Implementation of the Supply Chain Management Policy of Kagisano-Molopo Local Municipality

(As per Section 6(3) of the Municipal SCM Regulations)

OCTOBER 2025 – DECEMBER 2025

QUARTER 2

2025/2026

TABLE OF CONTENTS

1. BACKGOUND AND LEGISLATIVE REQUIREMENTS

In terms of paragraph 6 of the Municipal Supply Chain Management Regulations, the council must maintain an oversight role over the implementation of the Municipal Supply Chain Management policy.

Paragraph 6(2)(a)(i) of the Municipal Supply Chain Management Regulations, states that: The accounting officer must, within 30 days of the end of each financial year, submit a report on the implementation of the supply chain management policy of the municipality to the council of the municipality.

Paragraph 6(3) of the Municipal Supply Chain Management Regulations states that: The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.

2. ESTABLISHMENT AND IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT (SCM) POLICIES

2.1 Supply Chain Management Policy

Each municipality must in terms of section 11 of the MFMA have and implement a supply chain management policy.
The Council adopted a comprehensive SCM Policy, during the 2025 FY that seeks to simplify and ensure absolute compliance with the legislation as set, to regulate and govern all procurement to be undertaken and also give effect to the alignment of the SCM Policy and Procedure Manual as would be developed upon adoption of the Newly Amended SCM Policy.

This policy is reviewed on an annual basis considering any changes and legislature and/or regulations. The next policy review is scheduled for 2025 FY.

2.2 Items for consideration in the policy review and adoption

a) The revision of the SCM regulations and Preferential Procurement Policy Framework, which is currently out on public comment and is awaiting the promulgation by the Mister of Finance.
b) All the relevant updates and issues identified during the Internal audit, external audit and risk management were considered during the policy review.
c) Review and input by provincial treasury of the SCM policy.

2.3 Delegations and Sub-delegations

The municipal council has delegated the powers and functions of the supply chain management, per the Delegation of Authority Policy.
The delegations are incorporated in the SCM policy of the municipality. However, the Municipal Manager has sub-delegated the approval of all procurements below R 30 000 to the SCM Manager, the sub-delegation of all bid(s) and/or quotations above R 30 001 up to R 300 000 to the Chief Financial Officer and all other transactions the delegates remain with the Municipal Manager.
All Directors have been given delegation of power for procurement of goods and services/ approval of requisitions for their departments.

2.4 Implementation of the procedure manual

The SCM procedure manual has been drafted and is currently being reviewed to ensure that all aspects of SCM are addressed as well as aligning the policy to the system. However, the municipality has appointed Bitsware company to enhance the SCM system and the procedure manual will be based on the system.

2.5 SCM Procurement Plan

Paragraph 10.3 of the KMLM SCM policy provides that the procurement plan must be submitted to and approved by the accounting officer or his/her delegate before the 31 July of each year.

Additionally, the Head of departments should submit demand plans that will be used as the basis for weekly procurements by 12am every Friday or day before in case of a holiday.

3 SUPPLY CHAIN MANAGEMENT UNIT

Each municipality must establish a supply chain management unit to implement the supply chain management policy.

The SCM unit is under direct supervision of the chief financial officer and the accounting officer. The unit, based on the approved municipal organogram, comprises of the following positions:

a) SCM Manager -– Vacant (Official currently acting in position)
b) Assistant SCM Manager – Demand & Acquisitions - Filled
c) Assistant SCM Manager – Contract Management & Compliance – Vacant (Official currently acting in position)
d) SCM Accountant – Filled
e) SCM Officers – 3 Filled

3.1 Declaration of interest by SCM personnel

- All SCM Municipal officials and other role players have declared their interests for the 2025/2026 financial year.
- The SCM Code of Conduct is enshrined in the SCM Policy as adopted by council and all officials and other role players who subscribe to the implementation of such a Policy consent to the conduct as purported by the policy.

3.2 Adequacy of personnel within SCM

- The personnel are adequate within SCM Unit as the Unit also is getting assistance from the newly appointed interns in the BTO department.
- Training is conducted on an annual basis by the municipality through its Work, the officials within the unit were recently enrolled in an NQF 06 SCM Programme.
- All SCM officials obtained the MFMA minimum competency requirements.

