

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

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BCMDA-FMR-004-20

Mr A Sihlahla
City Manager
Buffalo City Metropolitan Municipality
East London
5201

Dear Mr Sihlahla

BCMDA MID-YEAR ASSESSMENT REPORT FOR THE 2019/2020 FINANCIAL YEAR

Buffalo City Metropolitan Development Agency hereby submits the above-mentioned report as required by section 88 (1) b of the MFMA. Attached is the Financial Performance report for the period ended 31 December 2019.

Kind Regards

A handwritten signature in black ink, appearing to read "B. Nelana", is written over a horizontal line.

MR B NELANA
CHIEF EXECUTIVE OFFICER
DATE: 17 JANUARY 2020

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QUALITY CERTIFICATE

I, B Nelana, Chief Executive Officer of Buffalo City Metropolitan Development Agency, hereby certify that

The monthly budget statement

Mid-year budget and performance assessment

for the period ended December 2019 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: Mr. B Nelana

Chief Executive Officer of Buffalo City Metropolitan Development Agency.

Signature

A handwritten signature in black ink, appearing to read "B Nelana", is written over a horizontal line.

Date

17 JANUARY 2020



Ref: BCMDA-SUB-004-20

Enquires: V Ntsodo

Tel: 043 101 0161

REPORT TO THE CITY MANAGER ON THE HALF YEAR FINANCIAL PERFORMANCE AND POSITION OF THE AGENCY

1. PURPOSE

To report to the Parent Municipality on the financial performance and position of the Agency for the period 01 July 2019 to 31 December 2019.

2. BACKGROUND

The Accounting Officer of a municipal entity must by 20 January of each year:

- a) assess the performance of the entity during the first half of the financial year, taking into account :
 - i. the monthly statements referred to in section 87 for the first half of the financial year and the targets set in the service delivery, business plan or other agreement with the entity's parent municipality; and
 - ii. the entity's annual report for the past year, and progress on resolving problems identified in the annual report; and
- b) submit a report on such assessment to –
 - i. the board of directors of the entity; and
 - ii. the parent municipality of the entity

3. DISCUSSION

3.1 Financial performance

- a) The statement of financial performance is used to measure performance of the institution and monitor the cash flow projections in comparison with actual expenditure for both revenue and expenditure for a specific period.

HALF YEAR FINANCIAL PERFORMANCE REPORT – JULY – DECEMBER 2019

- b) This statement summarises income and expenditure taking into consideration cash items that affect performance of the resources.

Income (Refer to F2 of the F schedule)

Source	Annual Budget	Budget-year-to-date	Year-to-date Actual	Variance-year to date	% Variance
BCMM Operational Grant	45 255 556	22 627 778	19 676 329	2 951 449	13%
BCMM Project Management Fees	5 040 000	2 520 000	155 887	2 364 113	94%
BCMM Operational Grant - Capital Projects	63 000 000	31 500 000	1 948 585	29 551 415	94%
Interest	828 442	414 221	330 381	83 840	20%
DEA Agency Fees	1 237 500	618 750	216 647	402 103	65%
LGSETA Grant	20 000	10 000	14 897	-4 897	-49%
Other Income	59 640	29 820	88 856	-59 036	-198%
Conditional grants revenue from DEA	9 250 977	4 625 489	3 940 077	685 412	15%
Total Revenue	124 692 115	62 346 058	26 371 659	35 974 399	58%

- c) To date the Agency achieved 87 % of its year-to- date budget allocation as the variance percentage is 13 %. The actual amount invoiced for the operating grant during the period under review amounted to R 22 627 778 due to an agreement reached of invoicing two tranches in a financial year. The 1st tranche allocation of the BCMM operational grant got reduced by the output VAT of R 2 951 449 as the municipal entity is a registered VAT vendor.
- d) The Project Management fees constitute 8% of the work done on capital projects implemented on behalf of the City. There is minimal fees receivable to date due to the construction phase which has not yet commenced as the procurement of small contractors and site preparations processes are underway hence the variance of 94 %.
- e) Interest received variance is 20% of the budgeted amount. This is as a result of interest earned on the money market and the primary bank accounts. The Agency anticipated to receive the BCMM Capital grant in advance so as to invest it in order to increase the internally generated revenue however that was not feasible as the City has advised that the capital grant disbursement will be on a claim basis for construction work done.
- f) The DEA agency fees are normally billed after the end of each quarter hence the under collection of revenue as those relating to the second quarter are yet to be billed.
- g) Other income relates to tender document fees which are more than anticipated.

HALF YEAR FINANCIAL PERFORMANCE REPORT – JULY – DECEMBER 2019

Expenditure (Refer to F2 of the F schedule)

Source	Annual Budget	Budget-year-to-date	Year-to-date Actual	Variance-year to date	% Variance
Operational Expenditure	59 410 115	29 705 058	18 583 886	11 121 171	37%
General Expenditure	30 250 373	15 125 187	6 152 041	8 973 146	59%
Project Expenditure - DEA	9 250 977	4 625 489	3 949 089	676 400	15%
Employee Related Costs	19 908 765	9 954 383	8 482 756	1 471 626	15%
Capital Expenditure	65 282 000	32 641 000	2 153 512	30 487 488	93%
Intangible Assets – Computer Software and Applications	922 000	461 000	204 926	256 074	56%
BCMM Capital Grant	63 000 000	31 500 000	1 948 586	29 551 414	94%
Computer Equipment	210 000	105 000	0	105 000	100%
Furniture and Office Equipment	1 150 000	575 000	0	575 000	100%
Total Expenditure	124 692 115	62 346 058	20 737 398	41 608 660	67%

- h) General expenditure is low due to minimal expenditure on biggest components of general expenses e.g. Security Services, costs relating to Office relocation as the building is currently being prepared to suit our specifications, transactional advisors, environmental upgrades and master plans.
- i) The variance on employee related costs is currently at 15 % which is higher than was anticipated. These costs are below the expected year to date percentage of 50 %. The recruitment process of the Risk and Compliance Officer and the Project Manager for Tourism Development has since been concluded. The incumbents have commenced duty in January 2020 and the expenditure will improve thereof.
- j) The savings of the past six months from this line item will be utilised for the appointment of an SCM practitioner. This is however awaiting Board approval of the position in the organisational structure. Recruitment is expected to commence in January 2020.

HALF YEAR FINANCIAL PERFORMANCE REPORT – JULY – DECEMBER 2019

- k) The capital projects implemented on behalf of the municipality were initially budgeted for as work-in-progress until a conclusion to expense them was reached during the period under review. That resulted in a capital budget and operational expenditure which be appropriately accounted for during the adjustments budget period. The expenditure incurred of 6% is on a claim basis and it is minimal than expected due to delays in commencing with phase two of the project (construction phase) hence there is a variance of 94%.

3.2 Financial position

Assets

- a) The agency has incurred expenditure on procurement and implementation of a Microsoft 365 to ensure the agency has its own licence for the Microsoft packages, email services and other internal communication strategies/means. The procurement of the office furniture will be concluded upon office relocation. **(Annexure B- Asset Management)** report on the status of asset management of the Agency.

Liabilities

- a) The Act requires that all creditors be settled within 30 days of receipt of invoice from a supplier/service provider. All creditors were paid within 30 days from the date of receiving an invoice.
- b) As at the end of the period under review, Trade and Other payables relate to unspent conditional grant and the provident fund, Board fees and PAYE which have subsequently been paid.

HALF YEAR FINANCIAL PERFORMANCE REPORT – JULY – DECEMBER 2019

Working Capital

a) Below is the detail of cash position of the agency as at 31 December 2019:

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY SOC LTD
SUMMARY CASH AND CASH EQUIVALENTS
SECOND QUARTER- DECEMBER 2019
2019/20

Working Capital

Description	Amount
Cash and Investments Available	8 840 317.70
the month (All Accounts)	13 497 560.61
Total receipts	1 849 622.70
Interest	42 830.88
Provident Fund Refund	802.50
DEA Returned Salary	2 969.42
BCMM Capital Grant	1 669 462.87
BCMM: Project Management Fees	133 557.03
Payments made	6 506 865.61
Bank Charges (All Accounts)	1 150.04
Suppliers and Recruitment Costs	4 360 965.48
Board and Audit Committee Claims	230 413.13
Salaries,Wages,Allowances and Benefits	1 482 583.62
Staff Claims	26 273.75
SARS Tax	403 154.59
Unknown Payment: Aloeoffice:Buf1001	2 325.00
Total cash and investments available	8 840 317.70

3.3 Compliance with procurement laws, regulations and policies

a) The agency has complied with the prescripts of its supply chain management applicable legislation. **See Annexure C.**

4. FINANCIAL IMPLICATIONS

4.1 The City should consider approving a roll-over of R 32 500 000 for the capital projects as it will not be entirely used by the end of the financial year.

HALF YEAR FINANCIAL PERFORMANCE REPORT – JULY – DECEMBER 2019

5. LEGAL IMPLICATIONS

5.1 Compliance with Municipal Finance Management Act, Section 88 (1) b, which states that the accounting officer of a municipal entity must by the 20th of January each year submit a performance assessment report of the Board of directors and the parent municipality.

6. RECOMMENDATION

6.1 It is recommended that the municipality notes and accepts the first half year financial performance report for the 2019/20 financial year.

6.2 That the Agency will adjust its budget for the current financial year to accommodate the following:

- Under and over collection of revenue and allocate more funds where needed using available savings.
- Transfer of the BCMM capital grant to be an operational grant and to adjust it downwards due to non-commencement of the construction phase.
- To cater for additional funding approved on the DEA project for the procurement of waste disposal trucks.

