



**EMALAHLENI MUNICIPALITY SUPPLY CHAIN MANAGEMENT REPORT**  
**FOR THE SECOND QUARTER OF 2019/20 FINANCIAL YEAR**

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## Contents

Purpose .....	3
TABLE 1: BIDS AWARDED FOR AN AMOUNT ABOVE R200 000.00 .....	4
TABLE 2: BIDS AWARDED FOR AN AMOUNT BETWEEN R30 000- R200 000.00 .....	5
TABLE 3: DEVIATION REGISTER .....	6
TABLE 4: LIMITED BIDDING .....	7
Irregular expenditure .....	7
Contract Registers .....	8
SCHEDULE OF PROCUREMENT PLAN IN RESPECT OF ADVERTISED COMPETITIVE BIDS .....	24
Controls on combating the abuse of Supply Chain Management Processes .....	30
Report on the effectiveness/sitting of the bid committees .....	30
Report on awards made to person or supplier that are in service of the state and close family members .....	31

## **Purpose**

To inform the Mayor about the bids advertised and awarded during the second quarter of the 2019/20 financial year.

## **Legislative Framework**

### **Oversight role of Council of the Municipality or board of directors of the municipal entity:**

In terms of regulation 6(3) " the Mayor must within 10 days of the end of each month, submit a report on the implementation of the Supply Chain Management Policy to the Mayor of the Municipality or the Board of Director of the Municipal Entity.

## **Financial Implications**

MIG and Municipal Budget

## **Legal Implications**

SCM Regulations

SCM Policy

MFMA

PPPFA

## BID AWARDS REPORT

TABLE 1: BIDS AWARDED FOR AN AMOUNT ABOVE R200 000.00 FOR THE SECOND QUARTER OF 2019/20 FINANCIAL YEAR

Second quarter 2019

BID NO	PROJECT NAME	BIDDERS NAME	BBBEE STATUS LEVEL	AWARDED AMOUNT	DATE APPOINTMENT LETTER SIGNED
ELM/2/07/2019T	Service And Maintenance Of All Emalahleni Lm Earth Moving Plant And Equipment:Sdlg Grader, Bell Grader, Volvo Roller, Bell Roller, Bomag Walk Behind Roller, Sdlg Tlb, Bell Tlb, Bell Excavator	Bell Equipment	0	Rates only contract	29-10-19
ELM/1/6/2019T	Professional Services for Construction of Cacadu Park Phase 2 in ward 4	Engineering Aces	1	R454 000.00	29-10-19
ELM/4/6/2019T	Supply and Delivery of Laptops and Desktops	Keens Office Equipment	1	R270 000.00	28-11-2019
ELM/2/09/2019T	Supply, Delivery, Installation and Commissioning of a Prepaid Electricity Vending System	Ontec Systems (Pty) Ltd	0	Commission based contract	18-11-2019
ELM/3/10/2019T	Cemetery Development of Indwe Unit	Nontembiso projects	1	R2 034 775.56	18-11-2019
ELM/5/10/2019T	Paving of Sinakho Location in ward 11 & 14	Tshiya Development Infrastructure (Pty) Ltd	1	R8 762 624.64	26-11-2019
ELM/4/1/2019T	Paving of Zakhele Location in ward 4	Tshiya Development Infrastructure (Pty) Ltd	1	R8 274 461.14	26-11-2019
<b>TOTAL AMOUNT OF BIDS AWARDED ABOVE R200 000.00 FOR THE OCTOBER – DECEMBER PERIOD OF 2019/20 FINANCIAL YEAR</b>				<b>R19 795 861.34</b>	

**TABLE 2: BIDS AWARDED FOR AN AMOUNT BETWEEN R30 000-R200 000.00**

**October - December 2019**

<b>BID NO</b>	<b>PROJECT NAME</b>	<b>BIDDERS NAME</b>	<b>BBBEE STATUS LEVEL</b>	<b>AWARDED AMOUNT</b>	<b>LOCALITY</b>
ELM/1/11/2019 Q	Supply and Delivery of Protective Clothing	NSQ Investments (Pty) Ltd	1	R106 130.00	Emalahleni Local Municipality (Eastern Cape)
<b>TOTAL AMOUNT OF BIDS AWARDED BETWEEN R30 000 AND R200 000 FOR OCTOBER – DECEMBER 2019</b>				<b>R106 130.00</b>	<b>100%</b>

