



ELM

Elundini Local Municipality
Nqanqarhu | Ugie | Tlokoeng



QUARTERLY REPORT TO THE MUNICIPAL COUNCIL

Second Quarter 2025-2026

IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY

[ELUNDINI LOCAL MUNICIPALITY]

(As per Section 6(1)(3) of the Municipal SCM Regulations)



5G-Yaneliswa



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1. Introduction

In terms of clause 6(1)(3) of the Municipal Supply Chain Management Regulations, 2005, which deals with the Oversight role of council of municipality or board of directors of municipal entity:

- (1) *The council of a municipality and the board of directors of a municipal entity must maintain oversight over the implementation of its supply chain management policy.*
- (3) *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 or the board of directors of the municipal entity, as the case may be.*

2. SCM Policy & Procedures

2.1 Adoption of Policy by Council

SCM Policy has been adopted by the council on the 30 May 2025. Report on Supply Chain Management Policy.

2.2 Delegations

SCM Process Delegations in terms of chapter 2 of the ELM SCM Policy

2.3 Infrastructure Procurement

The SCM Policy integrates with the Standard for Infrastructure Procurement and delivery Management (SIPDM Policy), Contract Management Policy and Construction Procurement Strategy which is aiming at developing and mentoring emerging enterprises.

3. Functioning of the SCM Unit

3.1 SCM Structure:

The unit has been established to implement supply chain management policy as per regulation 7 (1) of Supply Chain Management Regulation. The unit operates under the direct supervision of the Chief Financial Officer as required by regulation 7 (3) of the Supply Chain Management.

The structure of the SCMU was amended and approved during the 2022/23 financial year. The organisational structure has been re-designed to ensure logical arrangement of critical function overseen by SCM Manager and is made up of core functions demand management, bid administration and contract management, logistics management and disposal management. The SCM unit is functional well. The municipality has an effective contract management system.

3.2 Declaration of Interest:

All SCM officials have declared conflict of interest. The SCM Policy has a provision on code of conduct of Elundini Officials, there is a form of disclosure of information for all the employees and private business interests. During the committee meetings a person with conflict recuses himself or herself in that meeting. Before the meeting starts there is a form for conflict of interest which is signed by all members of that committee, and it entails declaration of interest, oath of secrecy and attendance.

3.3 **Code of Conduct for SCM Practitioners:**

All SCM Personnel have signed the Code of Conduct

3.4 **Training of SCM Personnel:**

Bid Committee training was also conducted by ELM on the 26-27 June 2025 conducted by Provisional Treasury

4. **Functioning of Bid Committees**

4.1 Following bid committees are constituted in line with Regulations 27, 28 & 29 and all the members were duly appointed by the Accounting Officer.

- ✓ Cross functional Bid Specification Committee
- ✓ Evaluation Committee
- ✓ Bid adjudication Committee.

4.2 On Infrastructure Committees the municipality decided not to change its committee however for all projects above the threshold there is a gate review (PSC).

4.3 Duties of all Bid Committee are set in the SCM policy.

4.4 Number of Bid Committee Meetings held during the reporting period.

- ✓ Bid Specification Committee : 10 out of 10
- ✓ Bid Evaluation Committee : 19 out of 21
- ✓ Bid Adjudication Committee : 03 out of 10

5. Reporting Items

5.1 Deviations

5.1.1 Section 110

AWARDED TO	DATE OF AWARD	LOCALITY	AWARD VALUE	Description of Goods/Services/Works
1. King Sabata Dalindyebo	26/11/2025	Mthatha	R7 178.00	Licensing of UD Truck FXN 283 EC and Isuzu N Series HSM 838 EC
2. University of the Witwatersrand	07/07/2025	Johannesburg	R205 000.00	Monitoring and Evaluation for Governance short course for 4 Councillors and 1 official
TOTAL AMOUNT Section 110			R 212 178.00	