PREPARED BY:

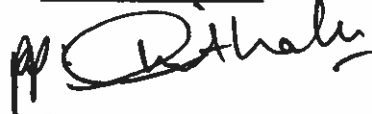


Ms V NTSODO

CHIEF FINANCIAL OFFICER

DATE: 17/01/2020

APPROVED BY:



MR B NELANA

CHIEF EXECUTIVE OFFICER

DATE: 17.01.2020

Enclosed: Annexure A- Budget vs Actual Statement

Annexure B: BCMDA Asset Management Report

Annexure C: BCMDA Supply Chain Management Report

ANNEXURE A

Buffalo City Metropolitan Development Agency - Table F1 Monthly Budget Statement Summary - M06 December

Description	2018/19	Current Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	828	-	36	330	414	(0)	-20%	828
Transfers recognised - operational	-	52 225	-	1 138	25 736	26 112	(0)	-1%	52 225
Other own revenue	-	6 357	-	(4)	306	3 179	(3)	-90%	6 357
Total Revenue (excluding capital transfers and contributions)	-	59 410	-	1 170	26 372	29 705	(3 333)	(0)	59 410
Employee costs	-	24 280	-	1 870	11 015	12 140	(1 125)	(0)	24 280
Remuneration of Board Members	-	1 276	-	247	767	638	129	0	1 276
Depreciation and asset impairment	-	1 761	-	103	642	881	(239)	(0)	1 761
Finance charges	-	4	-	-	-	-	-	-	4
Materials and bulk purchases	-	302	-	318	557	151	406	0	302
Transfers and grants	-	300	-	-	60	150	(90)	(0)	300
Other expenditure	-	31 487	-	1 313	7 492	15 744	(8 252)	(0)	31 487
Total Expenditure	-	59 410	-	3 852	20 532	29 703	(9 171)	(0)	59 410
Surplus/(Deficit)	-	0	-	(2 682)	5 839	2	5 837	3	0
Transfers recognised - capital	-	65 282	-	-	205	32 641	(32 436)	(0)	65 282
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	65 282	-	(2 682)	6 044	32 643	(26 599)	(0)	65 282
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	65 282	-	(2 682)	6 044	32 643	(26 599)	(0)	65 282
Capital expenditure & funds sources									
Capital expenditure	-	65 282	-	-	205	32 641	(32 436)	(0)	65 282
Transfers recognised - capital	-	65 282	-	-	205	32 641	(32 436)	(0)	65 282
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	65 282	-	-	205	32 641	(32 436)	(0)	65 282
Financial position									
Total current assets	-	1 927	-	-	9 689	-	-	-	1 927
Total non current assets	-	3 320	-	-	1 671	-	-	-	3 320
Total current liabilities	-	2 888	-	-	4 430	-	-	-	1 251
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	-	2 359	-	-	6 930	-	-	-	3 995
Cash flows									
Net cash from (used) operating	-	66 533	-	(4 302)	5 430	33 267	(27 837)	(0)	66 533
Net cash from (used) investing	-	(65 282)	-	(236)	(236)	(32 641)	32 405	(0)	(65 282)
Net cash from (used) financing	-	(1 251)	-	(119)	(361)	(626)	265	(0)	-
Cash/cash equivalents at the year end	3 987	3 987	3 987	(4 657)	4 833	0	4 833	74 404 943	5 239

ANNEXURE B



BCMDA
BUFFALO CITY METROPOLITAN
DEVELOPMENT AGENCY

ASSET MANAGEMENT REPORT

PERIOD 01 JULY 2019 TO 31 DECEMBER 2019

1. **PURPOSE**

To report on the management of the Agency's assets as well as asset register maintenance for the six months ended 31 December 2019.

2. **LEGISLATIVE FRAMEWORK**

The Municipal Finance Management Act No. 56 of 2003 (MFMA).

3. **BACKGROUND**

3.1. Municipal Finance Management Act 56 of 2003 section 96 states that the Accounting Officer of a municipal entity is responsible for the management of the assets of the entity, including the safeguarding and maintenance of those assets and must take all reasonable steps to ensure that the entity has and maintains:

- a) a management, accounting and information system that accounts for proper assets and liabilities of the management systems of the municipal entity; and
- b) a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.

3.2. The Municipal Finance Management Act further states that the Accounting Officer is responsible for managing the financial administration of the municipal entity and must for this purpose take all reasonable steps to ensure that the resources of the municipal entity are used effectively, efficiently and economically.

4. **EXPOSITION OF FACTS**

4.1. **Asset Management Reconciliations and Fixed Assets Register**

- Reconciliations between the general ledger and the assets register are performed on a monthly basis.
- The asset management module allows for automatically updating of asset additions when asset related transactions are being effected on the financial management system.
- At month end the asset management module is reviewed and system generated depreciation journals are processed from the module to the general ledger.
- A reconciliation is then performed to ensure that the asset register agrees with the general ledger.

4.4. Asset losses

The following was a loss incident that occurred during the period:

Loss Date	Incident Description	Asset Carrying Amount at date of loss	Insurance proceeds (Excl VAT)	Profit / (loss)
27 August 2019	Laptop stolen after break in into staff member vehicle.	R350.05	R23 968.70	R23 618.65

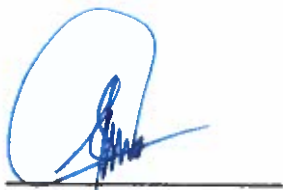
5. FINANCIAL/OTHER IMPLICATIONS

None.

6. RECOMMENDATION

It is hereby recommended that this report is noted and accepted.


PREPARED BY:



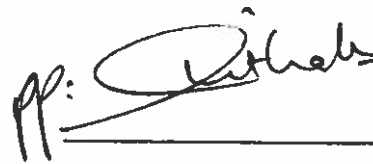
V. NTSODO

CHIEF FINANCIAL OFFICER

DATE: ~~17/01/2019~~

17.01.2020

ACEO

APPROVED BY:



B. NELANA

CHIEF EXECUTIVE OFFICER

DATE: 17. 01. 2020

ANNEXURE C



BCMDA
BUFFALO CITY METROPOLITAN
DEVELOPMENT AGENCY

**SUPPLY CHAIN MANAGEMENT REPORT
FOR THE PERIOD 01 JULY 2019 TO 31 DECEMBER
2019**

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BCMDA
BUFFALO CITY METROPOLITAN
DEVELOPMENT AGENCY

ASSET MANAGEMENT REPORT
PERIOD 01 JULY 2019 TO 31 DECEMBER 2019

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3.1. Municipal Finance Management Act 56 of 2003 section 96 states that the Accounting Officer of a municipal entity is responsible for the management of the assets of the entity, including the safeguarding and maintenance of those assets and must take all reasonable steps to ensure that the entity has and maintains:

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3.2. The Municipal Finance Management Act further states that the Accounting Officer is responsible for managing the financial administration of the municipal entity and must for this purpose take all reasonable steps to ensure that the resources of the municipal entity are used effectively, efficiently and economically.

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4.1. **Asset Management Reconciliations and Fixed Assets Register**

- Reconciliations between the general ledger and the assets register are performed on a monthly basis.
- The asset management module allows for automatically updating of asset additions when asset related transactions are being effected on the financial management system.
- At month end the asset management module is reviewed and system generated depreciation journals are processed from the module to the general ledger.
- A reconciliation is then performed to ensure that the asset register agrees with the general ledger.

- During the period of this report, the monthly reconciliations were performed and, in each instance, the general ledger reconciled with the asset register module as well as with the manual excel spreadsheet asset register that is used as a further control.

4.2. Physical asset verification

- A physical verification was performed at the end of December 2019 for the quarter under review and all assets on the asset register were verified.
- All assets on the floor were traced to the asset register and asset conditions were documented.
- Generally, the conditions of the assets were found to be good and there were no indications of impairment during the verification.
- As the Agency is leasing the majority of the furniture and fittings as part of the office space rental agreement with the IDZ, the asset count included the leased assets.
- The count was performed by the Finance Intern by visiting all asset locations within BCMDA Offices. The review was performed by the Manager: SCM and Asset Management and the asset register was updated with the asset count results. Asset inventory sheets were countersigned by asset custodians as acknowledgement of and accountability for assets in their control and were placed behind the door in each location.
- One of the laptops which was stolen, was disposed during the period of this report. Details in section 4.4 of this report.

4.3. Asset Additions

The following are asset additions for the 2019/20 financial year as 31 December 2019:

Month	Item Description	Category	Amount (Excl. VAT)
November 2019	Office 365 implementation	Intangible Asset	R235 665.36
Total additions as at 31 December 2019			R235 665.36

4.4. Asset losses

The following was a loss incident that occurred during the period:

Loss Date	Incident Description	Asset Carrying Amount at date of loss	Insurance proceeds (Excl VAT)	Profit / (loss)
27 August 2019	Laptop stolen after break in into staff member vehicle.	R350.05	R23 968.70	R23 618.65

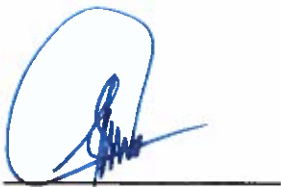
5. FINANCIAL/OTHER IMPLICATIONS

None.

6. RECOMMENDATION

It is hereby recommended that this report is noted and accepted.