**TABLE 3: DEVIATION REGISTER**

<b>SERVICE PROVIDER</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>	<b>REASON</b>
Utilities World	Pre-paid Vending System	R67 909.44	The project was awarded to Utilities. Upon the award there was a court interdict issued by one of the unsuccessful bidders. The new service provider has been appointed and accepted.
VGS	Supply of fuel for Municipal vehicles	R54 735.25	The service provided by the supplier is only available from a single provider.
Indwe Filling Station	Supply of fuel for municipal vehicles	R23 762.79	The service provided by the supplier is only available from a single provider.
Universal Garage	Supply of fuel for municipal vehicles	R32 974.03	The service provided by the supplier is only available from a single provider.

**TABLE 4: LIMITED BIDDING**

**OCTOBER – DECEMBER**

Tiso Black Star	Placing of Municipal adverts		R19 109.55
Tiso Black Star	Placing of Municipal adverts		R10 221.20
Tiso Black Star	Placing of Municipal adverts		R15 796.40
<b>Total</b>			<b>R45 127.15</b>

**Irregular expenditure**

The municipality incurred an irregular expenditure R677 465.40 in terms of section 32 of the MFMA and Circular 68 during 2<sup>nd</sup> quarter of 2019/2020 financial year.

-This was as a result of bids that were advertised through the notice board and Municipal website and the bids submitted were less than three bids.

[Contract Registers](#)

**On Progress (Technical)**

ON PROGRESS CONTRACTS - TECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
1	Construction of Municipal Offices Phase 1	Nubhana Jv Leshole	ELM/5/9/2016T	2016-12-19	2017-08-23	2019/02/28	18 Month	R 34 995 000.00	N/A	R9 004 113.23	R25 990 886.77
2	Professional Services for the Installation of HighMast Lights	Mekan Engineerin g	ELM/4/7/2017T	2017-09-13	2017-09-13	2018/06/30	10 Month	R679 668.00	N/A	R543 737.40	R135 930.60
3	Installation of Solar Street Lights	Wegezi JV Teshani	ELM1/1/1/2017T	2018-01-18	2018-01-18	2018-07-30	6 Month	R4 016 300.00	N/A	R3 063 422.40	R952 877.61
4	Installation of Highmast Lights in	L T Ntloko JV Khubonga	ELM2/1/1/2017T	2018-01-18	2018-01-18	2018-07-30	6 Month	R4 987 918.80	N/A	R3 552 029.8	R1 435 889.00



ON PROGRESS CONTRACTS - TECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
	Cacadu, Cacadu bridge and Dordrecht										
5	Professional and Construction Services for the Rehabilitation of Indwe Sports Field Phase 1 Through Turnkey	MBS Civils JV Cudjoe Quantity Surveying CC	ELM/2/5/2018T	20/07/2019	01/08/2018	30/06/2019	9 Months	R 11 000 000.00	N/A	R10 451 142.97	R548 857.03
6	Professional and Construction Services for the	Nemorango JV Nakiseni Business	ELM9/5/2018T	20/07/2019	01/08/2018	31/05/2019	8 Months	R 7 250 249.98	R496 000.00	R7 250 555.42	R496 694.56

ON PROGRESS CONTRACTS - TECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
	on of Cacadu Sports Fields Phase 3 in Ward 4 Through Turnkey										
7	Professional & Construction Services for the Construction of Magwathi ni to Thembelihle Access Road through Turnkey	Counterpoint JV Sizongwe Eng	ELM/2/07/2018T	01/10/2018	01/11/2018	27/08/2019	7 months	R 5 024 999.75	N/A	R5 034 359.89	(R9 360.14)

ON PROGRESS CONTRACTS - TECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
8	Professional & Construction Services for the Paving of DDX Internal Street in ward 11 through turnkey	Counterpoint JV Sizong Eng	ELM1/08/2018T	01/11/2018	01/11/2018	27/08/2019	7 months	R 7 533 650.00	N/A	R7 427 635.18	R106 014.82
9	Professional & Construction Services for the Paving of Indwe Internal Street	Cotterrell's JV THM	ELM/2/08/2018T	09/10/2018	01/11/2018	01/08/2019	7 months	R 8 114 237.85	R339 651.35	R8 113 337.36	R340 551.84