5.1.2 Section 114 (Approval of tenders not recommended)

✓ None

5.1.2 Regulation 32 (Procurement of goods and services under contracts secured by other organs of State)

✓ None

5.1.4 Regulation 36 (Deviation from, and ratification of minor breaches of, procurement processes)

AWARDED TO	DATE OF AWARD	LOCALITY	AWARD VALUE	DEPARTMENT	Description of Goods/Services/Works	REASON FOR DEVIATION
1. Maclear Motor & Tractor Spares	07/07/2025	Nqanqarhu	R11 157,27	Community Services Department	275 litres of petrol for grass cutters of all units	Exceptional case since there are only two fuel stations in town and one garage takes fleet cards for fuel and does not respond when we request quotation .It is cost effective to source quotations from fuel station outside town for Maclear operations
2. Jacksons Isuzu	26/08/2025	Queenstown	R25 834,25	Budget & Treasury Office	Repair clutch of Isuzu 4 ton truck HSM838EC	Exceptional case since the municipality is in the process of Bid Evaluation of the agent for the servicing and maintenance of Municipal vehicles. This is to cut the risk of using non-compliant service providers as well as to ensure that the Municipal Vehicles are services on time. This vehicle requires to be repaired by the manufacture to ensure subsequent maintenance or modifications by other supplier are prohibited because of guarantee and it will be uneconomical to acquire additional services from another service provider
3. Jacksons Isuzu	28/08/2025	Queenstown	R1 520,90	Budget & Treasury Office	Repairs on Isuzu KBJ771EC	Exceptional case since the municipality is in the process of Bid Evaluation of the agent for the servicing and maintenance of Municipal vehicles. This is to cut the risk of using non-compliant service providers as well as to ensure that the Municipal Vehicles are services on time. This vehicle requires to be repaired by the manufacture to ensure subsequent maintenance or modifications by other supplier are prohibited because of guarantee and it will be uneconomical to acquire additional services from another service provider
4. EL Tubing & Hydraulics	14/10/2025	East London	R88 015,43	Budget & Treasury Office	Maintenance of compactor truck body FZB080EC	Exceptional case since the municipality is in the process of compiling specifications for the agent for the servicing and maintenance of Municipal

						vehicles . This is to cut the risk of using non-compliant service providers as well as to ensure the that the Municipal Vehicles are services on time. This vehicle requires to be repaired by the manufacture to ensure subsequent maintenance or modifications by other supplier are prohibited because of guarantee and it will be uneconomical to acquire additional services from another service provider
5. Maclear Motor & Tractor Spares	31/10/2025	Nqanqarhu	R3 885,84	Community Services Department	180 litres of petrol for grass cutters of all units	Exceptional case since there are only two fuel stations in town and one garage takes fleet cards for fuel and does not respond when we request quotation .It is cost effective to source quotations from fuel station outside town for Maclear operations
6. Jessen Motors	30/09/2025	Ugie	R18 170,00	Community Services Department	Service Nissan hardbody HHD796EC	Exceptional case since the municipality is in the process of Bid Evaluation of the agent for the servicing and maintenance of Municipal vehicles. This is to cut the risk of using non-compliant service providers as well as to ensure that the Municipal Vehicles are services on time. This vehicle requires to be repaired by the manufacture to ensure subsequent maintenance or modifications by other supplier are prohibited because of guarantee and it will be uneconomical to acquire additional services from another service provider
7. Orhibela Earth Moving Works	20/08/2025	Mthatha	R35 880.00	Infrastructure Planning & Development	Repairs and maintenance of tipper truck FXN 283 EC	Exceptional case due to ageing of our fleet which requires regular servicing to remain operational to avoided any break in maintenance that will stop essential service delivery. Failure to provide uninterrupted maintenance increase the like hood of serious mechanical failures and could result in much higher repair costs in the future. This is a bridging measure to ensure uninterrupted