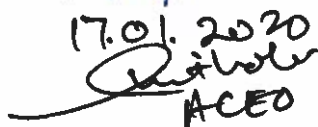
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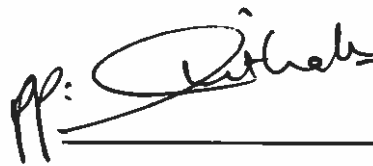
V. NTSODO

CHIEF FINANCIAL OFFICER

DATE: ~~17/01/2019~~

17.01.2020

ACEO

APPROVED BY:



B. NELANA

CHIEF EXECUTIVE OFFICER

DATE: 17. 01. 2020



BCMDA
BUFFALO CITY METROPOLITAN
DEVELOPMENT AGENCY

**SUPPLY CHAIN MANAGEMENT REPORT
FOR THE PERIOD 01 JULY 2019 TO 31 DECEMBER
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1. Introduction

The Supply Chain Management (SCM) policy of the Agency and the Local Government: Municipal Supply Management (SCM) Regulations state under paragraph 16(3) that the Accounting Officer must report to the Board of Directors, on the implementation of the SCM policy.

When fulfilling its procurement objectives, the Agency must comply with the SCM Regulations and its Supply Chain Management Policy.

The Municipal Finance Management Act states that the Accounting Officer is responsible for managing the financial administration of the municipal entity, and must for this purpose take all reasonable steps to ensure that the resources of the municipal entity are used effectively, efficiently and economically

1.1 Purpose

To report on the implementation of the Agency's Supply Chain Management Policy for the period 01 July to 31 December 2019.

1.2 Legislative Framework

The South African Constitution Section 217

The Municipal Finance Management Act No. 56 of 2003 (MFMA), Chapter 11
Local Government: Municipal Supply Management (SCM) Regulations of 2005
Preferential Procurement Policy Framework Act No. 5 of 2000 (PPPFA)
Preferential Procurement Regulations, 2017
Supply Chain Management Policy

2. SCM Policy & Procedures

2.1 Adoption of Policy by Board

The revised SCM Policy was approved by Board in August 2018.

2.2 SCM Procedures

Standard operating procedures are in place and were adopted by the Agency's Executive Management.

2.3 Delegations

SCM Process Delegations are stipulated in the approved SCM Policy and are adhered to.

2.4 Infrastructure Procurement

The Agency has not yet adopted the Standard for Infrastructure Procurement and Delivery Management as it is still at consultation stage nationally.

3. Functioning of the SCM Unit

3.1 SCM Structure:

The only SCM practitioner in the Agency is the Manager: SCM and Asset Management who reports directly to the CFO and assisted by the Finance Intern assigned to the SCM Unit. As at the date of compiling this report the Agency is in the process of recruiting an SCM Practitioner to supplement this Unit.

3.2 Declaration of Interest:

Along with all other Agency personnel, the SCM Personnel declare their interests annually.

3.3 Training of SCM Personnel:

No formal training has been undertaken by the for SCM Personnel to date. However, training is being arranged through the Office of the CFO of the Parent Municipality as required by the Provincial Treasury and as at the date of reporting, training registration forms have been submitted to this office for training interventions that are being organized by the Department of Cooperative Governance and Traditional Affairs. These training interventions are expected to take place during the period September 2019 to March 2020 throughout the Province.

4. Functioning of Bid Committees

4.1 Bid Committees are constituted as follows:

Bid Specification Committee (BSC)	Bid Evaluation Committee (BEC)	Bid Adjudication Committee (BAC)
Ms. O. Makalima (Manager: Marketing and Communications) – Office of the CEO.	Mr. A. Manciya (Manager: Supply Chain and Asset Management) – Office of the CFO	Ms. V. Ntsodo (Chief Financial Officer) – Chairperson.
Mr. A. Manciya (Manager: Supply Chain and Asset Management) – Office of the CFO	Mr. L. Hute (ICT Administrator) – Corporate Services	Dr. E. Uithaler (Executive Manager: Development Facilitation)

Bid Specification Committee (BSC)	Bid Evaluation Committee (BEC)	Bid Adjudication Committee (BAC)
Ms. N. Mpongoshe (Manager: Legal Services and Company Secretary) – Office of the CEO.	Ms. A. Mayeza (Project Manager: Socio Economic Development) - Development Facilitation	Mr. X. Jikela (Executive Manager: Corporate Services) –
Mr. G. Yawathe (Project Manager: Infrastructure Development) – Development Facilitation – Chairperson	Ms. S. Mgudlwa (Manager: Financial Administration) – Office of the CFO.	Ms. N. Mpongoshe (Manager: Legal Services and Company Secretary) – Office of the CEO.
	Mrs. A. Ntshokoma (Programme Manager: Development Facilitation – Development Facilitation - Chairperson	Mr. O. Makalima (Manager: Manager: Investment Promotion & Tourism Development) – Office of the CEO
		Mr. A. Manciya (Manager: Supply Chain and Asset Management) - Secretariat

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

COMMITTEE	SITTING DATES	TENDER CONSIDERED	MEMBER ATTENDANCE
BSC	03 July 2019	Bid 10 of 2019-Leasing of a multifunctional printer.	100%
		Bid 12 of 2019- Supply and deployment of an electronic/ paperless board meeting solution.	
		Bid 11 of 2019-Request for proposals for supply, implementation of Microsoft office 365 for a period of 36 months (3 years).	
	30 July 2019	Bid 11 of 2019- Supply, implementation of Microsoft office 365 for a period of 36 months (3 years) – re-submission of TOR.	100%
		Bid 12 of 2019- Supply and deployment of an electronic/ paperless board meeting solution for a period of 12 months (1 year) - re-submission of TOR.	
		Bid 13 of 2019- Development, hosting and maintenance of BCMDA website for a period of 36 months (3 years).	
		Bid 9 of 2019- Supply and delivery of office furniture.	
		Bid 8 of 2019-Design and implementation services at EL Buy-back centre.	
	01 August 2019	Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	100%

COMMITTEE	SITTING DATES	TENDER CONSIDERED	MEMBER ATTENDANCE
		Bid 4 of 2019 – Proposed new Water World, East London.	
	11 September 2019	RFP 4 of 2019- Transactional advisors to be providing support during the deal negotiation process in regard with the development of land parcels.	
	12 September 2019	Bid 14 of 2019-Supply and delivery of Personal Protective Clothing (PPE).	75%
		Bid 15 of 2019-Provision of safety and security in Quigney, Southernwood and East London CBD.	
		Bid 16 of 2019- Provision of employee wellness program (EWP) services for a period of 36 months.	
		RFP 5 of 2019- Panel of SMME contractors for urban and environmental upgrading, landscaping and maintenance in various parts of the BCMM area for a 36 months period.	
	03 December 2019	Bid 17 of 2019 – Provision of task job grading and remuneration specialist services and job benchmarking.	75%
	04 December 2019	Bid 18 of 2019 – Provision of corporate trainings for a period of 3 years.	75%
		Notice 18 of 2019 – Provision of strategy review and development consulting services to the Buffalo City Metropolitan Development Agency.	
	BEC	03 July 2019	Notice 12 of 2019 – Training of participants in Occupational health and safety.
Notice 13 of 2019 – Training of participants in Personal finance and life skills.			
Notice 14 of 2019 – Training of participants in Basic environmental awareness.			
Bid 2 of 2019- Provision of Internal Audit services.			
Bid 6 of 2019- Supply and delivery of 9 storage containers and 1 office container.			
12 July 2019		Bid 9 of 2019-Supply and delivery of office furniture.	60%
		Bid 7 of 2019-Supply and delivery of 240 000 refuse bags.	
28 August 2019		Notice 15 of 2019-Supply and delivery of Computer equipment.	80%
		RFP 1 of 2019-Land development proposals from fund originators.	100%

COMMITTEE	SITTING DATES	TENDER CONSIDERED	MEMBER ATTENDANCE
	12 September 2019	Bid 10 of 2019- Leasing of a multifunctional printer.	80%
		Bid 11 of 2019-Supply, implementation of Microsoft office 365 for a period of 36 months.	
		Bid 13 of 2019- Development of BCMDA website, hosting and maintenance for a period of 36 months (3years)	
	16 September 2019	RFQ 4 of 2019- Transactional advisors to be providing support during the deal negotiation process in regard with the development of land parcels.	60%
	01 October 2019	Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	80%
	02 October 2019	Bid 4 of 2019 – Proposed upgrade of Waterworld, East london.	80%
	28 October 2019	Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	80%
	29 October 2019	Bid 4 of 2019 – Proposed upgrade of Waterworld, East London.	80%
	13 November 2019	Bid 15 of 2019 – Provision of Security services to Quigney, Southernwood and CBD.	60%
	14 November 2019	Bid 14 of 2019 – Supply and delivery of PPE.	80%
		Bid 16 of 2019 – Provision of employment wellness Services.	
	18 November 2019	Bid 15 of 2019 – Provision of Security services to Quigney, Southernwood and CBD.	60%
	19 November 2019	Notice 16 of 2019 – Editing and printing of BCMDA annual report.	60%
		Notice 17 of 2019 – Development of report for BCMM Investor Conference.	
		Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	80%
		Bid 4 of 2019 – Proposed upgrade of Waterworld, East london.	
	20 November 2019	RFP 5 of 2019 – Panel of SMME contractors for urban and environmental upgrading, landscaping and maintenance in various parts of the BCMM area for 12 months.	60%
	21 November 2019	Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	60%
Bid 4 of 2019 – Proposed upgrade of Waterworld, East London.			