ON PROGRESS CONTRACTS - TECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
10	Paving of Zakhele Location Phase 2 Ward 4 (Professional Services)	Nemorango Consulting Engineers	ELM/7/07/2019T	12/09/19	12/09/19	30/05/20	9 months	R1 293 043.99	n/a	R943 050.01	R349 993.98
11	Paving of Sinakho Location (Professional Services)	Nemorango Consulting Engineers	Elm/6/07/2019T	12/09/19	12/09/19	31/05/20	9 months	R1 293 043.99	n/a	R947 668.41	R345 375.58
12	Construction of Cacadu Park Phase 2	Engineering Aces	ELM/1/06/2019T	01/11/19	01/11/19	30/04/20	6 months	R454 000.00	n/a	R195 578.53	R258 421.47
13	Cemetery Development Indwe	Black Mountain	ELM/5/07/2019T	12/09/19	12/09/19	31/03/20	7 months	R354 562.00	n/a	R228 722.72	R125 839.28



ON PROGRESS CONTRACTS -ITECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT/PROJ ECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
	(Ward 16) (Consultant)	Msavhen JV									
14	Construction of DDX Sport Field Phase 2	BVI Boarder (PTY) LTD	ELM/1/6/2019T	31/10/19	31/10/19	30/04/20	6 months	R962 090.00	n/a	R415 909.00	R546 181.00
15	Cemetery Development Indwe (Ward 16) (Contractor)	Nontembiso Projects	ELM/3/10/2019T	19/11/2019	21/11/2019	5 months	5 Month	R2 034 775.56	n/a	R1 251 792.60	R782 982.96
16	Supply and Delivery of Paving Material to be delivered in Cacadu and Indwe Units	K2015077 542 (SA) Pty Ltd	ELM/01/7/2019T	12/09/2019	13/09/2019	27/09/2019	2 weeks	R884 850.00	n/a	R884 850.00	R0

ON PROGRESS CONTRACTS - TECHNICAL PROJECTS											
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF CONTRACT SIGNED	START DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	COMMITMENT/PAYABLES
17	Paving of Zakhele Location in ward 4	Tshiya Infrastructure Development (Pty) Ltd	ELM/4/1 1/2019T	28/11/2019	28/11/2019	30/06/2020	7 months	R8 274 461.14	n/a	R2 598 867.75	R5 675 593.39
18	Paving of Sinakho Location in ward 11 & 14	Tshiya Development Infrastructure (Pty) Ltd	ELM/5/1 0/2019T	28/11/2019	28/11/2019	30/06/2020	7 months	R8 762 624.64	n/a	R3 065 204.25	R5 697 420.39

#### SERVICE PROVIDER PERFORMANCE SCHEDULE FOR TECHNICAL PROJECTS

No	DESCRIPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
1	Construction of Municipal Offices Phase 1	ELM/5/9/2016T	Nubhana Trading JV Leshole Trading	R34 995 000.00	R9 004 113.23	Project being halted further implementation will be based on budget.
2	Professional Services for the Installation of HighMast Lights	ELM/4/7/2017T	Mekan Engineering	R679 668.00	R543 737.40	Project being investigated.

3	Installation of Solar Street Lights	ELM1/11/2017T	Wegezi JV Teshani		R4 016 300.00	R3 063 422.40	The project was not completed in 2017/18 financial year
4	Installation of HighMast Lights in Cacadu, Cacadu bridge and Dordrecht	ELM2/11/2017T	LT Ntloko JV Khubonga		R4 987 918.80	R3 552 029.8	Project being investigated.
5	Professional and Construction Services for the Rehabilitation of Indwe Sports Field Phase 1 Through Turkey	ELM/2/5/2018T	MBS Civils JV Cudjoe Quantity Surveying CC		R 11 000 000.00	R10 451 142.97	Service provided is not to the expected level of satisfaction. Completion date was 30 June 2019.
6	Professional and Construction Services for the Construction of Cacadu Sports Fields Phase 3 in Ward 4 Through Turkey	ELM9/5/2018T	Nemorango JV Nakiseni Business		R7 746 249.98	R7 250 555.42	Service provided by the service provider has improved after issuing final warning letter. Completion date was 31 May 2019.
7	Professional & Construction Services for the Construction of Magwathini to Thembelihle Access Road through Turkey	ELM/2/07/2018T	Counterpoint JV Sizoo Eng		R 5 024 999.75	R5 034 359.89	Service provided not to the expected level of satisfaction. Completion date was 27 August 2019.
8	Professional & Construction Services for the Paving of DDX	ELM1/08/2018T	Counterpoint JV Sizoo Eng		R 7 533 650.00	R7 427 635.18	Service provided not to the expected level of satisfaction.