4 FUNCTIONING OF THE BID COMMITTEES

4.1 Bid committees constituted

Bid committees are established as per SCM regulations and play an active role in the procurement processes of the Municipality in the bid to deliver quality basic services to the community at large. The Committees comprise of the following: -

- Bid Specification Committee,
- Bid Evaluation Committee, and
- Bid Adjudication Committee.

The Committees have pledged that in order to fasten service delivery they will undertake to by all means to convene as follows in the respective days subsequent to a bid being - opened after their closure: -

Committee	Day of Sitting
Bid Specification Committee,	Thursdays
Bid Evaluation Committee	Tuesdays
Bid Adjudication Committee.	Thursdays (Subsequent to Evaluation)

4.2 Adequacy of Bid committees

SCM bid committees are functioning and conform to the Legislative requirements as set by the Policy and the SCM Regulations. The committees had a training that was conducted by Provincial treasury December 2024 this was to ensure that all the officials are up to date with the necessary changes in systems and legislative requirements. The committees are due to be capacitated on any further changes that will be affected for the 2025/2026FY.

4.3 Bid committees declarations

Bid committees members declare their interest before any bid committee meeting commences, and it is clearly stated on record and on the Minutes.

5 SECTION 114 DEVIATIONS

Section 114 of the MFMA permits the Accounting Officer to approve a tender “other than the one recommended through a normal procurement process “. The Accounting Officer is required to report such a deviation to the Auditor –General, the Provincial Treasury, and the National Treasury within 10 working days (in terms of Regulation 29(7) of the Municipal SCM Regulations, 2005), stating the reasons that necessitated such a decision.

- None noted for quarter 2 of 2025/2026

6 REGULATION 36 DEVIATION

Regulation 36 of the Municipal SCM Regulations of 2005 read with Par.40 of the KMLM SCM Policy permits the Accounting Officer to “dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process”. This would typically include urgent and emergency cases, single source goods, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the accounting officer is required to report this to the next Council meeting.

Thus, refer to the deviations approved by the accounting officer for the period October 2025- December 2025 (Quarter 2)

See below register and attached as Annexure A

Deviation for the period 2025/10/01 to 2025/12/31						
Report detail						
Deviation no	**Transaction No**	**Transaction Date**	**Supplier**	**Detail of Transaction**	**Payment amount (Incl VAT)**	**Reason for Deviation**
DEV2023-0110	ET0005521	2025/10/13	LEG005 - Legend Workshop	Service for White Fortuner KHC 096 NW	24 552.11	Regulation 36(1)(a)(ii) if such goods or services produced or available from a single provider only

7 REGULATION 32 APPOINTMENTS

Regulation 32 of the Municipal SCM Regulations of 2005 allows the Accounting Officer to procure goods or services for the municipality under a contract secured by another state organ.

DATE OF AWARD	CONTRACT DISCRIPTION	AWARD VALUE	CONTRACT AWARDED TO	NAME OF DEPARTMENT/ MUNICIPALITY	CONSENT OBTAINED FROM BOTH ORGAN OF STATE AND SERVICE PROVIDER		REASON FOR DEVIATION
					YES	NO	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- No regulation 32 contracts were entered into during this quarter.

8 REPORTS ON UNAUTHORIZED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

Section 32(4) of the MFMA requires that the Accounting Officer “promptly” inform the Mayor, MEC for Local Government, and the Auditor-General of any unauthorized, irregular, and fruitless and wasteful expenditure that the municipality has incurred. Only Council can deal with these matters in the manner prescribed.

IRREGULAR EXPENDITURE TO DATE

Kagisano-Molopo Local Municipality							
Irregular Expenditure List for the period 2025/10/01 to 2025/12/31							
Report detail							
UIFW no	Payment no	Payment date	Supplier	Detail of payment	Payment amount (Incl VAT)	Procurement range	Description of incident
IRR2023-1794	ET0005524	2025/10/13	S09205 - SM CONSTRUCTION	Payment Certificate no 2 for Financial year	2 380 879.52	Competitive bid	Bid committees not correctly constituted.
IRR2023-1795	ET0005509	2025/10/01	MAB006 - MABAPA ATTORNEYS INC	Payment for Legal Fees	59 000.07	Formal written price quotation above R30k	Bid committees not correctly constituted.
IRR2023-1799	ET0005499	2025/10/01	ACT001 - Activa Valuation Services	Payment for Compilation of Valuation Ro	143 189.38	Formal written price quotation above R30k	Bid committees not correctly constituted.
IRR2023-1800	ET0005570	2025/11/03	INN002 - Innovation Government Software Solution	Payment for PMS System for July August a	415 530.35	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1801	ET0005621	2025/11/18	TSH029 - TSHIVHASE ATTORNEYS INC	Payment for Legal Fees KMLM against KE	407 346.50	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1802	ET0005693	2025/12/11	SEP004 - SEPHECHOLO LECHUTI LESOFE ATTORNEYS	Payment for Legal Fees KMLM vs D molefi	605 188.00	Competitive bid	Contract was irregular from inception due to