TOTAL DEVIATIONS					R 184 463,69							maintenance and repair services while the SCM process for the three-year contract is not finalized.
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a. Summary of Deviations

Section 36 (1) (a) (i) Emergency	R0
Section 36 (1) (a) (ii)	R 0
Section 36 (1) (a) (iii)	R 0
Section 36 (1) (a) (iv)	R 0
Section 36(1) (a) (v) Impractical to follow official procurement process	R 184 463,69
Section 36 (1) (b) Minor Breaches	R0

Municipal Manager's Office	R 0,00
Budget and Treasury Office	R 115 370,58
Infrastructure Planning and Development	R 35 880.00
Corporate Services Department	R 0,00
Community Services Department	R 33 213,11
Planning & Economic Development	R 0,00
Total Deviations	R 184 463,69

5.3 Irregular Expenditure

No	2024/2025	2024/2023
Amount	R 22 435 062.00	R 15 969 472.00

- i) Register of irregular expenditure is attached to this report as "Annexure 1"

5.4 Functioning of System Vendor

- i) Requisitions and orders are processed through the system
- ii) Contract Management is fully utilizing IMIS.

5.5 Procurement Plan Implementation

- i) An approved procurement plan is in place and was approved on the 02 July 2025
- ii) A detailed report on implementation of procurement plan is submitted to the CFO and Mayor on a quarterly basis

5.6 Bids Awarded >R30K

Bid No.	Bid Description	Bidder	Award Value	Award Date	Date Contract Signed	Contract Start Date/Order Date	Contract Duration
1. ELM-3/013/2025-2026	Supply and Delivery of Galvanized field toilets	Lundi Enterprise	R 66 450.00	30/10/2025	10/11/2025	06/12/2025	Once off
2. ELM-4/005/2025-2026	Supply and Installation of surveillance cameras	Guntech Secure Solution	R 292 000.00	29/09/2025	01/10/2025	07/11/2025	Once off
3. ELM-3/012/2025-2026	Supply, installation, programming and skills transfer for a Direct and CT Smart Meters of BI—Directional and Conventional Meters for a period of three months	Equalizer Group	R 179 860.00	13/10/2025	24/10/2025	17/11/2025	Three months
4. ELM-4/017/2025-2026	Renewal of ICT Software	Revolusys	R 155 803.91	27/10/2025	04/11/2025	04/12/2025	One year
5. ELM-5/007/2025-2026	Supply and Delivery of Tools and Equipment	Keikane Trading	R 72 530,00	20/11/2025	26/11/2025	12/12/2025	Once off

6. ELM-4/018/2025-2026	Servicing of fire extinguishers and Water Hydrants	Tlokoeng Project Management	R 30 200.00	25/11/2025	08/12/2025	05/01/2025	Once off
7. ELM-3/036/2024-2025	Framework construction of paved roads within Elundini Local Municipality Services for the period of three years	• Maboka Contractors • SSR T/A • Mahlubi Transport • Egxeni Engineering • Coalition Trading (PTY) LTD • Thalami Civils	Rates	Not yet started	Not started	Not yet started	3 years
8. ELM-3/038/2024-2025	Framework Contract Professional Services-Electricity	• Igoda Projects (Pty) Ltd • Black Mountain Consulting • Rapidus Pty Ltd	Rates	Not yet started	Not started	Not yet started	3 years
9. ELM-4/019/2024-2025	Supply and Delivery of ICT Equipment	• Zion Artificial Intelligence Technologies • Ms Fixit Solutions • ICT Choice	Rates	Not yet started	Not started	Not yet started	3 years

5.7 Municipal Bid Appeals (if applicable)

✓ None

5.8 Contract Management

5.8.1 Contracts Register Statistics

No. of Contracts	Current	No. of contracts awarded to SMMEs within the municipal area (local suppliers)	No. of Contracts about to expire in <6 months	No. of Expired Contracts but still in use
52	03		03	00

