

**A 278/2015      PROCUREMENT OF GOODS AND SERVICES WITH A THRESHOLD RAND  
VALUE ABOVE R200 000 FOR JULY 2015**

REPORT BY THE MANAGER: FINANCE

STRATEGIC THRUST

Good Governance and Financial Management

OBJECTIVE

To provide council with a report on appointed service providers through the open bidding process

BACKGROUND

It is necessary that Council be kept abreast on all procurement and acquisition issues the district municipality is undertaking. This is also in line with National Treasury requirements as regards the MFMA, Municipal Supply Chain Regulations and EDM Policy on Supply Chain Management.

STATUS ON THE OPEN BIDDING PROCESS

No bids were awarded during the period of 1 July 2015 to 30 July 2015.

POLICY IMPLICATIONS

None

LEGAL AND CONSTITUTIONAL IMPLICATIONS

None

FINANCIAL IMPLICATIONS

None

OTHER BODIES / DEPARTMENTS CONSULTED

**RECOMMENDATION BY THE MAYORAL COMMITTEE**

- 1. That Council note that there were no bids awarded during the period of 1 July 2015 to 31 July 2015.**

**PROCUREMENT OF GOODS AND SERVICES WITH A THRESHOLD RAND VALUE THAT IS BELOW R 200 000.00 FOR JULY 2015**

## REPORT OF THE MANAGER: FINANCE

STRATEGIC THRUST

Good Governance and Financial Management

OBJECTIVE

To inform and update Council on goods and services procured not exceeding R200 000 for the month of July 2015.

BACKGROUND

It is part of the National Treasury requirements with regard to the MFMA and the Municipal Supply Chain Regulations as well as the EDM Policy on Supply Chain Management on reporting requirements to report on all procurements with a rand value that is below R 200 000.00.

Below is a list of all the procurement undertaken during the period 1 July 2015 to 30 July 2015:

| NAME OF SUPPLIER                              | DESCRIPTION OF SERVICES/GOODS   | AMOUNT PAID  |
|---|---|--------------|
| Alexander Forbes                              | Actuarial valuation services for the calculation of long service & post-retirement employee benefits.     | R 80 940     |
| Kulekeleka Trading 207                        | Procurement of various forms of trophies and price gifts for the EDM annual performance awards ceremony.  | R 7 592.40   |
| Mandla Mokoena Consulting Accountants cc      | Provision of services to conduct the SMME mentorship/training programme for co-operatives.                | R 52 425.00  |
| Nutting House Guest Lodge                     | Provision of a conference venue and facilities for the mayoral outreach programme (Young Women's Indaba). | R 180 000.00 |
| Exacure cc                                    | Electrical supplies & repairs in various offices at EDM.  | R 14 955.00  |
| Masscash (Pty) Ltd T/A Nelspruit Cash & Carry | Procurement of office refreshments & cleaning material.   | R 16 325.35  |
| Ekuvumeni Trading Enterprise                  | Procurement of stationery: official EDM triplicate purchase order forms.                                  | R 56 300.00  |
| Khethiwe Ngcedo Trading (Pty) Ltd             | Procurement of disaster awareness promotional material; 10 000 magnetic stickers with emergency numbers.  | R 186 500.00 |
| Siyayincoba Trading and Projects              | Procurement of disaster awareness pamphlets; 20 000.  | R 183 000.00 |
| Tebenguni Solution (Pty) Ltd                  | Procurement of 20 000 heavy duty refuse bags.   | R 61 800.00  |
| altimax trading academy (Pty) Ltd             | Provision of GRAP technical training for EDM and the five local municipalities' officials.                | R 60 000.00  |

| NAME OF SUPPLIER                                | DESCRIPTION OF SERVICES/GOODS   | AMOUNT PAID  |
|---|---|--------------|
| Likwezi Lakhusasa Business Enterprise (Pty) Ltd | Procurement of an operating system for the server to support the performance management system. | R 175 960.00 |
| Deloitte Consulting (Pty) Ltd                   | Provision of training on the Municipal Finance Management Programme for EDM and ULM officials.  | R82,080.00   |

**POLICY IMPLICATIONS**

None

**LEGAL AND CONSTITUTIONAL IMPLICATIONS**

None

**FINANCIAL IMPLICATIONS**

None

**OTHER BODIES / DEPARTMENTS**

None

**RECOMMENDATION BY THE MAYORAL COMMITTEE**

- 1. That Council accepts the report on the procurement of goods and services not exceeding R 200 000.00 for the period 1 July 2015 to 31 July 2015.**

**A 285/2015      DEVIATIONS FROM THE NORMAL PROCUREMENT PROCESSES FOR  
JULY 2015**

REPORT BY THE MANAGER: FINANCE

STRATEGIC TRUST

Good Governance and Financial Management.