	Internal Street in ward 11 through turnkey						Completion date was 27 August 2019.
9	Professional & Construction Services for the Paving of Indwe Internal Street	ELM/2/08/2018T	Cotterrell's JV THM		R 8 114 237.85	R8 113 337.36	Service provided to the expected level of satisfaction.
10	Paving of Zakhele Location Phase 2 Ward 4 (Professional Services)		Nemorango Consulting Engineers		R 1 293 043.99	R943 050.01	Service provided to the expected level of satisfaction.
11	Paving of Sinakho Location (Professional Services)	Elm/6/07/2019T	Nemorango Consulting Engineers		R 1 293 043.99	R947 668.41	Service provided to the expected level of satisfaction.
12	Construction of Cacadu Park Phase 2	ELM/3/09/2019T	Engineering Aces		R454 000.00	R195 578.53	Service provided to the expected level of satisfaction.
13	Cemetery Development Indwe (Ward 16) (Consultant)	ELM/5/07/2019T	Black Mountain Msayhen JV		R354 562.00	R228 722.72	Service provided to the expected level of satisfaction.
14							Service provided is not to the expected level of satisfaction. IDHS had a meeting with service provider to voice their concern on their performance.
	Construction of DDX Sport Field Phase 2	ELM/1/6/2019T	BVI Boarder (PTY) LTD		R962 090.00	R415 909.00	
15	Cemetery Development Indwe (Ward 16) (contractor)	ELM/3/10/2019T	Nontembiso Projects		R2 034 775.56	R1 251 792.60	Service provided to the expected level of satisfaction.



16	Supply and Delivery of Paving Material to be delivered in Cacadu and Indwe Units	ELM/01/07/2019T	K2015077542 (SA) Pty Ltd		R884 850.00	R884 850.00	Service provided to the expected level of satisfaction.
17							Contractual obligations not met to the satisfactory level, however progress of construction work is satisfactory.
	Paving of Zakhele Location in ward 4	ELM/4/11/2019T	Tshiya Infrastructure Development (Pty) Ltd		R8 274 461.14	R2 598 867.75	Contractual obligations not met to the satisfactory level, however progress of construction work is satisfactory.
18	Paving of Sinakho Location in ward 11 & 14	ELM/5/10/2019T	Tshiya Infrastructure Development (Pty) Ltd		R8 762 624.64	R3 065 204.25	Contractual obligations not met to the satisfactory level, however progress of construction work is satisfactory.

On Progress (Non-Technical)

ON PROGRESS CONTRACTS -NON-TECHNICAL PROJECTS										
DESCRIPTION OF CONTRACT/PROJECT/PROJ ECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CO NTRACT NTRAC T NO.	DATE CONTR ACT SIGNED	COMME NCENMEN T DATE	COMPLE TION DATE	PERIOD	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	COMMITMENT	
No. 1	Procurement of Valuers for Property Rates	Penny Lindstrom Valuations	ELM/01/03/2017 T	30 June 2017	01 July 2017	30 June 2022	5 years	R950 000.00	R 900 030.00	R49 970.00
2	Banking Services for a period of 5 years	Banking Services for a period of 5 years	ELM/5/3/2015T	15 February 2016	19 February 2016	28 January 2021	60 Months	rates only contract	R 0.00	R 0.00
3	Provision for Account Services	Mubesko Africa (Pty) Ltd	Scm/75/2016/Fin	01 July 2016	10 July 2016	31 December 2019	36 Months	rates only contract	R15 592 706.46	R 0.00
4	Supply and Installation of Fleet Management Tracker System	Qaphela Risk Services (Pty) Ltd	ELM/4/9/2016T	05 January 2017	01 March 2017	28 Feb 2020	36 Months	R270 000.00	R237 884.00	R32 116.00