COMMITTEE	SITTING DATES	TENDER CONSIDERED	MEMBER ATTENDANCE
	22 November 2019	Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	80%
		Bid 4 of 2019 – Proposed upgrade of Waterworld, East London.	
	13 December 2019	Notice 18 of 2019 – Provision of strategy review and development consulting services to the Buffalo City Metropolitan Development Agency.	60%
BAC	17 July 2019	Bid 6 of 2019- Supply and delivery of 9 storage containers and 1 office container.	100%
		Bid 8 of 2019-Design and implementation services at EL Buy-back centre.	
		Bid 2 of 2019- Provision of Internal Audit services.	
		Bid 9 of 2019-Supply and delivery of office furniture.	
		Notice 12 of 2019 – Training of participants in Occupational health and safety.	
		Notice 13 of 2019 – Training of participants in Personal finance and life skills.	
		Notice 14 of 2019 – Training of participants in Basic environmental awareness.	
		Bid 7 of 2019 - Supply and delivery of 240 000 refuse bags (Cancellation of appointment and recommending bidder ranked no.2).	
	29 August 2019	Notice 15 of 2019 - Supply and delivery of computer equipment.	100%
		RFP 1 of 2019 - Land development proposals from fund originators.	
	16 September 2019	RFQ 4 of 2019 - Transactional advisors to be providing support during the deal negotiation process in regard with the development of land parcels.	60%
		Bid 6 of 2019 - Supply and delivery of 9 storage and 1 office container.	
	04 October 2019	Bid 10 of 2019 – Leasing of Multifunctional printer for a period of 36 months.	100%
		Bid 11 of 2019 – Supply, implementation of Microsoft office 365 for a period of 36 months.	
Bid 13 of 2019 – Development of BCMDA Website, Hosting and Maintenance for a period of 3 years			

COMMITTEE	SITTING DATES	TENDER CONSIDERED	MEMBER ATTENDANCE
	18 October 2019	Bid 9 of 2019 – Supply, delivery and installation of office furniture for a period of 12 months on an “as and when required basis”.	100%
		Bid 8 of 2019 – Design and implementation services of the East London Buy-back Centre at the Oriental Plaza, Buffalo City Metro.	
	20 November 2019	Bid 15 of 2019 - Provision of Security services to Quigney, Southernwood and CBD.	80%
		Bid 14 of 2019 – Supply and delivery of PPE.	
		Notice 16 of 2019 – Editing and printing of BCMDA annual report.	
	26 November 2019	Notice 17 of 2019 – Development of report for BCMM investor conference.	80%
		Bid 3 of 2019 – Proposed new East London beach front precinct project, court crescent.	
	17 December 2019	Bid 4 of 2019 – Proposed upgrade of Waterworld, East london.	80%
		Notice 18 of 2019 – Provision of strategy review and development consulting services to the Buffalo City Metropolitan Development Agency.	

5. Reporting Items

5.1 Deviations

5.1.1 Section 114 (Approval of tenders not recommended)

Date of Award	Bid No.	Description of Goods/Services/Works	Award Value	BEC Recommendation	BAC Recommendation	Reason for Deviation	Notifications & Dates		
							AG	PT	NT
NONE	N/A	N/A	N/A	N/A	N/A	N/A			

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

Date of Award	Contract Description	Award Value	Service Provider	Name of Contract Owner (Department / Municipality)	Consent obtained from Organ of State and Service Provider		Reason for Implementing Reg. 32
					Yes	No	
NONE	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

Description of Goods/Services/Works	Date of Award	Award Value	Reason for Deviation	Date reported to Council
NONE	N/A	N/A	N/A	N/A

5.2 Unauthorized, Irregular, Fruitless & Wasteful Expenditure

There were no instances of Unauthorized and fruitless and wasteful expenditure.

The following is a summary of irregular expenditure to date:

DESCRIPTION	2020 (R)	2019 (R)
Opening Balance	13 353 047.97	0
Add: irregular expenditure identified during the year incurred in previous periods		4 713 523.92
Add: Incurred in current year	4 927 581.00	8 639 524.05
Closing balance as at 31 December 2019	18 280 628.97	13 353 047.97

A detailed schedule of irregular expenditure is attached as Annexure C3. The irregular expenditure is as a result of non-compliance with the MFMA SCM Regulations 28 and 29 that sets out provisions for composition of the BEC and BAC. In terms of these regulations, both the BEC and BAC membership must include SCM Officials. The regulations further provide that no member of the BEC may be a member of the BAC. However, due to the organizational structure of the Agency, only one SCM Official exists and hence it was not possible to comply with these provisions. This resulted in the Auditor General recommending that the Agency should classify all expenditure considered by the BAC as irregular expenditure.

As a measure to prevent such irregular expenditure, the Agency is currently engaged in recruitment processes to appoint an additional SCM Official. Furthermore, the National Treasury has been consulted on the matter to provide advice as to whether this should be treated as irregular expenditure or a mere non-compliance with legislation. No response had been received from the Treasury as at the date of compiling this report.

5.3 Central Suppliers Database (CSD)

The CSD continues to be relied upon, for each procurement, as the central source for verification of the following:

- i) Directors/shareholders/members of bidders that are in the service of the state;
- ii) Bidders status with the Companies and Intellectual Property Commission (CIPC);

- iii) Bidders tax compliance status;
- iv) Whether or not bidders and their directors are restricted suppliers in terms of National Treasury's list of restricted suppliers;

With the assistance of the CSD, none of the above requirements have been contravened.

The following personnel have access to the CSD:

- i) The CFO;
- ii) The Manger: SCM and Asset Management.

5.4 Procurement Plan Implementation

During the period under review the Agency developed a procurement plan in line with MFMA Circular 62 guidelines. All procurement in excess of R200 000 is undertaken in terms of the procurement plan and the approved budget. The procurement plan must be adhered to in order to assist with determination of cash flows, readiness of the SCM systems and implementation of the Agency's APP. The table attached as "ANNEXURE C1" reflects status of implementation of the procurement plan as at the date of preparing this report.

5.5 Bids Awarded >R100K

No	Bid No.	Bid Description	Award Value	Award Date	Date Contract Signed	Contract Start Date	Contract Duration
1.	2 of 2019	Provision of internal audit services	R428 569.00	18 July 2019	26 September 2019	06 August 2019	3 years
2.	7 of 2019	Supply and delivery of refuse bags	R418 000.00	18 July 2019	29 August 2019	06 August 2019	8 months
3.	10 of 2018	Provision of leased office and parking facilities	R3 519 151.58	16 August 2019	29 August 2019	22 August 2019	3 years
4.	6 of 2019	Supply and delivery nine containers and one office container.	R506 000	17 September 2019	27 September 2019	18 September 2019	N/A – supply and delivery.
5.	RFQ 4 of 2019	Transactional advisory services land development deal negotiations	R400 000	17 September 2019	20 September 2019	17 September 2019	2 months
6.	3 of 2019	Proposed new East London beach front precinct project, court crescent.	R87 676 782.00	27 November 2019	Not yet signed	TBC upon issuing site hand-over certificate. Application for work permit from Dept of Labour in progress.	18 months
7.	4 of 2019	Proposed upgrade of water world, East London.	R103 107 561.47	27 November 2019	Not yet signed	permitted from Dept of Labour in progress.	18 months
8.	9 of 2019	Supply, delivery and installation of office furniture for a period of 12 months on an "as and	R466 670.00 aggregated total price	24 October 2019	09 November 2019	07 November 2019	1 year

No	Bid No.	Bid Description	Award Value	Award Date	Date Contract Signed	Contract Start Date	Contract Duration
		when required basis.					
9.	10 of 2019	Leasing of a multifunctional printer for a period of 36 months	R86 303.68	08 October 2019	04 December 2019	05 November 2019	3 years
10	11 of 2019	Supply, implementation of Microsoft office 365 for a period of 36 months.	R992 821.46	08 October 2019	06 November 2019	05 November 2019	3 years
11	13 of 2019	Development of BCMDA Website, Hosting and Maintenance for a period of 3 years.	R222 180.00	08 October 2019	28 October 2019	24 October 2019	3 years
12	14 of 2019	Supply and delivery of PPE	R362 000.00	22 November 2019	09 December 2019	06 December 2019	N/A – Supply and delivery
13	15 of 2019	Provision of security services in Quigney, CBD and Southernwood	R2 919 555.60	22 November 2019	09 December 2019	09 December 2019	1 year

5.6 Agency Bid Appeals

i) Bids appealed:

Bid 10 of 2018 Provision of leased office and parking facilities – PAIA request for access to information.

ii) Appeal status:

Currently this matter is a request for information. Consent to divulge commercial information of awarded bidder has been refused. Payment for the request in terms of PAIA provisions has been received from the

requester and application is being considered. The appealing bidder requested all information related to the procurement process for this tender, including the following:

- All Bid Committee minutes;
- Registers – attendance, tender opening, bid registers etc;
- Bid documents of awarded bidder;
- All correspondence with awarded bidder – e.g. appointment letters etc;

The requested information was provided to the appealing bidder and no further communication has been received.

5.7 Contract Management

See Annexure C2 for detailed contracts register.