5.8.2 Variations

i) Variations within 15% or 20% (this can part of contract register)

- None

i) Variations above 15% or 20% (Comply with MFMA S116(3)) (this can be part of contracts register)

✓ None

5.8.3 Supplier Performance Management

Summary of the vendor assessment report for November 2025				
No	Number of contracts	Number of contracts evaluated	Contracts not evaluated	Reason not to be Evaluated
1	52	35	17	Some of the contracts were not evaluated because there was no package order was issued in December 2025

a) Slow performing bidders identified rating between (1- Poor)

None

- Vendor Assessment Sheet is attached to the Report

5.9 Unsolicited Bids (if any)

✓ None

5.10 Bids are advertised through the following:-

- i) Website
- ii) E-tender portal
- iii) CIDB
- iv) Local newspaper
- v) ELM LED Public Screen

5.11 Extensions

None

5.12 Limited Bidding

Reason for approving limited bidding process: in trying to exterminate the use of deviations by using one service provider for Bell plant and equipment. the municipality initiated a process of securing a contract for panel of service providers however the bidding process was unsuccessful. It was then resolved that in order to meet the requirements of section 217 of the constitution and in trying to save costs the municipality may no longer deviate using Bell Equipment and Plant as their price were exorbitant and at times outsourcing the services, to embark on limited bidding requesting quotations from all the service providers who were on our data base and who also submitted their bids during the time when the municipality resolved to issue a competitive bidding process which did not yield any positive results. As it was re-advertised for the second time the institution resolved to embark on limited bidding process as there were impediment on service delivery due to unavailability of yellow plant and equipment. The institution plant has been standing for a very long time due to service, repairs, and maintenance The contract for this service provider is for one year which by then the contractor panel of service providers is envisaged to have been secured.

COMPANY NAME	DESCRIPTION	AMOUNT
1. None		

5.13 SMME APPOINTMENTS IN SUPPORT OF LED AND INFRASTRUCTURE PROCUREMENT STRATEGY

- No appointments made during second Quarter 2024-2025

6. Application of Preferential Procurement Policy Framework Act (PPPFA), Reg. 2022

EL SCM Policy has been aligned to the PPPFA 2022. A separate report regarding allocation of specific goals is attached.

7. Risk Management: Progress of mitigating the risks identified within SCM.

Operational Objective	Root Causes	Consequence (Impact)	Existing controls	Actions to improve management of the risk in 2025/2026 FY	Time Scale	Action Owner
To enhance organisational performance, financial viability, and management of municipal resources	1. Lack of responsibility and understanding from end-users. 2. Leniency on rating of service providers about their performance on vendor performance. 3. Poor crafting of tender document (terms of reference or specifications).	1. Delays in implementing projects due to re-advertisements of tender. 2. Implementation of projects that are sub-standard or do not last for the life expectancy expected and Re-appointment of underperforming suppliers 3. Roll-over applications.	1. Vendor Performance Reports. 2. Service Level Agreement. 3. Bid specification committee. 4. Contracts management.	1. Vendor Performance Report signed by end user and HOD. 2. Vendor Performance Letter signed by MM sent to service provider. 3. Resuscitation of Joint Standing Committees and technical Committees. 4. Reviewal of specification signed by the HOD. 5. Capacity building of SCM, bid committee members and other role players that involved in bid processes.	- Quarterly - Quarterly - Quarterly - Quarterly - Annual	Manager: SCM

To enhance organisational performance, financial viability, and management of municipal resources	1. Lack of accountability 2. Consequence management not implemented.	1. Poor planning which may result in developing poor crafted specifications. 2. Resultant poor service delivery.	1. Currently, the framework for demand management plan is in line with national treasury circular 26 and has been disseminated to all HODs for submission of priorities. 2. Cost containment strategy in place	1. Quarterly reminders about the progress in demand management plan 2. Quarterly reports	Quarterly Quarterly	Manager: SCM
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7.1 Fraud Prevention Plan

The municipality has an anonymous tips off line to cater for all those who wants to report suspected fraud.