							compilation of bid committees.
IRR2023-1803	ET0005694	2025/12/11	SEP004 - SEPHECHOLO LECHUTI LESOFE ATTORNEYS	Payment for Legal Fees KMLM vs Dephethogo	448 284.00	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1804	ET0005695	2025/12/11	SEP004 - SEPHECHOLO LECHUTI LESOFE ATTORNEYS	Payment for Legal Fees KMLM vs Realkit I	989 224.00	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1805	ET0005660	2025/12/01	O0716 - OS Holdings	Accommodation for Consultants on 31-25 July	17 422.99	Formal written price quotation	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1806	ET0005661	2025/12/01	O0716 - OS Holdings	Payment for MSCOA Support for November 2025	296 442.20	Formal written price quotation above R30k	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1807	ET0005681	2025/12/03	O0716 - OS Holdings	Payment for MSCOA Support for August 2025	296 442.20	Formal written price quotation above R30k	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1808	ET0005715	2025/12/12	O0716 - OS Holdings	MSCOA support - Oct 25	296 442.20	Formal written price quotation above R30k	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1809	ET0005716	2025/12/12	O0716 - OS Holdings	MSCOA support - Sep 25	296 442.20	Formal written price quotation above R30k	Contract was irregular from inception due to

							compilation of bid committees.
IRR2023-1810	ET0005679	2025/12/03	BIT001 - BITSWARE (PTY)LTD	Payment for Monthly Support Services Nov 25	36 296.21	Formal written price quotation above R30k	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1811	ET0005706	2025/12/12	BIT001 - BITSWARE (PTY)LTD	Payment for Monthly and Support Services	36 296.21	Formal written price quotation above R30k	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1812	ET0005723	2025/12/12	BVI001 - BVI CONSULTING ENGINEERS FREE STATE	Payment Certificate no 1 for Supply Deli	474 000.45	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1813	ET0005768	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy Machinery for month	407 683.05	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1814	ET0005769	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy Machinery for month	333 260.80	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1815	ET0005770	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy Machinery for month	344 220.30	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1816	ET0005771	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy	319 449.30	Competitive bid	Contract was irregular from inception due to

				Machinery for month			compilation of bid committees.
IRR2023-1817	ET0005772	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy Machinery for month	305 127.20	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1818	ET0005773	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy Machinery for month	219 794.90	Formal written price quotation above R30k	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1819	ET0005727	2025/12/12	T0787 - Tiki Achitects (pty) LTD	Payment certificate no 08 Piet Plessis	615 610.10	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1820	ET0005658	2025/11/25	ENE001 - ENERGY DOT	Payment Certificate no 3 Finacial Year	600 000.00	Competitive bid	Contract was irregular from inception due to compilation of bid committees.
IRR2023-1865	ET0005773	2025/12/17	MCH001 - MCHRIBEN (PTY) LTD	Payment of Photocopy Machinery for month	219 794.90	Formal written price quotation above R30k	The contract was irregular from inception due to compilation of bid committees.

8.2 Historical Unauthorized, Irregular, Fruitless and Wasteful Expenditure

Kagisano-Molopo Local Municipaity - NW397
(Demarcation code: NW397)
Trading as Kagisano-Molopo Local Municipality
Audited Annual Financial Statements for the year ended 30 June 2025

Notes to the Audited Annual Financial Statements

Figures in Rand	2025	2024

40. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

Unauthorised expenditure	465 234 340	421 222 273
Irregular expenditure	1 177 610 084	1 131 750 185
Fruitless and wasteful expenditure	9 426 702	7 434 867
Closing balance	**1 652 271 126**	**1 560 407 325**

Additional Narratives

Based of the above, no disciplinary steps or criminal proceedings were taken during the reporting period under review

41. Unauthorised expenditure

Opening balance as previously reported	421 222 273	382 427 526
Add: Unauthorised expenditure - current	44 012 067	38 794 747
Closing balance	**465 234 340**	**421 222 273**

Unauthorised expenditure is disclosed exclusive of VAT.