5.7.1 Contracts Register Statistics

No. of Current Contracts	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
32	32	5	None

5.7.2 Variations

i) Variations within 15% or 20%

No.	Contract No.	Contract Description	Contract Value	Reasons for Variation	Amount
1.	Bid 8 of 2019	Construction Project management services at Court Crescent	R5 773 299.00	Additional design and review costs related to Geotech investigation which were initially not part of the tendered amount. The initial design consultant had advised against this investigation but the implementation teams had contrary views.	R1 150 753.25
2.	Bid 9 of 2019	Construction Project management services at Water world, West bank	R4 347 731.04		R652 159.65
3.	RFQ 4 of 2019	Transactional Advisory Services Deal Negotiations	R400 000.00	The appointed service provider was required to assist with drafting of development agreements for each	R60 000.00

No.	Contract No.	Contract Description	Contract Value	Reasons for Variation	Amount
				land parcel and this deliverable was not included in the original specification on which the initial award was based.	

ii) Variations above 15% or 20%

Contract No. & Description	Contract Value	Reasons for Variation	Amount	Date Tabled a Council	Date of Notice to Community
NONE	N/A	N/A	N/A	N/A	N/A

5.7.3 Supplier Performance Management

No	Contract no. & Description	Name of Contractor	Date of Supplier performance assessment	Supplier Performance Assessment Report Compiled		Supplier performance assessment / performance average rating
				Yes	No	
1.	Single Source - Organ of the state	EL IDZ	Monthly	✓		80%
2.	Bid 3 of 2017	Business Connexion	Monthly	✓		10%
3.	NT Transversal Contract - TC 1 of 2017	Camelsa Consulting Group	Monthly	✓		57%
4.	Bid 1 of 2017	First National Bank	Monthly	✓		65%
5.	Bid 2 of 2018	Harvey world travel	Monthly	✓		50%
6.	Single Source	Konika Minolta	Monthly	✓		72%
7.	RFQ	Marsh (Pty) Ltd	Monthly	✓		60%
8.	Bid 5 of 2018	Falcolux Security services	Monthly	✓		92%
9.	Bid 6 of 2018	Konika Minolta	Monthly	✓		80%
10.	Bid 7 of 2018	Odirile (Pty) Ltd	Monthly	✓		81%
11.	Bid 8 of 2018	Nala Consortium	Monthly	✓		69%
12.	Bid 9 of 2018	Mekan Engineering	Monthly	✓		71%
13.	Bid 2 of 2019	Lunika Chartered Accountant	Monthly	✓		78%
14.	RFQ 1 of 2019	Utho Capital	Monthly	✓		76%

No	Contract no. & Description	Name of Contractor	Date of Supplier performance assessment	Supplier Performance Assessment Report Compiled		Supplier performance assessment / performance average rating
				Yes	No	
15.	RFQ 3 of 2019	Pamoja Asset Management	Monthly	✓		60%
16.	RFQ 4 of 2019	Pamoja Asset Management	Monthly	✓		88%
17.	Bid 10 of 2019	Genbiz Trading 1001 (Pty) Ltd T/A Xerox	Monthly	✓		80%
18.	Bid 11 of 2019	Gemin Moon Trading	Monthly	✓		83%
19.	Bid 13 of 2019	Vargafon (Pty) Ltd	Monthly	✓		80%

All performance rating exceeding 50% is regarded as acceptable.

5.8 Unsolicited Bids

Description of Goods/services	Amount	Date Submitted to Council	Supported		Date submitted to Provincial Treasury	Supported	
			Yes	No		Yes	No
NONE	N/A	N/A			N/A		

5.9 Competitive bids advertised and Formal written quotations

i) Competitive bids advertised and not yet awarded

No.	Description	Date advertised	Closing dates	Status
1.	Bid 12 Of 2019- Supply and Deployment Of An Electronic/ Paperless Board Meeting Solution For A Period Of 12 Months (1 Year).	08 August 2019	23 August 2019	Re-advert stage. No responses were received. To be advertised nationally.
2.	Bid 16 Of 2019 – Provision Of Employee Wellness Program Services.	16 September 2019	25 October 2019	Re-advert stage. No acceptable responses were received. To be advertised nationally.

ii) Requests for formal written quotations (7 Day Notices)

No	Description	Date advertised	Closing dates	Date awarded	Successful bidder	Tender price	BBBEE	Reason for award
1	Notice 15 of 2019 – Supply and delivery of computer equipment.	08 August 2019	16 August 2019	03 September 2019	L.Dicks General Trading	R77 135.50	Level one	Scored Highest points
2	Notice 12 Of 2019 – Training Of Participants In Occupational Health And Safety Awareness.	17 June 2019	25 June 2019	19 July 2019	Limitless Strategic Solutions	R99 796.04	Level one	Scored Highest points
3	Notice 13 Of 2019 - Training Of Participants In Personal Finance And Life Skills	17 June 2019	25 June 2019	19 July 2019	Eastern Rose Trading Enterprise (Pty) Ltd	R89 550.00	Level one	Scored Highest points
4	Notice 14 Of 2019 - Training Of Participants In Basic Environmental Awareness	17 June 2019	25 June 2019	19 July 2019	Eastern Rose Trading Enterprise (Pty) Ltd	R89 550.00	Level one	Scored Highest points
5	Notice 16 of 2019 – Editing and printing of BCMDA annual report	06 November 2019	14 November 2019	03 September 2019	Cancelled	N/A	N/A	N/A
6	Notice 17 of 2019 – Development of report for BCMM investor conference	06 November 2019	14 November 2019	22 November 2019	Southern Power Media	R59 207.00	Level one	Scored Highest points
7	Notice 18 of 2019 – Provision of strategy review and development consulting services to BCMDA	06 December 2019	13 December 2019	17 December 2019	Mithasa Consulting (Pty) Ltd	R94 300.00	Level one	Scored Highest points

iii) Request for proposals/quotations

No.	Description	Date advertised	Closing dates	Date awarded	Successful bidder	Tender price	BBBEE	Reason for award
1	RFQ 4 of 2019 – Transactional Advisory services deal negotiations	RFQ to the panel of transactional advisors	12 August 2019	17 September 2019	Pamoja Assets Management	R400 000.00	Level two	Scored highest points
2	RFP 5 of 2019 – Panel of SMME contractors for urban and environmental upgrading, landscaping and maintenance in various parts of the BCMM area	20 September 2019	11 October 2019	Due to a large volume of proposals that were received, the process of appointing the panel is still at BEC stage.	N/A	N/A	N/A	N/A

6. Preferential Procurement Policy Framework Act (PPPFA), Reg. 2017

6.1 Contracts with Pre-Qualification (Regulation 4)

No	Name of the contractor	Contract Description	Pre-Qualification Criteria	Award Value	Date of Award
1.	Amended Recline Projects and Trading.	Bid 7 of 2019 - Supply and delivery of refuse bags	BBBEE level one	R418 000.00	18 July 2019
2.	Amended Recline Projects and Trading.	Bid 6 of 2019 - Supply and delivery of 9 storage containers and 1 office container.	BBBEE level one	R506 000.00	17 September 2019

6.2 Contracts awarded above R30 million (Contract Participation Goals) (Regulation 4)

Name of the contractor	Contract Description	Sub-Contracting Criteria	Award Value	Amount Sub-Contracted	Date of Award
Gauflora CC	Proposed New East London Beach Front Precinct Project	30% to be sub-contracted to SMMEs.	R87 676 782.00	R26 303 034.60	27 November 2019
Mvusuludzo Projects	Proposed Upgrade of Water World, East London		R103 107 561,47	R30 932 268.44	27 November 2019

7. Expenditure On BBBEE

The following tables provide a complete picture of expenditure per B-BBEE category for the six months period ended 31 December 2019. For the period under review the Agency had set a year-to-date target of 50% expenditure on B-BBEE level one and the actual achievement was 75%.

The major contributors to the over-achievement are the construction project management consultants that were recently appointed for the upgrades on Water World and Court Crescent in the beach front. The annual target is 75% and it is expected that

as the year progresses, actual achievement of this target will be reasonably aligned to the target.