1. EXTERNAL AUDIT AND INTERNAL AUDIT REPORT AND IMPLEMENTATION OF REMEDIAL MEASURES

TABLE:1 INTERNAL AUDIT FINDINGS

#	Finding	Auditors Conclusion	Management Response	Owner	Progress to -date
1	During the inspection of the Elundini Local Municipality Municipal Website, we noted that the following Policies were not uploaded on the website.	Management comments and action plans already implemented we evaluated. Internal Auditors will verify if 2025/26 policies are published during the Quarterly follow up.	The Policies were approved by the Council but there were website and network challenges, these will be uploaded before the 10th of July	SCM	SCM policies were uploaded before the 10 July 2025
2	During the audit of SCM particularly on governance and compliance processes for the 2024/2025 financial year, it was noted that not all Councillors submitted their annual declaration of interests forms as required. The declaration of interest for the following four Councillors were not submitted for audit purposes.	Management comment and action plans are noted. The finding will be followed up as part of quarterly audit actions to verify that the audit action plans have been implemented.	The Declaration forms are issued to all councillors annually for them to complete and hand in. Even for the year under review all councillors were issued with declaration forms, reminded and the process also monitored by the Members Interest and Ethics Committee which reported the outstanding declarations to council and the council gave the members deadline to correct the situation	SCM	Management should ensure that all Councillors' declaration forms are adequately filled.
3	During the audit of the Supply Chain Management (SCM) function for the 2024/2025	Following management's response and the	The bid committees were able to sit and consider	SCM	Finding resolved

financial year, it was noted that the Bid Committees (Specification, Evaluation, and Adjudication Committees) did not convene in accordance with the approved quarterly Bid Committee meeting schedule. Review of attendance registers and meeting minutes revealed multiple instances where scheduled meetings were either postponed, cancelled, or not convened at all.	substantiated reasons therefore that committees do sit but only, if there are items ready to be considered by the said committees and the approved schedule for bid committee seating is a control tool/ measure meant to guide sitting of the committees and not to stop the operations of the municipality. So not seating on the scheduled date is not necessarily a remedy to clear the backlog. While the explanation offered has been noted, it does not adequately address or mitigate the control weakness/risk identified and the finding will remain. The recommendation remains relevant and should be implemented as stated to strengthen internal controls and address the identified gap.	bid items that were available at their disposal. Management also disagrees with the rating of the findings being categorized as High, while management has designed the control measure (approved schedule of bid committee sittings) and that has been implemented as committees were able to sit.			

TABLE 2: EXTERNAL AUDIT REPORT AND IMPLEMENTATION OF REMEDIAL MEASURES (AAP)

#	Finding	Auditors Conclusion	Management Response	Owner	Progress to -date
1	Use of deviation in Infrastructure procurement	In conclusion issues 1, 2 and 3 the findings remain. Issue 4 has been resolved and issue 5 is an internal control deficiency	Issue 1: Hopedale sport field Management disagree with the finding. Issue: 2. Surfacing of Mt Fletcher street and stormwater drainage. Management disagrees with the finding. Issue 3. Cession payment to Monong construction. Management disagrees with the finding. Issue 4 Surfacing of greenfields street and stormwater face. Management disagrees with the finding. Issue 5 General use of the framework agreement for project and contract management services for SMME development ELM-3/016/2021-2-22. Management disagrees with the finding	SCM	The municipality advertised the framework contract for paved roads for a period of three years in 2024/2025 financial year and award in November 2025. The municipality will not deviate to implement the infrastructure project. The limited bidding will be done on the appointed panel of contractors.
	Supply Chain and Contract Management				

8. Report on implementation of Demand Management Plan – Second Quarter

- a) Procurement plan was approved on the 02 July 2025 and a list of 63 Projects was registered on the revised DMP.
- b) According to the DMP 65% of specifications were submitted to SCM for implementation whilst 73% awarded.