Non-cash	20 914 944	-
Cash	23 097 123	-
	44 012 067	-

Unauthorised expenditure: Budget overspending – per municipal department:

Governance and administration	21 740 911	-
Community service	6 242 076	-
Planning and development	16 029 079	-
	44 012 066	-

Figures in Rand	2025	2024

42. Fruitless and wasteful expenditure

Opening balance as previously reported	7 434 867	3 484 775
Add: Fruitless and wasteful expenditure identified - current	1 991 834	3 950 092
Closing balance	**9 426 701**	**7 434 867**

Fruitless and wasteful expenditure is presented inclusive of VAT

Details of fruitless and wasteful expenditure

Interest on Eskom overdue accounts	353 344	263 780
Interest on SARS late payments	681 188	272 753
Interest on Telkom overdue accounts	17 073	15 127
Payment of biometrics	940 226	3 398 431
	1 991 831	**3 950 091**

No write off's of amounts were proposed to council or approved by council for the prior period under review.

Amount recovered

Investigations will be conducted in the following financial reporting period to determine whether any amounts are recoverable or not.

9 SPEND ANALYSIS

In order for the Council to have an oversight role the following information is supplied:

1. All bids awarded above R 300 000
2. Top 10 suppliers by value of contracts awarded
3. Top 10 suppliers by number of contracts awarded

9.1 Bids awarded – Above R 300 000

October 2025 to December 2025

Kagisano-Molopo Local Municipality								
Bid register list for the period 2025/10/01 to 2025/12/31								
Report detail								
No	**Description**	**Date**	**SCM procurement range**	**Functionality Evaluation (Reg 5)**	**Estimated value**	**PPPFA points sytem (Reg 6/7)**	**SCM compliant**	**Status**
KMLM2026-003	EXPRESSION OF INTEREST: PROVISION OF THE PROFESSIONAL ENGINEERING SERVICES FOR PLANNING, DESIGN, SUPPLY, DELIVERY AND INSTALLATION OF SOLAR HIGH MAST LIGHTS(TURNKEY) MIG/NW3098/CL/25/26 (Pouval, Ethol, Mmadinonyane, Kgokgojane, Dipudi and Tseoge (Gamontshonyane) AND CONVERTION OF 58 HIGH MAST LIGHT TO SOLAR (Ligament, Paposane Goodhood and Garapipa)	2025/09/22	Competitive bid above R10m	Y	19 000 000.00	80/20	Y	Active

9.2 Bids Awards – Above R30 000

October 2025- December 2025

There were no bids awarded with in the period of October 2025– December 2025

9.3 Bids Awards –Petty cash and below R30 000

October 2025 to December 2025

Kagisano-Molopo Local Municipality						
Payment voucher list for the period 2025/10/01 to 2025/12/31						
Report detail						
Payment voucher no	**Date**	**Supplier**	**Supplier name**	**Supplier group**	**Detail**	**Amount (Incl VAT)**
ET0005501	2025/10/01	BAT002	Batlhaleheng Business Enterprise	Trade creditors	Requesting electrical material for conne	26 450.00
ET0005502	2025/10/01	MAT016	Mathwai Transport (Pty) Ltd	Trade creditors	Electrical Appliances for KMLM Library's	29 600.00
ET0005503	2025/10/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting a pauper funeral service for	4 485.00
ET0005504	2025/10/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper funeral service and tr	10 493.75