EXPENDITURE P+A2:F22ER BBBEE CATEGORY 2019/20 YEAR TO DATE - 31 DECEMBER 2019

SUPPLIER NAME	BBBEE LEVEL	AMOUNT	DATE	SERVICE
BBBEE LEVEL ONE EXPENDITURE				
HARVEY WORLD TRAVEL	1.00	51 496.59	2019/07/16	Harvey World Travel - Travel arrangement
NALA CONSORTIUM	1.00	320 646.45	2019/07/10	Nala Consortium - Court Crescent
AYANDA MBANGA COMMUNICATIONS	1.00	14 893.88	2019/07/16	Ayanda Mbanga - Publication
MEKAN ENGINEERING	1.00	243 955.00	2019/07/10	Mekan Engineering - Water World
UTHO CAPITAL	1.00	113 850.00	2019/07/16	Utho Capital - Signal Hill
FALCOLUX SECURITY SOLUTION	1.00	86 186.44	2019/08/22	Safety & Security Services JUL- AUG'19
HARVEY WORLD TRAVEL	1.00	19 448.62	2019/08/02	Harvey World Travel - Travelling
HARVEY WORLD TRAVEL	1.00	71 578.55	2019/08/15	Harvey World Travel - Travelling
UBUME BEZWE	1.00	15 800.00	2019/08/02	Signages for Mandela Day
UNATHI TRAVEL	1.00	29 600.00	2019/08/02	Materials for a day care centre
SHURUS CONSTRUCTION	1.00	18 600.00	2019/08/02	Shurus Construction - Truck Hiring
ZONKINDAWO TRADING	1.00	10 132.30	2019/08/02	Refreshments for Mandela Day
MEDIA MAESTRO	1.00	14 000.00	2019/08/15	Advertisement - Office Furniture
LANQA ENTERPRISE	1.00	21 830.00	2019/08/02	Mandela Day Beers
MENLISERVE	1.00	31 942.88	2019/08/02	Provision of strategy consulting service
4GCO	1.00	4 690.00	2019/08/02	Catering services PDIC 22 August
LALUKHELE TRADING	1.00	12 650.43	2019/08/15	Refreshments for Staff
DUAL DYNAMICS	1.00	9 349.89	2019/08/15	Dual Dynamics Solutions - First Aid Kits
EVENT ABLE	1.00	14 825.00	2019/08/15	Event Able - Padded dust mask
TAVA NETWORK	1.00	5 018.98	2019/08/15	Advertisement
UTHO CAPITAL	1.00	308 660.02	2019/08/15	Utho Capital (PTY) Ltd
AMENDED RECLINE TRADING	1.00	52 175.00	2019/09/30	Amended Reclines - Refuse bags
CCG SYSTEMS	1.00	6 600.00	2019/09/03	CCG Systems - mSCOA implementation-budgeting assistance
FALCOLUX SECURITY SOLUTION	1.00	86 186.44	2019/09/03	Falcolux - Security Services
FALCOLUX SECURITY SOLUTION	1.00	86 186.44	2019/09/30	Falcolux - Security Services
HARVEY WORLD TRAVEL	1.00	138 178.72	2019/09/03	Harvey World Travel - Travel arrangements
HARVEY WORLD TRAVEL	1.00	268 786.57	2019/09/30	Travelling reservations for the agency
LIYABONA FACILITIES MANAGEMENT	1.00	1 980.00	03/09/2019	Liyabona Facilities - Catering
LUNIKA CHARTED ACCOUNTANTS	1.00	28 550.00	30/09/2019	Internal Audit Services-AFS & Perf
NALA CONSORTIUM	1.00	321 701.00	03/09/2019	Nala Consulting Engineers - Professional Services
PHANGELILANGA TRADING	1.00	7 400.00	30/09/2019	Cleaning Materials
MEKAN ENGINEERING	1.00	249 709.60	03/09/2019	Mekan Engineers - Professional Services
MAMBOXESIBE	1.00	29 920.00	30/09/2019	Catering for Councillors workshop
ALGOA CARE	1.00	3 800.00	2019/09/03	Algoacare - Catering
AYANDA MBANGA COMMUNICATIONS	1.00	5 637.76	03/09/2019	Ayanda Mbanga Communications - Advertising
4GCO	1.00	2 625.00	2019/09/03	4GCO Trading CC- Catering
DYWATI TRADING	1.00	1 949.00	2019/09/03	Dywati Trading - Catering
MELULIKHANYE TRADING	1.00	3 600.00	2019/09/30	Catering-Special Board Meeting
MJWAKA TRADING	1.00	69 305.00	2019/09/03	Mink-line Consulting
ZOLA SONDLLO AND ASSOCIATES	1.00	9 505.72	2019/09/30	Advertisements-operational tenders
SAPOA	1.00	2 300.00	2019/09/30	Management Symposium
TULIGRAPH	1.00	16 500.00	2019/09/03	Refuse bags
YELLOW DOT OFFICE	1.00	15 466.35	2019/09/03	Yellow Dot Office Supplies - Stationery
UTHO CAPITAL	1.00	61 900.00	2019/09/30	Feasibility Study - Signal Hill
AMENDED RECLINE TRADING	1.00	52 175.00	2019/10/16	Amended Reclines Trading - Refuse Bags
HARVEY WORLD TRAVEL	1.00	84 659.34	2019/10/16	Travel reservations
HARVEY WORLD TRAVEL	1.00	94 965.90	2019/10/31	Harvey - Travelling Reservation
IDLANGAMANDA SECURITY PROTECTION	1.00	14 835.00	2019/10/31	Idlangamanda - Security Services
AYANDA MBANGA COMMUNICATIONS	1.00	3 320.74	2019/10/16	ADVERT NFO'S
MEDIA MAESTRO	1.00	5 995.00	2019/10/16	Media Maestro-Advertisement for SMME's
GOLDEN OFFICE SUPPLIES	1.00	1 721.53	2019/10/31	Golden - Latimated Acts
TYOSI BUSINESS SOLUTIONS	1.00	29 900.00	2019/10/31	Tyosi- Board Induction
MJWAKA TRADING	1.00	69 305.00	2019/10/16	Miallocation of a supplier payment
ZOLA SONDLLO AND ASSOCIATES	1.00	5 519.45	2019/10/16	Advert Bid 14, 15 and 15
TISO BLACKSTAR	1.00	3 490.00	2019/10/31	Tiso- Daily Dispatch Subscription
CCG SYSTEMS	1.00	133 116.94	2019/11/05	CCG Systems - License renewal
FALCOLUX SECURITY SOLUTION	1.00	86 186.44	2019/11/18	Falcolux - Security Services
GLOBE MANAGEMENT TRAINING	1.00	9 750.00	2019/11/18	Globe Man.-Business Strategy
HARVEY WORLD TRAVEL	1.00	76 872.97	2019/11/18	Harvey-Travelling Reseration
SAZISA UKHANYO	1.00	6 141.00	2019/11/18	Sizisa Ukhanyo- Office Refreshments
MPC RECRUITMENT	1.00	1 380.00	2019/11/18	MPC Recruitment- MIE Checks
CUROSCAN	1.00	11 100.00	2019/11/18	Curoscan-Food parcels
LM MEDICAL AND SURGICAL SUPPLIES	1.00	2 750.00	2019/11/18	LM Medical and Surgical Supplies
MASALAMAHLE	1.00	3 420.00	2019/11/18	Masalamahle Trading
DYWATI TRADING	1.00	2 136.00	2019/11/18	DYWATI Trading- Catering
AMENDED RECLINE TRADING	1.00	314 250.00	2019/12/13	Amended Reclines -Refuse Bags
CCG SYSTEMS	1.00	3 450.00	2019/12/18	CCG Systems - Running of software
EASTERN ROSE TRADING	1.00	179 100.00	2019/12/13	Eastern Rose Trading - Basic Environmental Awareness Training
GEMIN MOON TRADING	1.00	235 665.36	2019/12/02	Gemin Moon - License fees for Office 365
HARVEY WORLD TRAVEL	1.00	16 038.00	2019/12/02	Harvey World Travel - Transpotation
HARVEY WORLD TRAVEL	1.00	125 747.51	2019/12/03	Harvey World Travel - Travelling
HARVEY WORLD TRAVEL	1.00	431 859.17	2019/12/12	Harvey - Travelling and Acc reservations
HARVEY WORLD TRAVEL	1.00	27 158.68	2019/12/18	Harvey World Travel - Travelling reservations
LIMITLESS STRATEGIC SOLUTION	1.00	99 796.04	2019/12/13	Limitless Strategic Solutions - OHS Training
NALA CONSORTIUM	1.00	983 918.72	2019/12/18	Nala - Court Crescent Project Management Fees
RESS	1.00	21 172.05	2019/12/13	Res Health and Safety - First Aid Training
CHATINO	1.00	8 800.00	2019/12/02	Chatino - Catering
CUROSCAN	1.00	15 862.50	2019/12/12	CUROSCAN- Gift bags and Tags
MAKHUMBU TRADING	1.00	8 800.00	2019/12/02	Makhumbu Trading - Catering
GWATIZOL	1.00	9 500.00	2019/12/02	Gwazitol - Catering
GOBANI HOLDINGS	1.00	9 300.00	2019/12/02	Gobani Holdings - Catering
AZIPHELI ENTERPRISE	1.00	6 500.00	2019/12/02	Azipheli Enterprise - Catering
DUAL DYNAMICS	1.00	19 570.00	2019/12/12	Dual Dynamics-marketing material
NCABAVO GENERAL	1.00	9 000.00	2019/12/02	Ncabavo General Trading - Catering
MEKAN ENGINEERING	1.00	685 544.15	2019/12/18	Mekan - Water World Project Management Fees
SAGGITARIUS	1.00	4 878.30	2019/12/03	Sagittarius - News paperadvertisement
TSHOKS	1.00	990.00	2019/12/12	TSHOKS- Catering Services
TOTAL SPENT ON LEVEL ONE DURING THE QUARTER		6 804 258.38		

BBBEE LEVEL TWO EXPENDITURE				
ADAPT IT	2	121 353.75	2019/07/31	Adapt IT - License Renewal
EAST LONDON INDUSTRIAL DEVELOPMENT ZONE	2	140 255.71	2019/08/02	IDZ - Rental of office space - July - August
PAMOJA ASSET MANAGEMENT	2	186 875.00	2019/09/30	BEC Technical Advisory services
EAST LONDON INDUSTRIAL DEVELOPMENT ZONE	2	165 316.67	2019/09/30	Rental of Office Space and services
AUDITOR GENERAL	2	103 251.60	2019/10/16	Auditor General SA - External Audit Fees
EAST LONDON INDUSTRIAL DEVELOPMENT ZONE	2	80 551.75	2019/10/31	EL IDZ- Rent & Utilities - Office Space
AUDITOR GENERAL	2	11 661.00	2019/11/18	Auditor General SA
PAMOJA ASSET MANAGEMENT	2	96 000.00	2019/11/05	Pamoja Asset Management - Deal negotiation
AUDITOR GENERAL	2	565 229.37	2019/12/13	Auditor General - Audit fees
PAMOJA ASSET MANAGEMENT	2	364 000.00	2019/12/02	Pamoja - technical assistance
EAST LONDON INDUSTRIAL DEVELOPMENT ZONE	2	79 689.96	2019/12/12	ELIDZ-Office Rent for Dec and Utilities
EAST LONDON INDUSTRIAL DEVELOPMENT ZONE	2	78 482.62	2019/12/18	East London IDZ - Rental of office space and utilities
MARSH	2	29 240.63	2019/12/12	Marsch-Insurance for the organisation
TOTAL SPENT ON LEVEL TWO DURING THE QUARTER		2 021 908.06		