ON PROGRESS CONTRACTS -NON-TECHNICAL PROJECTS										
No.	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/COTRAC T NO.	DATE CONTRACT SIGNED	COMME NCENMENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	COMMITMENT
5	Panel of Attorneys for Legal Services:	Vuba Attorneys	ELM/1/4/ 2017T	30-Jun-17	01-Jul-17	30-Jun-20	36 Months	rates only contract	R533 381.61	R 0.00
6	Panel of Attorneys for Legal Services:	Tonise Attorneys	ELM/1/4/ 2017T	30-Jun-17	01-July-17	30-Jun-20	36 Months	rates only contract	R1 998 035.68	R 0.00
7	Panel of Attorneys for Legal Services	Ntsiki Phakade	ELM/1/4/ 2017T	30-Jun-17	01-Jul-17	30-Jun-20	36 Months	rates only contract	R879 670.47	R00
8	Provision of Security Services	Quick Save Security	ELM/10/ 5/2018T	28-Sep-18	01-Oct-18	30-Sep-21	36 Months	R15 290 089.11	R4 608 541.92	R10 681 547.19
9	Supply, Delivery and Installation of All in One Printers	Aloe Office	ELM/1/3/ 2018T	30-04-18	02-05-18	30-04-21	36 Months	R 1 610 989.92	R789 146.16	R821 843.76
10	Provision of Travel Agency &	Tunimart Travel (Pty) Ltd	ELM/7/1 2/2018T	29-03-19	01-04-19	31-03-22	36 months	rates only contract	R1 213 911.29	R0.00

ON PROGRESS CONTRACTS -NON-TECHNICAL PROJECTS										
DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE CONTRACT SIGNED	COMMITMENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	COMMITMENT	
No.										
Events Management										

**SERVICE PROVIDER PERFORMANCE SCHEDULE FOR NON-TECHNICAL PROJECTS**

<b>No</b>	<b>DISCRPTION OF CONTRACT/PROJECT</b>	<b>BID/ CONTRACT NO.</b>	<b>CONTRACTOR'S/SERVICE PROVIDER'S NAME</b>	<b>CONTRACT AMOUNT</b>	<b>TOTAL PAID TO CONTRACT</b>	<b>EVALUATING COMMENTS</b>
1	Procurement of Valuers for Property Rates	ELM/01/03/2017T	Penny Lindstrom Valuations	R950 000.00	R900 030.00	Service provided to the expected level of satisfaction.
2	Provision for Account Services	Scm/75/2016/Fin	Mubesko Africa (Pty) Ltd	rates only contract	R15 592 706.46	Performed their support as per the service level agreement. Assisted the municipality with implementation of applicable GRAP standards. Assist with NT reporting. Accounting support and transfer of skills to staff was also adhered to. The contract just end on 31 December 2019.
3	Supply and Installation of Fleet Management Tracker System	ELM/4/9/2016T	Qaphela Risk Services (Pty) Ltd	R270 000.00	R237 884.00	Services provided were not to the expected level of satisfaction.
4	Panel of Attorneys for Legal Services:	ELM/1/4/2017T	Vuba Attorneys	rates only contract	R533 381.61	Service provided by the service provider to the expected level of satisfaction.



No	DISCRPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
5	Supply, Delivery and Installation of All in One Printers	ELM/1/3/2018T	Aloe Office	R 1 610 989.92	R789 146.16	Service provided by the service provider to the expected level of satisfaction.
6	Panel of Attorneys for Legal Services:	ELM/1/4/2017T	Tonise	rates only contract	R 1 998 035.68	Service provided by the service provider to the expected level of satisfaction.
7	Provision of Security Services	ELM/10/5/2018T	Quick Save Security	R15 290 089.11	R4 608 541.92	Service provided by the service provider to the expected level of satisfaction.
8	Provision of Travel Agency & Events Management	ELM/7/12/2018T	Tunimart Travel (Pty) Ltd	Rates contract	R1 213 911.29	Service provided by the service provider to the expected level of satisfaction.
9	Panel of Attorneys for Legal Services:	ELM/1/4/2017T	Ntsiki Phakade	Rates contract	R879 670.47	Service provided by the service provider to the expected level of satisfaction.

