p>	
3	Construction of Ga Molapo Community hall	R5 166 153.90	Mahlatji mmetji-Mbako Trading JV	01	<p>The service provider fully met our specification</p> <p>The highest scorer at 100 Points</p> <p>Bidder B scored=77.25 points</p>	<p>Marulaneng</p> <p>Ga Mphahlele</p>

## AWARDED BIDS MONTHLY REPORT MAY 2019

### AWARDED BIDS MAY 2019

ITEM	Bid Description	Bid Amount	Successful Bidder	B-BBEE Level	Reasons for Award	Registered address
1	Professional Service provider for preparation of Annual Financial statement	R 1 346 650.00	Cathu Consulting Inc	01	The service provider fully met our specification  The highest scorer at 100 Points  Bidder B scored=73.66 points	Polokwane

## AWARDED BIDS JUNE 2019

BID WAS APPOINTED IN MARCH AND WAS OMMITTED TO BE REPORTED IN MARCH

I T E M	Bid Description	Bid Amount	Successful Bidder	B- BBE Level	Reasons for Award	Registered address
1	Professional Service provider for printing and folding of Municipal statements for a period of thirty six months	R 1 346 650.00	Cathu Consulting Inc	01	The service provider fully met our specification  The highest scorer at 100 Points  Bidder B scored=73.66 points	Polokwane

## Table 5: Deviations April, May and June 2019

### DEVIATION REPORT FOR APRIL 2019

#### DEVIATION REPORT FOR APRIL 2019: SOLE SUPPLIER

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

#### DEVIATION REPORT FOR APRIL 2019: EXCEPTIONAL OR IMPRACTICALLY

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

**DEVIATION REPORT FOR APRIL 2019: EMERGENCY**

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

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

**DEVIATION REPORT FOR MAY 2019**

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

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

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

<b>NO</b>	<b>DESCRIPTION</b>	<b>REQUEST NUMBER</b>	<b>NAME OF SERVICE PROVIDER</b>	<b>APPROVAL DATE</b>	<b>CONTRACT VALUE</b>	<b>REASON FOR DEVIATIONS</b>
<b>01</b>	Consulting fees UIF Submission and referencing	51389	Payday Software system Pty Ltd	21/05/2019	R36 018.00	Payroll section is using Payday system for balancing of tax from previous tax year, UIF submission and referencing, as a results obtaining quotations from other service providers becomes impractical.

**DEVIATION REPORT FOR MAY 2019: EMERGENCY**

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

**TOTAL DEVIATION AMOUNT FOR MONTH ENDING MAY 2019 = R 36 018.00**

**DEVIATION REPORT FOR JUNE 2019**

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

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

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

<b>NO</b>	<b>DESCRIPTION</b>	<b>REQUEST NUMBER</b>	<b>NAME OF SERVICE PROVIDER</b>	<b>APPROVAL DATE</b>	<b>CONTRACT VALUE</b>	<b>REASON FOR DEVIATIONS</b>
<b>01</b>	Affiliation fee for 2019 Provincial games hosted by Mogalakwena Municipality from 07-08 June 2019	01261	Inter Municipal Sports of South Africa	06/06/2019	R10 000.00	IMMSA hosted the provincial games in Mogalakwena Municipality and as a results obtaining quotations from other

						service providers becomes impractical.
--	--	--	--	--	--	--

**DEVIATION REPORT FOR JUNE 2019: EMERGENCY**

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

**TOTAL DEVIATION AMOUNT FOR MONTH ENDING JUNE 2019 = R 10 000.00**

**TOTAL DEVIATION AMOUNT FOR QUARTER ENDING 31 JUNE 2019 = R46 018.00**

## Table 6: irregular expenditure April , May and June 2019

Lepelle Nkumpi Local Municipality - April 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	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 Moody for the amount of R 683.51	Municipal accounts for winning bidder in arrears for more than 90 days	Tender	2015/2016	94177,25	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.
									<b>94177,25</b>	

Lepelle Nkumpi Local Municipality - May 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	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	311882,76	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	RTT Management pty ltd	Electrification of Makgopong,Maralaleng and Tooseng village	LNM007/2019/17	R3 425 783.51	there were no invitation and evaluation of the local production and content in the bid specification of the following tenders:	invitation and local content not part of specification	Tender	2017/2018	243609,97	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.
3	RTT Management pty ltd	Electrification of Makgopong,Maralaleng and Tooseng village	LNM007/2019/17	R3 425 783.51	there were no invitation and evaluation of the local production and content in the bid specification of the following tenders:	invitation and local content not part of specification	Tender	2017/2018	51711,48	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.
<b>Total</b>									<b>607204,21</b>	