BBBEE LEVEL THREE EXPENDITURE				
KONIKA MINOLTA	3	5 997.09	2019/07/16	Konica Minolta - Rental of photocopier
KONIKA MINOLTA	3	14 976.86	2019/08/02	Rental of Photocopier
KONIKA MINOLTA	3	6 102.16	2019/08/15	Rental and Copies of photocopier
KONIKA MINOLTA	3	13 666.70	2019/09/03	Konica Minolta
KONIKA MINOLTA	3	4 546.20	2019/09/30	Rental of Photocopier and Copies
TORQUE TECHNICAL COMPUTER TRAINING	3	30 475.00	2019/09/30	TOGAF Training
KONIKA MINOLTA	3	12 166.22	2019/10/16	Rental fo copier and copies
BUSINESS CONNEXION	3	17 130.42	2019/12/18	Business connexion - Email services
KONIKA MINOLTA	3	7 283.54	2019/12/12	Konica- Rental of photocopier
TOTAL SPENT ON LEVEL THREE DURING THE QUARTER		112 344.19		

BBBEE LEVEL FOUR EXPENDITURE				
GMR STRATEGIC MANAGEMENT	4	72 000.00	2019/07/16	GMR Strategic Management - Board Evaluation
GREENDOT	4	8 031.60	2019/10/16	Glass Trophy - Board Event
GREENDOT	4	500.41	2019/10/31	Green dot -Visitors Register
YELLOW DOT	4	9 315.00	2019/11/18	Yellow Dot-Stationery
GREENDOT	4	1 888.58	2019/12/18	Green Dot Media - Conference booklet printing
TOTAL SPENT ON LEVEL FOUR DURING THE QUARTER		91 735.59		

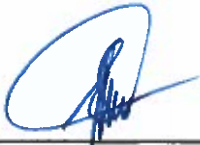
BBBEE LEVEL SIX EXPENDITURE				
INTERNATIONAL ASSOCIATES FOR PUBLIC PARTICIPATION	6	18 525.00	2019/08/15	Public Participation- Mayeza and Nombewu
ENTERPRISES UNIVERSITY OF PRETORIA	6	33 500.00	2019/09/03	University of Pretoria - Financial Reporting - Training
TOTAL SPENT ON LEVEL EIGHT DURING THE QUARTER		52 025.00		

SUMMARY PER BBBEE STATUS LEVEL		
BBBEE STATUS LEVEL	AMOUNT	PERCENTAGE
LEVEL ONE	6 804 258.38	74.92%
LEVEL TWO	2 021 908.06	22.26%
LEVEL THREE	112 344.19	1.24%
LEVEL FOUR	91 735.59	1.01%
LEVEL FIVE	-	0.00%
LEVEL SIX	52 025.00	0.57%
LEVEL SEVEN	-	0.00%
LEVEL EIGHT	-	0.00%
TOTAL	9 082 271.22	100.00%

8. Conclusion and Recommendation

It is recommended that this report is noted and further recommend the appointment of an investigating committee to ensure that compliance with MFMA section 32 in relation to Irregular Expenditure is achieved.

PREPARED BY:



V. NTSODO
CHIEF FINANCIAL OFFICER
DATE: 17/01/2020

APPROVED BY:



B. NELANA
CHIEF EXECUTIVE OFFICER
DATE: 17.01.2020

APPENDICES:

1. ANNEXURE C1 – PROCUREMENT PLAN AS AT 31 DECEMBER 2019
2. ANNEXURE C2 – CONTRACT REGISTER AS AT 31 DECEMBER 2019
3. ANNEXURE C3 – SCHEDULE OF IRREGULAR EXPENDITURE AS AT 31 DECEMBER 2019

ANNEXURE C1 - BCMDA PROCUREMENT PLAN 2019/20 AS AT 31 DECEMBER 2019

<u>Division</u>	<u>Description of goods or services</u>	<u>Estimated project value (including VAT)</u>	<u>2019/20 Approved budget allocation</u>	<u>Procurement Strategy</u>	<u>Envisaged date of TOR submission to SCM</u>	<u>Envisaged date of advertisement in the website and newspapers</u>	<u>Envisaged closing date of bid</u>	<u>Envisaged date of award</u>	<u>Envisaged date of project inception</u>	<u>Responsible official/project manager</u>	<u>Procurement status</u>
Development Facilitation	Business Improvement District Strategy (BIDS) Implementation - Pool of CIDB Level 1-3 Contractor Services	2 010 000.00	2 010 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Athi Ntshokoma	At BEC stage. Delay resulting from the significantly large volume of responses being evaluated.
Development Facilitation	Development of Phase 1 of the Integrated Beachfront Plan (IBP) - Pool of CIDB Level 1-3 Contractor Services	2 000 000.00	2 000 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Gcinuxolo Yawathe	At BEC stage. Delay resulting from the significantly large volume of responses being evaluated.
Development Facilitation	Commencement of Project Implementation at Water World - Contractor appointment	33 000 000.00	33 000 000.00	Competitive Bid	02-Aug-19	16-Aug-19	06-Sep-19	20-Sep-19	04-Oct-19	Gcinuxolo Yawathe	Awarded. Project Inception Stage.
Development Facilitation	Commencement of Project Implementation at Court Crescent - Contractor appointment	30 000 000.00	30 000 000.00	Competitive Bid	02-Aug-19	16-Aug-19	06-Sep-19	20-Sep-19	04-Oct-19	Gcinuxolo Yawathe	Awarded. Project Inception Stage.
Development Facilitation	Environmental Upgrade on Manna Glen B Pool of CIDB Level 1-3 Contractor Services	1 000 000.00	1 000 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Athi Ntshokoma	At BEC stage. Delay resulting from the significantly large volume of responses being evaluated.
Development Facilitation	Implementation of Inner-City Safety Programme - Security services provider	3 333 333.00	3 333 333.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Asanda Meyeza	Awarded. Project in progress.
Development Facilitation	Implementation of Waste Management Programme - Professional Service Provider (Design and Implementation)	2 250 000.00	2 250 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Asanda Meyeza & Gcinuxolo Yawathe	Award cancelled due to a fire at the site.
Development Facilitation	Implementation of Waste Management Programme - PPE	430 977.00	430 977.00	Competitive Bid	19-Aug-19	02-Sep-19	16-Sep-19	30-Sep-19	14-Oct-19	Asanda Meyeza	Awarded. Project in progress.
Development Facilitation	Implementation of Waste Management Programme - Professional Service Provider Contractor services	5 000 000.00	5 000 000.00	Competitive Bid	31-Oct-19	14-Nov-19	28-Nov-19	12-Dec-19	09-Jan-20	Asanda Meyeza & Gcinuxolo Yawathe	Project cancelled due to a fire at the site.
Development Facilitation	Implementation of Waste Management Programme - Procurement of Trucks	2 250 000.00	2 250 000.00	Competitive Bid	30-Sep-19	14-Oct-19	28-Oct-19	11-Nov-19	25-Nov-19	Asanda Meyeza & Gcinuxolo Yawathe	Not yet started. Finalising administrative processes with the Parent Municipality and the DEA
Corporate Services	Implementation of Microsoft Office 365 Solution	450 000.00	200 000.00	Competitive Bid	31-Jul-19	14-Aug-19	09-Sep-19	23-Sep-19	07-Oct-19	Luzuko Hute	Awarded. Project in progress.
Corporate Services	Development, Hosting and Maintenance BCMDA Website	300 000.00	150 000.00	Competitive Bid	31-Jul-19	14-Aug-19	09-Sep-19	23-Sep-19	07-Oct-19	Luzuko Hute	Awarded. Project in progress.
Corporate Services	Implementation of Paperless Board Solution	250 000.00	150 000.00	Competitive Bid	31-Jul-19	14-Aug-19	23-Aug-19	06-Sep-19	20-Sep-19	Luzuko Hute	Re-advert stage. No responses to initial advert.

ANNEXURE C1 - BCMDA PROCUREMENT PLAN 2019/20 AS AT 31 DECEMBER 2019

Division	Description of goods or services	Estimated project value (including VAT)	2019/20 Approved budget allocation	Procurement Strategy	Envisaged date of TOR submission to SCM	Envisaged date of advertisement in the website and newspapers	Envisaged closing date of bid	Envisaged date of award	Envisaged date of project inception	Responsible official/project manager	Procurement status
Corporate Services	Implementation of PBAX VOIP Solution - Telephone services	300 000.00	200 000.00	Competitive Bid	31-Jul-19	14-Aug-19	28-Aug-19	11-Sep-19	25-Sep-19	Luzuko Hute	At BEC stage. Delay was due to non-readiness of the new office space.
Corporate Services	Leasing of Multifunction Printer for 3 years	50 000.00	38 000.00	Competitive Bid	31-Jul-19	02-Aug-19	09-Sep-19	23-Sep-19	07-Oct-19	Luzuko Hute	Awarded. Project in progress.
Corporate Services	Employee Wellness Program(EAP) for a period of 36 months	500 000.00	100 000.00	Competitive Bid	30-Aug-19	13-Sep-19	13-Oct-19	27-Oct-19	10-Nov-19	Fezeka Momoza	Re-advert stage. No acceptable responses to initial advert.
Corporate Services	Procurement of office furniture	2 500 000.00	1 300 000.00	Competitive Bid	31-Jul-19	14-Aug-19	30-Aug-19	13-Sep-19	27-Sep-19	Fezeka Momoza	Awarded. Project Inception Stage.
Corporate Services	Appointment of training service provider(Organisational Development)	400 000.00	100 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Fezeka Momoza	Advert stage. Finalisation of terms of reference delayed due to prioritisation of DEA project HR processes.
Corporate Services	Human Resources Consulting(e.g Job Evaluation)	300 000.00	200 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	Fezeka Momoza	Project in progress
Office of the CEO	Implementation Tourism Infrastructure Masterplan (TIM)	1 000 000.00	1 000 000.00	HSRC (MoU)	27-Aug-19	10-Sep-19	24-Sep-19	08-Oct-19	22-Oct-19	O. Makalima	Project could not be implemented due to insufficient budget. Funding to be sourced during adjustment budget process.
Office of the CEO	Globally recognized tourist attractions promoted	600 000.00	300 000.00	Competitive Bid	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	O. Makalima	MOU with CSIR (organ of state) to be finalised by 17 January 2020.
Office of the CEO	Master Plan - Industrial Cluster Development Programme	924 744.00	300 000.00	Initially competitive bid, changed to CSIR (MoU)	30-Aug-19	13-Sep-19	27-Sep-19	11-Oct-19	25-Oct-19	O. Makalima	