## COMPLETED PROJECTS

COMPLETED PROJECTS											
No.	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE CONTRACT SIGNED	COMMENCEMENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	VARIANCE AMOUNT	TOTAL PAID TO CONTRACT	COMMITMENT
1	Professional and Construction Services for the Construction of Motor Vehicle Testing Station Phase 2 in ward 4 Through Turnkey	Mayoli Trading JV Engineering Aces	ELM/1/5 /2018T	20/07/2018	01/08/2018	13/06/2019	7 mont hs	R 7 232 286.77	R259 800.00	R7 489 777.39	R2 309.38
2	Construction of KwaDukathole Shearing Shed in ward 9	NNW Sibhoma Construction	ELM/3/5 /2018T	20/07/2018	01/08/2018	30/11/2018	4 mont hs	R 1 189 184.03	R30 776.00	R1 206 236.08	R13 723.67

**PROGRESS ON PROCUREMENT PLAN DURING SECOND QUARTER 2019/2020 FINANCIAL YEAR**

**SCHEDULE OF PROCUREMENT PLAN IN RESPECT OF ADVERTISED COMPETITIVE BIDS  
(GOODS, INFRASTRUCTURE PROJECTS OR SERVICES IN EXCESS OF R200 000 INCLUDING ALL APPLICABLE TAXES) FOR  
THE 2019/2020 FINANCIAL YEAR**

<b>Name of Municipality or Municipal Entity</b>	<b>Emalahleni Local Municipality</b>	
<b>Name of Mayor / Delegated Official</b>	<b>Mr VC Makedama</b>	
<b>Signature of Mayor / Delegated Official</b>		
<b>Telephone Number and e-mail address</b>	<b>047 878 0020</b>	



MIS Form ID	Description of goods / services / Infrastructure project	Nat./ Prov Project Registration Number (as on the registration letter)	Registered MIG Funds	Envisaged date of advertisement in the website, E-tender portal or other media	Envisaged closing date of bid	Envisaged date of award	Responsible office	Project Type	Comments
<b>INFRASTRUCTURE DEVELOPMENT AND HUMAN SETTLEMENT</b>									
306786	Paving of Zakhele Location phase2 ward 4	EC2018/19 /11/120	R11 413 290.00	2019-05-10	2019-05-28	2019-07-02	IDHS	Roads & Stormwater	Appointment letter signed on 10/09/19 and the service provider accepted on 11/09/19 for the Professional Services. Appointment letter signed on 26/11/19 & the service provider accepted on 27/11/19 for the contractor.

30686 7	Paving of Sinakho Location	EC201 8/19/11 /122	R11 413 290.00	2019-05-10	2019-05-28	2019-07-02	IDHS	Roads & Stormwater	Appointment letter signed on 10//09/19 and the service provider accepted on 11/09/19 for the Professional Services. Appointment letter signed on 26/11/19 & the service provider accepted on 27/11/19 for the contractor.
31603 0	Construction of Cacadu Park Phase 2	CS/EC/158 32/19/*21	R2 600 000.00	2019-05-17	2019-06-05	2019-07-02	IDHS	Community facility	A consultant was appointed on the 30/10/19 and the acceptance letter was received on 31/10/19/. Appointment of a contractor at BAC stage.

26160 8	Construction of Cacadu Multi- Purpose Centre W4	EC2017/18 /03/49	R3 031 875.00	2019-05-17	2019-06-05	2019-07-02	IDHS	Community Facility	The project will not be implemented this financial year and will be addressed on budget adjustment.
31598 8	Cemetery Development Indwe (Ward 17)	CS/EC158 31/19/21	R2 480 000.00	2019-05-17	2019-06-05	2019-07-02	IDHS	Community facility	Appointment letter signed on 10/09/19 and the service provider accepted on the same day for the Professional Services. Appointment letter signed for the contractor on 18/11 10 and the acceptance was received on 19/11/19.
31605 9	Construction of DDX Sport field phase 2	CS/EC/158 30/19/20	R8 219 383.00	2019-05-17	2019-06-07	2019-07-02	IDHS	Sports facility	Appointment letter signed on 30/09/19 and the service

