

**ITEM A115/2025[7]**

**TENDER PROGRESS REPORT FROM THE 1<sup>ST</sup> OF JULY 2024 TILL 30 JUNE 2025**

**8/1/1**

**EXCO: 29 JULY 2025**

**REPORT OF THE CHAIRPERSON OF PORTFOLIO COMMITTEE FOR GOVERNANCE, ADMINISTRATION; BUDGET AND TREASURY**

**1. PURPOSE**

The purpose of this report is to inform Council about Tenders for the period starting from the **1<sup>st</sup> July 2024 to 30 June 2025**, in terms of Section 6 (3) of SCM regulations as per the paragraph below.

**2. LEGAL REQUIREMENTS**

- Municipal Finance Management Act 56 of 2003
- National Treasury Regulations
- Lephalale Local Municipality Supply Chain Policy
- Municipal Supply Chain Regulation 868 of 2005

**3. BACKGROUND**

Section 6 of the Local Government: Municipal Finance Management Regulations (Published in terms of Act No. 56 of 2003) stipulates that the Council of a Municipality and the Board of Directors of a Municipal entity must maintain Oversight over the implementation of the Supply Chain Management policy.

Section 6 (3) of the same Regulations stipulates that the Accounting Officer must, within 10 days of the end of each quarter, submit a report to the Mayor of the Municipality or the Board of Directors of the Municipal Entity, as the case may be.

The Lephalale Municipality has developed a programme and projects to be implemented in the current financial year as an endeavour to accelerate service delivery.

From first 01 July 2024 to 30 June 2025 there are **Fifty (50) Projects** that went through the procurement processes and are at the different stages, (The specification, evaluation, and adjudication).

- Thirty-Three (33) Projects was finalised, and the service providers were appointed.

- Eleven (11) projects were non-awarded and recommended for re-advert.
- Four (4) Projects are awaiting to be Evaluated.
- Two (2) project was cancelled due error on specification

### **3.1 CHALLENGES**

Some of the bids submitted do not meet the compliance requirements and therefore cannot be considered for appointment.

Delays on submission of specification by end users will delay Project completion, however the municipality is fastpacking the procurement plan to ensure that Project are implemented before the Financial Year End

### **3.2 WAY FORWARD**

- The municipality is fastpacking the procurement plan to ensure that Project are implemented before the Financial Year End
- The Bid committee meetings are currently held on a weekly basis to Fastrack the procurement process
- Project weekly meeting of Director and PMU unit to ensure project are delivered in terms of cost, quality and time.
- Management to implementing strategies for forward planning to Fastrack Capital Spending.

### **4. STAFF IMPLICATIONS**

None

### **5. FINANCIAL IMPLICATIONS**

- Non award of Project and any delays affects Overall Expenditure Performance of the expenditure against the budget.
- Non spending will lead to withdrawal of funding by LPT

### **6. OTHER PARTIES CONSULTED**

Management & Portfolio Committee

### **7. ATTACHMENTS**

Tender progress report for the 4<sup>th</sup> quarter of 2024/25 financial year



**RECOMMENDED**

That the Tender report for the period 1 July 2024 to 30 June 2025 be noted.

The item be referred to MPAC



**ITEM A115/2025[7]**

**TENDER PROGRESS REPORT FROM THE 1<sup>ST</sup> OF JULY 2024 TILL 30 JUNE 2025**

**8/1/1**

**COUNCIL: 29 JULY 2025**

**RESOLVED**

1. That the Tender report for the period 1 July 2024 to 30 June 2025 be noted.
2. The item be referred to MPAC

**CFO**