ET0005505	2025/10/01	REA005	Reatshepisa Logistics And Trading Enterprise	Trade creditors	Requesting delivery of disaster relief m	24 500.00
ET0005506	2025/10/01	REI001	Reinetse Logistics And Projects	Trade creditors	Requesting delivery of disaster relief m	24 000.00
ET0005508	2025/10/01	LAD002	Ladder Of Success Trading	Trade creditors	Supply and Install pressure pumps for ga	27 750.00
ET0005510	2025/10/01	REO005	Reokame Enterprise And Projects	Trade creditors	Requesting electrical material for tlakgameng	29 252.00
ET0005511	2025/10/01	MOK007	Mokhutshane Trading And Projects	Trade creditors	Request for supply and fit of 1 x 2088 x	28 900.00
ET0005512	2025/10/01	LEB016	Lebonza Supply And Projects	Trade creditors	Request Catering for MPAC Meeting	4 950.00
ET0005513	2025/10/01	NGW003	Ngwako T Trading	Trade creditors	50 Pairs of Protective Hand Cloves and 5	14 950.00
ET0005514	2025/10/01	KAB005	Kabelo Kaybee Enterprise And Projects	Trade creditors	Requsting Cleaning Materials for KMLM Li	26 900.00
ET0005515	2025/10/01	BOI009	Boingotlo Trading And Enterprise	Trade creditors	Requestition of 3 South African flags wi	29 700.00
ET0005517	2025/10/06	TOW002	Town Lodge Waterfall Midrand	Trade creditors	Requisition for accommodation of 4 offic	10 320.00

ET0005522	2025/10/13	BAL010	Balo Security And Projects	Trade creditors	Request for emptying of septic tanks at	10 000.00
ET0005523	2025/10/13	BOA003	Boago Bo Maatla Trading	Trade creditors	Request of Plumbing material for Ganyesa	23 340.00
ET0005525	2025/10/14	PRE004	Premier Hotel Midrand	Trade creditors	Requesting accommodation for 2 officials	7 580.00
ET0005561	2025/10/29	WIL003	Willow Banks	Trade creditors	Request for accommodation for 8 official	9 600.00
ET0005562	2025/11/03	KIN005	Four Emeralds Hotel	Trade creditors	Requesting accommodation for 8 officials	24 480.00
ET0005564	2025/11/03	EVA001	Evansken Trading	Trade creditors	Supply and Apply Paint(Maintain) on Pali	24 300.00
ET0005566	2025/11/03	LSM001	Lsm-Projects And Services	Trade creditors	Supply plumbing materials for Kgokgole C	15 000.00
ET0005567	2025/11/03	SIR002	Sircarsper General	Trade creditors	Requesting 100 Water bottles for Special	1 600.00
ET0005568	2025/11/03	TSH007	Tsholo K Trading Enterprise	Trade creditors	Supply and install interiors doors and d	12 000.00
ET0005571	2025/11/03	THE021	The White House Boutique Lodge	Trade creditors	Requesting accommodation for 6 officials	8 400.00

ET0005577	2025/11/03	SPE002	Speedy Tyre & Fitment 4X4	Trade creditors	10 Tyres for for two Vehicles (LBF 029	12 500.04
ET0005581	2025/11/03	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper funeral service for Ka	2 121.75
ET0005582	2025/11/03	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper funeral service for Ka	2 121.75
ET0005583	2025/11/03	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper funeral service for Th	3 605.25
ET0005584	2025/11/03	M02574	Kagotsentle Trading	Trade creditors	Towing two Municipal Cars from Ganyesa t	22 000.00
ET0005586	2025/11/10	COP001	Copperwood Hotel	Trade creditors	Requesting accommodation for Acting Dire	2 700.00
ET0005587	2025/11/14	TED002	Tedmans Drukkers-Vryburg	Trade creditors	20 Leave Books for KLML Employees.	4 500.00
ET0005606	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for L.C. Melom	13 900.00
ET0005607	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for M.S. Mope	11 000.00
ET0005608	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for A. Thibela	4 990.00

ET0005609	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for M. Takgwe	9 000.00
ET0005610	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for O.A. Riet	8 900.00
ET0005611	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for B. Plaatji	8 900.00
ET0005612	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for A.Thumpe f	8 500.00
ET0005613	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for U. Gouws f	6 500.00
ET0005614	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for P.J. Pulen	8 900.00
ET0005615	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for D. Serapel	8 500.00
ET0005616	2025/11/18	KAM002	Letlhabile Funeral Services	Trade creditors	Requesting pauper payment for L. Kopedi	14 500.00
ET0005618	2025/11/18	RAT001	Rato Lame Trading And Projects	Trade creditors	Cleaning Material for Office (KMLM)	28 306.30
ET0005619	2025/11/18	R00806	Reatlegile And Dvm Trading Enterprise	Trade creditors	Request Catering for MPAC Meeting	3 573.00