OBJECTIVE

To inform Council on the minor deviations from the normal procurement processes.

BACKGROUND

During the month of July 2015, Ehlanzeni District Municipality procured the services and works from the below mentioned service providers in terms of paragraph 36 of the Supply Chain Management Policy. Reflected below are the services and works procured, the expenditure incurred as well as comments relating thereto.

| SUPPLIER   | DESCRIPTION OF GOODS/WORKS/SERVICES  | AMOUNT     | COMMENTS  |
|--|--|------------|---|
| CTP Limited T/A Lowveld Media                        | Withdrawal and re-advertisement of tender for the installation of high mast lights.  | R17,970.96 | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| CTP Limited T/A Lowveld Media                        | Advertisement of tenders for the Refurbishment of Pump Stations and Rental of Copier Machines.   | R9,507.60  | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| Protel Business Systems (Pty) Ltd                    | Repair of the server's buffer hardware component.  | R822,20    | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| Kgomotso Bob Mabena                                  | Appointment of a program director & motivational speaker during the annual edm performance awards including accommodation and travelling from Johannesburg to Mbombela and back. | R55,000.00 | Procurement is in terms of paragraph 36 (1) (a) (v).  |
| Nkomazi FM   | Procurement of radio advertising slots to promote the Mandela day event.   | R20,970.00 | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| South African Broadcasting Corporation (Pty) Limited | Procurement of radio advertising slots to promote the Mandela day event.   | R24,521.40 | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| Deloitte Consulting (Pty) Ltd                        | Provision of training on the Municipal Finance Management Programme for EDM and ULM officials.   | R82,080.00 | Procurement is in terms of paragraph 36 (1) (a) (v).  |
| Get It Fine Trading Enterprise (Pty) LTD             | Emergency repair of two EDM generators   | R68,286,00 | Procurement is in terms of paragraph 36 (1) (a) (v).  |

Paragraph 36 on **"Deviation from, and ratification of minor breaches of, procurement processes"** states the following that:

- "36. (l) The accounting officer may –
- (a) dispense with the official procurement processes established by this policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
    - (i) in an emergency;
    - (ii) if such goods or services are produced or available from a single provider only;
    - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
    - (iv) acquisition of animals for zoos and/or nature and game reserves; or
    - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes;"

**POLICY IMPLICATIONS**

None

**LEGAL AND CONSTITUTIONAL IMPLICATIONS**

None

**FINANCIAL IMPLICATIONS**

See table below.

**OTHER BODIES/ DEPARTMENTS CONSULTED**

None

**RECOMMENDATIONS BY THE MAYORAL COMMITTEE**

- 1. That Council accepts the report on the deviations from the normal procurement processes for the month of July 2015 stated above;**
- 2. That the deviations stated above be noted as they are in line with paragraph 36 of Ehlanzeni District Municipality Supply Chain Management Policy;**

| <b>SUPPLIER</b>                   | <b>DESCRIPTION OF GOODS/WORKS/SERVICES</b>   | <b>AMOUNT</b> | <b>COMMENTS</b>                                       |
|-----------------------------------|--|---------------|---|
| CTP Limited T/A Lowveld Media     | Withdrawal and re-advertisement of tender for the installation of high mast lights.            | R17,970.96    | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| CTP Limited T/A Lowveld Media     | Advertisement of tenders for the Refurbishment of Pump Stations and Rental of Copier Machines. | R9,507.60     | Procurement is in terms of paragraph 36 (1) (a) (ii). |
| Protel Business Systems (Pty) Ltd | Repair of the server's buffer hardware component.  | R822,20       | Procurement is in terms of paragraph 36 (1) (a) (ii). |

| <b>SUPPLIER</b>                                      | <b>DESCRIPTION OF GOODS/WORKS/SERVICES</b>   | <b>AMOUNT</b> | <b>COMMENTS</b>                                       |
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| Kgomotso Bob Mabena                                  | Appointment of a program director & motivational speaker during the annual EDM performance awards including accommodation and travelling from Johannesburg to Mbombela and back. | R55,000.00    | Procurement is in terms of paragraph 36 (1) (a) (v).  |
| Nkomazi FM   | Procurement of radio advertising slots to promote the Mandela day event.   | R20,970.00    | Procurement is in terms of paragraph 36 (1) (a) (ii). |
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| Deloitte Consulting (Pty) Ltd                        | Provision of training on the Municipal Finance Management Programme for EDM and ULM officials.   | R82,080.00    | Procurement is in terms of paragraph 36 (1) (a) (v).  |
| Get It Fine Trading Enterprise (PTY) LTD             | Emergency repair of two EDM Generators   | R68,286.00    | Procurement is in terms of paragraph 36 (1) (a) (v).  |