Department	No of projects registered per department	Number of project specifications submitted to SCM	Number of projects still on process	Number of projects Awarded	Number of projects re-advised	Number of project specifications not submitted to SCM	Number of projects Cancelled
Infrastructure Planning and Development	32	23	4	19	1	9	2
Corporate Services	7	6	4	2	0	1	1
Community Services	8	4	3	1	0	4	0
Finance Department	0	0	0	0	0	0	0
Planning and economic development	8	5	4	1	0	3	1
MM'S office	8	8	6	2	0	0	0
TOTAL	63	46	21	25	1	17	4
Project Name	Envisaged date of award		Envisaged Contract signed date	Status Quo	Target met / Not		

MUNICIPAL INFRASTRUCTURE GRANT PROCUREMENT

Surfacing of Ugie Park Streets & Stormwater (Phase 3)	Tuesday, 15 July 2025	Wednesday, 30 July 2025	Awarded 02 September 2025	Target achieved
Surfacing of Greenfields Streets & Stormwater (Phase 3)	Tuesday, 15 July 2025	Wednesday, 30 July 2025	Awarded 17 June 2025	Target achieved
Surfacing of Mt Fletcher Urban Roads & Stormwater (Phase 3)	Tuesday, 15 July 2025	Wednesday, 30 July 2025	Awarded 02 September 2025	Target achieved
Epainette Mbeki Access Road	Tuesday, 17 June 2025	Monday, 07 July 2025	Awarded 17 June 2025	Target achieved
R56 to Khalankomo Upgrade	Tuesday, 17 June 2025	Monday, 07 July 2025	Awarded 17 June 2025	Target achieved
West Hoek Access Road	Tuesday, 17 June 2025	Monday, 07 July 2025	Awarded 17 June 2025	Target achieved
Delibawo via Maweni Access Road (Planning)	Tuesday, 17 June 2025	Monday, 07 July 2025	Awarded 17 June 2025	Target achieved
Procurement of Specialised Waste Management Yellow Plant	Thursday, 03 July 2025	Wednesday, 30 July 2025	Awarded Skip Steer Loader 23 July 2025	Target achieved

ELECTRICITY PROJECTS

Makhaditseng (Pre-eng)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 18 August 2025	Target achieved
Koebug P2	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 23 May 2025	Target achieved
Makotlana Phase 2	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 23 May 2025	Target achieved
Makotlana P2 (Link Line)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 23 May 2025	Target achieved
Lubisini (Pre-eng)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 18 August 2025	Target achieved
Jojweni (Nkunyana) (Pre-eng)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 18 August 2025	Target achieved
Khalazembe (Pre-eng)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 18 August 2025	Target achieved

Thabatlana (Pre-eng)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 18 August 2025	Target achieved
Gqaqala (Pre-eng)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Awarded 18 August 2025	Target achieved
Installation of smart meters within Ugie and Nqanqarhu Town	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Waiting for Adjustment budget	Target not met
% electricity network upgraded within ward 2,3,4&17	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	BAC referred it back to BEC	Target partially met
Installation of Energy Performance Certificates for buildings in terms of Section 19(1)(b) of National Energy Act, 2008(Act No.34 of 2008)	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Specification submitted end user not available for BSC	Target not met
Framework Contract for installation, maintenance and servicing of standby generators and wiring of municipal buildings	Friday, 08 SEPTEMBER 2025	Friday, 22 SEPTEMBER 2025	Specification submitted end user not available for BSC	Target not met
OTHER PROJECT IMPLEMENTED BY IP&D				
Procurement of specialised yellow fleet	Monday, 30 June 2025	Tuesday, 01 July 2025	Waiting for Adjustment budget	Target not met
Procurement of Front End Loader	Monday, 30 June 2025	Tuesday, 01 July 2025	Waiting for Adjustment budget	Target not met
Procurement of 5 ton truck	Monday, 30 June 2025	Tuesday, 01 July 2025	Waiting for Adjustment budget	Target not met
Procurement of LDV bakkie	Monday, 30 June 2025	Tuesday, 01 July 2025	Waiting for Adjustment budget	Target not met
Plant Mechanic Workshop (Warehouse)	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	No available budget	Cancelled
Framework contract for Maintenance of buildings for a period of three years	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	BEC	Target partially met
Framework contract for Professional services: Quantity Surveyors for a period of three years	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	Specification not submitted	Target not met
Framework contract for Maintenance of Air conditioners for a period of three years	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	Specification not submitted	Target not met
Framework contract for supply of building materials for a period of three years	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	Specification not submitted	Target not met
Rehabilitation of Ugie Landfill Site	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	BEC	Target partially met