Lepelle Nkumpi Local Municipality - JUNE 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	General Comments
1	Bawelile Consulting Engineers	Professional Service Provider for Upgrading of Access Road from Unit S to Q	LNMO37/2014/15	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	284762,47	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.
2	Bawelile Consulting Engineers	Professional Service Provider for the Electrification of Mamatonya	LNMO03/2016/17	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	2112,58	The municipality has appointed Bawelile Consulting Engineers for electrification of Mamatonya and the and AG has during its 2015/16 audit identified some irregularities.
3	Bawelile Consulting Engineers	Professional Service Provider for the Electrification of Sefalaolo	LNMO0/2016/17	160 056,00	Request for quotation not sent out at least 14 days before the closing date	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2016/2017	8002,8	The municipality has appointed Bawelile Consulting Engineers for electrification of Sefalaolo and the and AG has during its 2015/16 audit identified some irregularities.
4	Bawelile Consulting Engineers	Professional Service Provider for the Electrification of Makurung	LNMO06/2016/17	300 105,00	Request for quotation not sent out at least 14 days before the closing date	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2016/2017	15005,25	The municipality has appointed Bawelile Consulting Engineers for electrification of Makurung and the and AG has during its 2015/16 audit identified some irregularities.
5	Xiverengi Business Enterprise	Electrification of Rakgoatha Village ( 749 Households)	LNMO29/2015/2016	5 960 055,65	Municipal accounts for the directors not attached	Municipal rates for Directors and/or company not attached	Tender	2015/2016	292357,96	The municipality has appointed Xiverengi Business Enterprise for electrification of Rakgoatha and the and AG has during its 2015/16 audit identified some irregularities.

6	THUSO PROJECTS (PTY)LTD	Rakgoatha Upgrading of Internal Streets and	LNMO36/2015/2016	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	179886,71	Thuso Projects was appointed for upgrading of Rakgoatha internal street and stopmwater and AG has during its 2015/16 audit identified some irregularities.
7	Tshabalala Multi Service purpose	Electrification of Marulaneng Village	LNMO04/2016/17	2 234 753,40	there were no invitation and evaluation of the local production and content in the bid specification of the following tenders:	invitation and local content not part of specification	Tender	2017/2018	205569,8	Tshabalala Multi Service workshop was appointed for electrification of Marulaneng and the internal audit during its 2017/18 audit identified some irregularities.
8	Shumba Engineering Services	Construction of Lehlokwaneng/Tswaing: Sm	LNMO30/2015/2016	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	50119,7	Shumba Engineering Services was appointed for Construction of Lehlokwaneng/Tswaing: Small Access Bridgend AG has during its 2015/16 audit identified some irregularities.
9	Bawelile Consulting Engineers	Professional Service Provider for the Electrification of Makurung	LNMO06/2016/17	300 105,00	Request for quotation not sent	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2016/2017	97409,67	The municipality has appointed Bawelile Consulting Engineers for electrification of Makurung and the and AG has during its 2015/16 audit identified some irregularities.
10	Bawelile Consulting Engineers	Professional Service Provider for the Electrification of Sefalaolo	LNMO06/2016/17	160 056,00	Request for quotation not sent	Bid below R10 million (above R200 000) not advertised for at least 14 days before the closing date	Tender	2016/2017	14138,28	The municipality has appointed Bawelile Consulting Engineers for electrification of Sefalaolo and the and AG has during its 2015/16 audit identified some irregularities.
11	Hlengiwe Sanitary LOO Pty Ltd	Supply and delivery of high back Chairs	QT040/2017/18	R185 535.00	bidder municipal rates and taxes are in arrears for more than 90 days with an amount of R745.98	bidder should be rejected if any municipal rates and taxes or municipal services are owed by the bidder or any of any of its directors to the municipality or are in areas for more than three months	7 days advert	2018/19	185535	Hlengiwe a dsanitary was appointed for Supply and delivery iof high back chairs and internal audit during 2018/19 identified some irregularities
<b>Total</b>									<b>1334900,22</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 June 2019 (Table 1)
  - 1.3. Detailed list of bids advertised for the period ended 30 June 2019 (Table 2).
  - 1.4. Detailed list of bids withdrawn for the period ended 30 June 2019 (Table 3).
  - 1.5. Detailed list of bids awarded for the period ended 30 June 2019 (Table 4).
  - 1.6. Detailed list of deviations approved by the accounting officer for the period ended 30 June 2019 (Table 5)
  - 1.7. Detailed list of irregular expenditures for the period ended 30 June 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.