



MOHOKARE
LOCAL MUNICIPALITY

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REPORT TO MAYOR ON THE IMPLEMENTATION OF SCM POLICY IN TERMS OF REGULATION 6(3) OF THE SCM REGULATION OF 30 MAY 2005.

**SUBJECT: REPORT OF THE IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT
POLICY: (FIRST QUARTER)**

1. PURPOSE OF THE REPORT

The purpose of this report is to inform the Mayor regarding the implementation of the Supply Chain Management (SCM) Policy adopted on 30 June 2025, in order to perform oversight role for the 2025/26 financial year.

2. BACKGROUND

In terms of clause 6(1)(3) of the Municipal Supply Chain Regulation, 2005. The council of a municipality must maintain oversight over the implementation of its supply chain management policy. 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.

In terms of clause 6(1)(3) of the Municipal Supply Chain Regulation, 2005. The reports of a municipality on the implementation of the Supply Chain Management Policy must be made public in accordance with section 21A of the Municipal Systems Act.

Section 21A of the Local Government Municipal Systems Act, No. 32 of 2000, stipulates that all documents with a public interest must be conveyed to the community by displaying the documents on the municipality's website



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3. DISCUSSION

3.1 Adoption of SCM Policies in terms of SCM Regulation 3(1)

The SCM Policy was adopted on the 30 June 2025 by Council for 2025/2026 financial year.

3.2 Capacity of SCM Unit

Number of funded post	Number of filled post	Number of vacant post	Date to fill Vacant Post	Comments
4	3	1 (Demand and Acquisition Officer)	During the 2025/2026 Financial Year	The post advertised and closed on the 26 September 2025

3.3 Competitive bidding process

Tenders awarded: (Annexure A)

Description	Value of tenders awarded	Supplier Name	Date awarded	Comments
SCM/MOH/01/2025 - Re-advert: Appointment of a Contractor: Construction of the Rouxville Sports Ground (Phase 1)	R 2, 997, 256.50	Re Ya Iketsetsa Service Trading	07 August 2025	The award is for the Construction of the Sport Facility in Rouxville Phase 1 1 The Contractor is already on site

The Municipality made an award of only one tender/bid during the first quarter of 2025/26 Financial Year



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3.4 Deviations (Annexure B)

Description	Supplier Name	Value for deviations	Reason for deviations
50 Three Phase Electricity Meters	LANDIS and GYR	R179 227,50	Goods or Services are produced or available from a single provider(Only manufacturer of Landis and Gyr Electricity Meters)
Compilation of GRAP Compliant Annual Financial Statement and Asset Register for 2024/25 Financial Year	CCG SYTEMS	R 2 516 600.00	In an emergency (The Municipal Finance Management Act mandates that municipalities prepare and submit Annual Financial Statements)
Hiring of Jetting Machine	IBC CONSTRUCTION	R87 440.00	Exceptional case where it is impractical or impossible to follow the official procurement processes (to resolve and prevent sewer spillage)
Repair and Maintenance of Bakkie	MAHINDRA BLOEMFONTEIN	R12 391,25	Exceptional case where it is impractical or impossible to follow the official procurement processes (Strip and quote)
Repair and Maintenance of Bakkie	TECHNICOLOUR SPRAYSHOP	R53 579,95	Exceptional case where it is impractical or impossible to follow the official procurement processes (Strip and quote)
Repair and Maintenance of Bakkie	MAHINDRA BLOEMFONTEIN	R 7 055,47	Exceptional case where it is impractical or impossible to follow the official procurement processes (Strip and quote)



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Description	Supplier Name	Value for deviations	Reason for deviations
Repair and Maintenance of Bakkie	MALUTI PANEL BEATERS	R 2 277.00	Exceptional case where it is impractical or impossible to follow the official procurement processes (Strip and quote)
Water Treatment Chemicals	MARU-A-PULA	R 492 963,78	In an emergency (Procurement of Water Treatment Chemicals) for producing safe drinking water.
Hiring of Jetting Machine	IBC CONSTRUCTION	R 70 840.00	Exceptional case where it is impractical or impossible to follow the official procurement processes (to resolve and prevent sewer spillage)

Please see attached deviation register for the first quarter of the 2025/26 Financial Year.

3.5 Irregular Expenditure (Annexure C)

Description	Supplier Name	Total Amount	Reason for irregular
Hiring of Vehicle for newly appointed Speaker	NALEDI YA LETHABO	R 49 600.00	Mohokare SCM Policy require that any formal written price quotation between R 30,000 to R 300 000 (VAT inclusive) must be advertised for at least seven days on the municipality's website and official notice board.
Hiring of Vehicle for newly appointed Speaker	NALEDI YA LETHABO	R 25 500.00	(3) A supply chain management policy must state - (a) that goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy



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Description	Supplier Name	Total Amount	Reason for irregular
Investigator (Professional Services)	FRIDAY MANAGEMENT	R 53 047,81	Mohokare SCM Policy require that any formal written price quotation between R 30,000 to R 300 000 (VAT inclusive) must be advertised for at least seven days on the municipality's website and official notice board.
Hiring of Vehicle for newly appointed Speaker	NALEDI YA LETHABO	R 18 800.00	A supply chain management policy must state - (a) that goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy
Hiring of Vehicle for newly appointed Speaker	NALEDI YA LETHABO	R 10 000.00	A supply chain management policy must state - (a) that goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy
Hiring of Compressor	HAMBANATHI CIVIL	R 49 500.00	Mohokare LM SCM Policy require that any formal written price quotation between R 30,000 to R 300 000 (VAT inclusive) must be advertised for at least seven days on the municipality's website and official notice board.
Advertisement for Section 57 Managers (CFO and Director Community Services	ALL ABOUT ADS	R 98 532.00	Mohokare SCM Policy require that any formal written price quotation between R 30,000 to R 300 000 (VAT inclusive) must be advertised for at least seven days on the municipality's website and official notice board.

Please see attached irregular register for the first quarter of the 2025/26 Financial Year

3.6 Procurement through SCM Regulation 32

n	Description	The name of the Entity that SCM Regulation 32 was sourced from.	Service Provider	Date Sourced	The total value of tenders	Comments

The Municipality did not award/acquire any goods, works and / or services through Regulation 32 during the first quarter of 2025/26 financial year.

3.7 eTender Publication Portal In terms of Circular 83

Description	The number of tenders published.	The number of tenders cancelled.	The number of tenders re-advertised.	The number of tenders awarded.	Comments
Etender Adverts	14	0	0	1	The Municipality advertised only 14 tenders during the first quarter of 2025/26 Financial Year. The awards will be finalized in the second quarter of the year



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3.8 Contract Performance Management

All contracts of the Municipality that are awarded through a competitive bidding process are reviewed and monitored monthly.

3.9 FMCMM

A self-diagnostic tool that assists municipalities and municipal entities by automatically generating action plans for addressing internal control deficiencies. The FMCMM is monitored monthly and the Supply Chain Management has submitted the 2025/26 financial year assessments

3.10 Audit findings

The Audit findings are resolved on a monthly basis.

4. Recommendation

Honourable Mayor to take note of the SCM report for (first Quarter) 2025/26 Financial Year.

Compiled by:

Mr. T Lebetse
Senior Supply Chain Accountant

10 October 2025

Date

Reviewed by:

Mr. W. Litabe
Acting: Chief Financial Officer

10 October 2025

Date

Approved by:

Mr. M. Mohale
Acting: Municipal Manager

10 October 2025

Date