Fencing of Tlokoeng Landfill Site	Wednesday, 27 SEPTEMBER 2025	Thursday, 11 September 2025	BEC	Target partially met
CORPORATE SERVICES DEPARTMENT				
Provision of Workplace Skills Plan for the Period of 3 years	Thursday, 04 September 2025	Thursday, 18 September 2025	BEC	Target partially met
Provision of Screening Services for the Period of 3 years	Thursday, 04 September 2025	Thursday, 18 September 2025	Published closing 10 December 2025	Target partially met
Provision of Household Removals Services for Employees	Thursday, 04 September 2025	Thursday, 18 September 2025	Published closing 10 December 2025	Target partially met
Personal Protective Equipment of 3 years	Thursday, 04 September 2025	Thursday, 18 September 2025	Cancelled	Target not met
Servicing of fire extinguishers & water hydrants of 3 years	Thursday, 04 September 2025	Thursday, 18 September 2025	RFQ awarded 25 November 2025	Target achieved
Provision of Disposal of Sanitary Towels of 3 years	Thursday, 04 September 2025	Thursday, 18 September 2025	RFQ awarded 22 SEPTEMBER 2025	Target achieved
Cleaning Material	Thursday, 04 September 2025	Thursday, 18 September 2025	BEC	Target partially met
COMMUNITY SERVICES DEPARTMENT				
Review of IWMP (Professional Services)	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	BEC	Target partially met
Disaster Management Plan (Professional Services)	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	In house compian	Target partially met
Supply and Delivery of Skip Bins	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	Waiting for Adjustment budget	Target not met
Supply and Delivery of Refuse bags	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	BEC	Target partially met
Supply and Delivery of Portable Toilets	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	Waiting for Adjustment budget	Target not met
Supply and Delivery Office Furniture	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	Waiting for Adjustment budget	Target not met
Supply and Delivery of Lucerne	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	Awarded 18 June 2025	Target achieved
Supply and Delivery of Brush Cutters and Chain Saw	Monday, 18 SEPTEMBER 2025	Monday, 01 September 2025	BEC	Target partially met