ET0005620	2025/11/18	KEA001	Keoarata Construction And Security	Trade creditors	Request for emptying of the following se	9 200.00
ET0005622	2025/11/18	JOH002	Johns Trading And Logistics	Trade creditors	Requesting aircon tools for electricians	29 000.00
ET0005656	2025/11/25	JAR001	Jarina Guesthouse	Trade creditors	Request for accommodation for Lentikile	2 420.00
ET0005657	2025/11/25	DIV001	Divine Guest Lodge	Trade creditors	Request for accommodation for Lentikile	1 350.00
ET0005659	2025/12/01	DIV001	Divine Guest Lodge	Trade creditors	Requesting accommodation for 8 officials	21 600.00
ET0005662	2025/12/01	TBO001	T Boitshoko Transport And Projects	Trade creditors	Supply and Reinstate Car Parking Primary	27 000.00
ET0005663	2025/12/01	SEB010	Sebuseng Mosimane Enterprise	Trade creditors	Supply and install plumbing material and	24 000.00
ET0005664	2025/12/01	BAT003	Bathusang Funeral Services	Trade creditors	Requesting pauper payment for M.B. Seema	9 000.00
ET0005665	2025/12/01	MAI006	Maitiko Morokweng Funeral Undertaker	Trade creditors	Requesting pauper payment for I.Tlhosane	7 000.00
ET0005666	2025/12/01	MAI006	Maitiko Morokweng Funeral Undertaker	Trade creditors	Requesting pauper payment for P.M. Mogol	13 000.00

ET0005667	2025/12/01	MAI006	Maitiko Morokweng Funeral Undertaker	Trade creditors	Requesting pauper payment for N.R. Pulen	5 000.00
ET0005669	2025/12/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper payment for K.A. Moala	4 485.00
ET0005670	2025/12/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper payment for M.D. Mosia	9 466.80
ET0005671	2025/12/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper payment for K.R. Ponat	4 485.00
ET0005672	2025/12/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper payment for K.M. Modis	2 121.75
ET0005673	2025/12/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper payment for K. paul fr	13 685.00
ET0005674	2025/12/01	R0545	Ganyesa Rekathusa Funeral Parlour	Trade creditors	Requesting pauper payment for S. Leeu fr	4 485.00
ET0005675	2025/12/01	LEB019	Leboagopaki Trans And Enterprise	Trade creditors	Requesting Daylight switch WACO for Kudu	28 000.00
ET0005676	2025/12/01	THA014	Thabza Project	Trade creditors	Request for landscaping work in front of	26 900.00
ET0005687	2025/12/11	EXC002	Excel Fire Safety(Pty)Ltd	Trade creditors	Servicing fire extinguishers for buildin	21 746.50

ET0005692	2025/12/11	FRA001	Ganyesa Trading Store	Trade creditors	Purchase Order	28 905.20
ET0005699	2025/12/11	FRA001	Ganyesa Trading Store	Trade creditors	Request for a battery for KHC 096 NW (To	2 225.00
ET0005700	2025/12/11	LEN004	Lenaneo Trading Enterprise	Trade creditors	Requesting winch for the high mast light	15 488.00
ET0005701	2025/12/11	THA012	Thaolo Projects	Trade creditors	Requesting plugs and lights for tseoge	26 700.00
ET0005702	2025/12/11	N0097	Ndezas Construction And Projects	Trade creditors	Purchasing of 100 Packets of black refus	27 500.00
ET0005703	2025/12/11	T0082	Tatso Catering Services	Trade creditors	Request Lunch for Ordinary Council	11 200.00
ET0005707	2025/12/12	SKW001	Skwatta Camp Logistics	Trade creditors	Supply and repair plumbing works (abluti	29 500.00
ET0005709	2025/12/12	K01354	Kgotlayame Trading And Projects	Trade creditors	Repair and replace Ceiling and Windows a	23 800.00
ET0005710	2025/12/12	MOD002	Modkay Projects	Trade creditors	Inspect, Supply, Repair and Fit Plumbing	26 510.00
ET0005712	2025/12/12	RAM004	Ramasedi Security Services	Trade creditors	Towing of Municipal Vehicle (JLH 526 NW)	9 500.00