									provider accepted the same on 04/10/19 (Professional Services.) Appointment of a contractor at BAC stage.
<b>COMMUNITY SERVICES DIRECTORATE</b>									
N/A	Construction of MRF (Material Recovery Facility)	N/A	R300 000.00	2019-09-30	2019-09-21	2019-10-31	CSS	Waste Recycling Facility	Awaiting Site Plans
	<b>PEDTA</b>								
N/A	Construction of Indwe Feedlot	N/A	R300 000.00	2019-09-02	2019-09-23	2019-10-11	PEDTA	Community facility	The project was re-advertised and closed on 19/11/19 at BAC stage.
				<b>BUDGET AND TREASURY</b>					
N/A	Supply, Delivery, Installation and Commissioning of Pre-paid	N/A	Commission based	24/09/19	24/10/19	15/11/19	BTO	Contracted services	Awaiting BAC to convene



### Controls on combating the abuse of Supply Chain Management Processes.

- The supply chain Management policy provides controls to prevent the abuse of supply Chain Management system.
- The Mayor has put in structures to investigate any allegations against an official or other role player of Fraud corruption, favouritism, unfair or irregular practices or failure to comply with this Policy.
- The Supply Chain Management Unit prior to awarding any contract ensures that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector this is done by checking the National Treasury database (csd).
- **The municipality rejects any bid from:**
  - a) A bidder or its directors who owe municipality or any other municipality or municipal entity rates and taxes or municipal service charges for more than 90 days.
  - b) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract
  - c) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
  - d) has been convicted for fraud or corruption during the past five years;
  - e) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public-sector contract during the past five years; or
  - f) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)

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#### **The municipality cancels a contract awarded to a person if:**

- g) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
- h) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person

### Report on the effectiveness/sitting of the bid committees.

The sitting of bid committees for the month of Second quarter was as scheduled.

Report on awards made to person or supplier that are in service of the state and close family members

No	Suppliers	Contract Amount	Reason
1	VGS	Base on fuel Consumption	Director for this company works for the state as stated on csd. The supplier is a Sole Provider and was awarded through deviation
2	Universal garage	Base on fuel Consumption	Director for Universal garage is currently serving as a Councillor at Emalahleni Local Municipality. The supplier is a Sole Provider and was awarded through deviation.

**IT IS RECOMMENDED THAT:**

- (a) The Mayor notes the report on the Supply Chain Management performance for the month of Second quarter for the 2019/20 financial year.
- (b) The Mayor notes that there was one bid awarded between R 30 000-R 200 000.00 during Second quarter of 2019/20 financial year which amounted to **R106 130.00**.
- (c) The Mayor notes that there were bids awarded above R 200 000.00 during the Second quarter of the 2019/20 financial year amounted to **R19 795 861.34**
- (d) The Mayor notes that procurement target within the Emalahleni Municipality was 100% which overall procurement within Eastern Cape Province was 71.4% for the Second quarter 2019/20 financial year.
- (e) The Mayor notes that there were deviations as stated above during the Second quarter of 2019/20 financial year which amounted to **R251 881.51**
- (f) The Mayor notes that there was limited bidding during the Second quarter of the 2019/20 financial year which amounted to **R45 127.15**
- (g) The Mayor notes the progress made on the performance and monitoring of contracts during the Second quarter of the 2019/2020 financial year.
- (h) The Mayor notes that the following projects have passed their completion dates:
  - Professional and Construction Services for the Rehabilitation of Indwe Sport Field Phase 1 through turnkey.
  - Professional and Construction Services of Cacadu Sport Field Phase 3 in ward 4 through turnkey.
  - Professional and Construction Services for the Construction of Maqwathini to Thembelihle Access Road through turnkey.
  - Professional and Construction Services for the Paving of Dordrecht Internal Street in ward 11 through turnkey.
- (i) The Mayor notes the progress made in the implementation of the procurement plan during Second quarter of the 2019/20 financial year.

**Reviewed by:**

  
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**Mr GP de Jager**  
**Chief Financial Officer**

**Approved by:**

  
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**Mr VC Makedama**  
**Municipal Manager**