PLANNING AND ECONOMIC DEVELOPMENT					
Street Trading	Thursday, 04 September 2025	Thursday, 18 September 2025	Awarded 05 March 2025 No budget for this financial year	Target met	
Wool Development Framework for 3 years	Thursday, 04 September 2025	Thursday, 18 September 2025	BEC	Target partially met	
Spatial Development Framework	Thursday, 04 September 2025	Thursday, 18 September 2025	Under procurement process by Eastern Cape Department of Rural Development	Target partially met	
SMME training	Thursday, 04 September 2025	Thursday, 18 September 2025	Cancelled no budget	Target not met	
Expansion of Settlement Planning in Ugie	Thursday, 04 September 2025	Thursday, 18 September 2025	BEC	Target partially met	
Feasibility and business Plan for Masonry Development	Tuesday, 09 September 2025	Thursday, 25 September 2025	Engaged with Coega for development of feasibility study	Target partially met	
Security Relocation and Eviction Services Framework	Tuesday, 09 September 2025	Thursday, 25 September 2025	No specification submitted	Target not met	
Pegging for Eziblokweni	Tuesday, 09 September 2025	Thursday, 25 September 2025	No specification submitted	Target not met	
MUNICIPAL MANAGER'S OFFICE					
Provision of Multimedia Printing services for a period of three (3) years	Thursday, 04 September 2025	Thursday, 18 September 2025	Specification submitted waiting for adjustment budget	Target not met	
Procurement of Departmental Vehicle	Thursday, 04 September 2025	Thursday, 18 September 2025	Awarded 24 June 2025	Target achieved	
Supply, Delivery and Installation Communication Digital Branding and Marketing Equipment	Thursday, 04 September 2025	Thursday, 18 September 2025	Specification submitted waiting for adjustment budget	Target not met	
Repairs and Maintenance of LED Screens.	Thursday, 04 September 2025	Thursday, 18 September 2025	Specification submitted waiting for adjustment budget	Target not met	
Procurement of Political Office Bearers Vehicle	Thursday, 04 September 2025	Thursday, 18 September 2025	Awarded 24 June 2025	Target achieved	

Events Management for Three Years (3)	Thursday, 04 September 2025	Thursday, 18 September 2025	Specification submitted waiting for adjustment budget	Target not met
Website Upgrade & Maintenance for Three (3) Years	Thursday, 04 September 2025	Thursday, 18 September 2025	Specification submitted waiting for adjustment budget	Target not met
Facilitation of Institutional Strategic Planning Session	Thursday, 04 September 2025	Thursday, 18 September 2025	Specification submitted waiting for adjustment budget	Target not met

9. Recommendations:

- It is recommended that the contents of SCM Quarterly Report (Second quarter of 2025-2026) be noted.
- It is recommended that all deviations be noted.
- It is recommended that variations and extensions be noted.

Report Prepared by:

H. Mdzulwana
Manager: SCM

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Date

Report Verified by

Ms B Dlodlo
Acting CFO

.....
Date

Approved by:

J.T. Mdeni
Municipal Manager

.....
Date

Report received by:

MPS Leteba
CLLR MPS Leteba
Honourable Mayor

.....
Date

IRREGULAR EXPENDITURE

Irregular expenditure consists of the following:

Opening Balance
Irregular expenditure incurred
Written off by Council
To be recovered
Closing Balance (Irregular expenditure awaiting council consideration)

	2024/25	2023/24
R15 969 472 R		-
R6 465 590 R		15 969 472
R0 R		-
R0 R		-
R22 435 062 R		15 969 472

Details of irregular expenditure incurred

	2024/25	2023/24
R0 R		-
R22 435 062 R		15 969 472

TOTAL

R22 435 062 R	15 969 472
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Number of incidents

SCM Processes not followed
Deviations not in line with SCM Regulation 36

	2025	2024
-		-
2		2
2		2

Total

		2023/24			
Bidders Name	Date	Payment Amount	Financial Year	Bidders Name	Payment Amount
Milwa	23-Aug	R283 240	2023/2024	ZKS Nam	R430 749
	23-Nov	R1 164 370			R901 795
	23-Dec	R2 952 478			R588 303
	24-Mar	R1 381 102			R579 995
	24-May	R1 018 561			R2 665 888
	24-May	R995 836			R1 591 076
Total		R7 795 587		Total	R8 173 884
					R15 969 472
		2024/25			
Milwa	24-Aug	R452 528	2024/2025	ZKS Nam	R615 310
	24-Sep	R1 149 691			R570 685
	24-Oct	R607 647			R294 267
	24-Nov	R565 757			R1 213 535
					R470 124
					R526 047
Total		R2 775 623		Total	R3 689 967
Grand Total		R10 571 210		Grand total	R6 465 590
					R11 863 852
					R22 435 062