ET0005713	2025/12/12	O0020	Olerato Boys Construction And Projects	Trade creditors	Request for repairing doors at Ganyesa s	29 300.00
ET0005714	2025/12/12	LAD002	Ladder Of Success Trading	Trade creditors	Towing 2 Municipal Vehicles from Ganyesa	18 000.00
ET0005729	2025/12/12	LMF001	Lmf Logistics	Trade creditors	Rquesting material for kudungkgwane high	28 450.00
ET0005731	2025/12/15	HLA001	Hlambase Bm Projects	Trade creditors	Requesting aircon material	28 200.00
ET0005732	2025/12/17	J0016	Jep Jep Trading Enterprise	Trade creditors	Requesting power skirting for chamber fo	24 000.00
ET0005775	2025/12/18	RED003	Redirela Sechaba Funeral Services	Trade creditors	Request of pauper funeral assistance for	6 500.00
ET0005776	2025/12/18	RED003	Redirela Sechaba Funeral Services	Trade creditors	Request of pauper funeral assistance for	15 284.00
ET0005777	2025/12/18	RED003	Redirela Sechaba Funeral Services	Trade creditors	Request of pauper funeral assistance for	8 000.00

10. PERFOMANCE MANAGEMENT

Paragraph 46 of the supply chain management Policy states that a supply chain management policy must provide effective internal monitoring system on order to determine, based on a retrospective analysis, whether the authorized supply chain management processes are being followed and whether the desired objectives are being achieved.

- The Chief Financial Officer has started processes on the formation of a contract management committee to ensure that contracts have been established for all appointments and to monitor the progress of the projects against the milestones established in the service level agreement.
- whether the measurable performance objectives linked to and approved with the budget and the service delivery and budget implementation plan, were achieved
- A contract management system has been introduced where contracts are recorded and expenditure monitored.

The following are planned for quarter 2 of 2025/2026:

1. Approving of terms of reference of the contract management committee
2. Handholding training provided by provincial treasury on the effective monitoring and evaluation of projects.
3. Set up a Contract Management committee.

11. ACHIEVEMENTS

The Municipality has experienced certain wins and achievements in the last financial year and such are as follows: _

a. The introduction of strict measures on the award of quotation procurements to suppliers whose tax matters are not in order, such a measure has seen the Municipality realize a decreased occurrence of irregular expenditure as compared to the prior years,
b. Timeous irregular evaluation which allows MPAC sufficient to contact investigation
c. The introduction of strict measures in the pricing of all sorts of commodities as the Municipality has embarked on negotiations with the suppliers and such has yielded to a positive outcome.
d. The Use of the SCM Checklist in all procurements, to ensure that all the relevant supporting documentation is attached to each voucher to enforce compliance.
e. Attempted management of interference from other departments regarding the procurement of goods and services as required,
f. Inclusion of the requesting department in the event of acknowledgement of goods and services as requested prior to payment being made
g. Irregular expenditure in 2024/25 has declined compared to prior years, demonstrating that preventative measures are yielding results.
h. We have appointed compliance and monitoring manager to assist with compliance.
i. During the audit for 2024/2025, Auditor General stated that there is a slight improvement on the SCM Component for conflict of interest and there is non - compliance on quotation process compared to the previous financial years.

12 CHALLENGES

The following are identified challenges that the department is currently dealing with: -

a. Though there is a distinction of the roles and responsibilities within the unit, these are sometimes overlapping.
   - Detailed standard operating procedures will be drafted and will be finalized in the new financial year.
b. The user Departments use wrong votes during the requesting phase.
   - The User Departments need more training on the system and classification of votes, which will make the work of SCM officials easier.
   - The budget will assist in the procurement process to ensure that the user department has selected the correct votes and ensure that the vote has funds before the request is processed.

13 RECOMMENDATIONS

1) The Cost Containment Policy should continue to be enforced and comprehensive to include the following provisions: -

   a. The prescribed budgeted rate to be applied per overhead on all caterings to be undertaken at any municipal event as authorized (e.g., Price per meal),
   b. The prescribed budgeted rate per KM of all trips outsourced to service providers (such rate should be reflective of both the Gravel and tarred road conditions),
   c. Any other provision that will reflect a directive as to the thresholds to be applied on any procurement that requires judgment that is unjustified by proper guidance of market related prices.

END OF REPORT