ANNEXURE C2 - BCMDA CONTRACT REGISTER- 2019-20 AS AT 31 DECEMBER 2019

CONTRACTS BASED ON A FIXED AWARD AMOUNT

BID NUMBER	CONTRACT DESCRIPTION	CONTRACTOR / SERVICE PROVIDER / SUPPLIER	FIN-LEADER PROJECT MANAGER	DIVISION	CONTRACT DURATION	CONTRACT START DATE	EXPIRY DATE	AWARD CONTRACT / SLAT	AWARD AMOUNT (incl. VAT)	VARIATION AMOUNT	TOTAL CONTRACT AMOUNT	AMOUNT PAID TO DATE (incl. VAT)	ACQUIRED MEMBERSHIP (incl. VAT)	AVAILABLE AWARD VS EXPENDITURE TO DATE	COMMITMENT	CONTRACT STATUS	PERFORMANCE OF SERVICE PROVIDER
Single Source	Rental of BCMDA Offices	East London IDZ	Mr. X. Jikela	Corporate Services	27 months	01/05/2016	31/01/2020	Yes	2 267 770.94	-	2 267 770.94	2 266 988.54	-	R 781.40	R 781.40	ACTIVE	Satisfactory
Bid 3 of 2017	Hosting of internet and website services	Business Connection	Mr. X. Jikela	Corporate Services	36 months	01/11/2017	31/10/2020	Yes	4 71 836.00	-	4 71 836.00	86 680.29	-	R 385 145.71	R 385 145.71	TERMINATED	Terminated from 01/11/2019 due to poor performance. Gema Moon (for emails) and Vargation (for website) appointed in October 2019.
Request for quotations	Leasing of copier/scanner/printer machine	Sichet Office T/A Konkla Menela	Mr. X. Jikela	Corporate Services	36 months	01/09/2016	31/08/2019	Yes	1 28 234.86	-	1 28 234.86	1 28 762.90	-	R 526.02	R 0.00	EXPIRED	The excess over the contract amount is resulting from the increase of VAT to 15%.
RFQ 1 OF 2017	Provision of an mSCOA complaint integrated financial management and internal control system for BCMDA	Cameleba Consulting Group	Ms. V. Mzodo	Office of the CFO	36 months	08/03/2017	08/03/2020	Yes	2 509 964.59	-	2 509 964.59	2 479 481.70	-	R 30 482.89	R 30 482.89	ACTIVE	Satisfactory
Request for quotations	Provision of short term insurance for BCMDA	Marsh (Pty) Ltd	Mr. X. Jikela	Corporate Services	12 months	01/11/2018	31/10/2019	Yes	29 818.30	-	29 818.30	29 348.05	-	R 470.25	R 0.00	EXPIRED	Renewal agreement concluded started on 01/11/2019.
Bid 5 of 2018	Provision of Security Services, EL Beachfront	Falculux Security Services	Dr. E. Uthaler	Development / Facilitation	12 months	01/11/2018	31/10/2019	Yes	1 000 000.00	17 367.00	1 017 367.00	1 019 971.46	-	R 2 604.46	R 2 604.46	EXPIRED	Renewal agreement concluded started on 09/12/2019.
Bid 6 of 2018	Provision of multifunctional printer	Bidwest Office T/A Konkla Menela	Mr. X. Jikela	Corporate Services	36 months	08/01/2019	07/01/2022	Yes	1 29 577.00	-	1 29 577.00	36 427.00	-	R 94 150.00	R 94 150.00	ACTIVE	Satisfactory
Bid 7 of 2018	Supply and deployment of Cloud-based backup and Recovery Services	Odarle IT Holding	Mr. X. Jikela	Corporate Services	36 months	07/02/2019	06/02/2022	Yes	418 378.96	-	418 378.96	146 030.75	-	R 272 348.23	R 272 348.23	ACTIVE	Satisfactory
Bid 8 of 2018	Construction Project management services at Court Crescent	Nala Consortium	Dr. E. Uthaler	Development / Facilitation	24 months	12/04/2019	12/04/2021	Yes	5 773 298.80	1 150 753.25	6 924 052.05	1 628 266.17	-	R 4 147 032.83	R 4 147 032.83	ACTIVE	Satisfactory
Bid 9 of 2018	Construction Project management services at Water world, West bank	Mekani Engineering services	Dr. E. Uthaler	Development / Facilitation	24 months	12/04/2019	12/04/2021	Yes	4 347 731.04	652 158.65	4 999 889.69	1 178 208.75	-	R 3 168 522.29	R 3 168 522.29	ACTIVE	Satisfactory
RFQ 1 of 2019	Feasibility Study for the development of Signal Hill, East London	Utho Capital (PTY) LTD	Dr. E. Uthaler	Development / Facilitation	6 Months	20/03/2019	19/11/2019	Yes	606 620.00	-	606 620.00	606 620.00	-	R 0.00	R 0.00	EXPIRED	N/A

BID NUMBER	CONTRACT DESCRIPTION	CONTRACTOR / SERVICE PROVIDER / SUPPLIER	INDUSTRY PROJECT MANAGER	DIVISION	CONTRACT DURATION	START DATE	EXPIRY DATE	SIGNED CONTRACT / SLA?	AWARD AMOUNT (incl. VAT)	VARIATION AMOUNT	TOTAL CONTRACT AMOUNT	AMOUNT PAID TO DATE (incl. VAT)	ACCRUED EXPENDITURE (incl. VAT)	AVAILABLE AMOUNT TO BE PAID	COMMITMENT	CONTRACT STATUS	PERFORMANCE OF SERVICE PROVIDER
Bid 5 of 2019	Provision of Pre and Post Medical Examinations for DEA Project Participants	Metrix Consulting	Dr E Uthaler	Development / Facilitation	12 months	05/07/2019	04/07/2020	Yes	181 770.00	-	181 770.00	69 305.00	-	R 112 465.00	R 112 465.00	ACTIVE	Satisfactory
Bid 1 of 2019	Provision of risk and internal audit services to BCMDA	Lunda Chartered Accountants and Auditors	Mr B Nelisa	Office of the CEO	36 months	13/12/2016	11/12/2019	Yes	468 890.00	66 892.00	538 851.00	538 850.80	-	R 0.20	R 0.20	TERMINATED ON 05 AUGUST 2019 DUE TO EXPENDING OF FULL CONTRACT AMOUNT	N/A
Bid 2 of 2019	Provision of Internal audit services	Lunda Chartered Accountants and Auditors	Mr B Nelisa	Office of the CEO	36 months	06/08/2019	05/08/2022	Yes	428 568.00	-	428 568.00	26 550.00	-	R 400 019.00	R 400 019.00	ACTIVE	Satisfactory
Bid 7 of 2019	Supply and delivery of reuse bags	Amended Redino Trading and Projects	Dr E Uthaler	Development / Facilitation	6 months	06/08/2019	05/03/2020	Yes	418 000.00	-	418 000.00	418 000.00	-	R 0.00	R 0.00	PROJECT COMPLETED	Satisfactory
RFQ 4 OF 2019	Transactional Advisory Services Deal Negotiations	Pempe Asset Management	Ms S Mazankani	Office of the CEO	6 Months	06/09/2019	05/03/2020	Yes	460 000.00	60 000.00	460 000.00	460 000.00	-	R 0.00	R 0.00	PROJECT COMPLETED	N/A
Bid 10 of 2019	Provision of Leased Office Space and Parking Facilities	Shalithu Funding (Pty) Ltd	Mr X Jikela	Corporate Services	36 months	22/09/2019	21/09/2022	Yes	3 519 151.58	-	3 519 151.58	-	-	R 3 519 151.58	R 3 519 151.58	ACTIVE	Not yet commenced
Bid 11 of 2019	Supply implementation of Microsoft office 365 for a period of 36 months (3years)	Geman moon trading (Pty) Ltd	Mr X Jikela	Corporate Services	36 months	24/10/2019	23/10/2022	Yes	992 821.46	-	992 821.46	235 665.36	-	R 757 156.10	R 757 156.10	ACTIVE	Satisfactory
Bid 13 of 2019	Development of BCMDA website, hosting and maintenance for a period of 3 years	Vargalon (Pty) Ltd	Mr X Jikela	Corporate Services	36 months	24/10/2019	23/10/2022	Yes	222 180.00	-	222 180.00	-	-	R 222 180.00	R 222 180.00	ACTIVE	Not yet commenced
Bid 10 of 2019	Leasing of a multifunctional printer for a period of 36 months	Genbu Trading 1081 (Pty) Ltd /A. Xerox Eastern Cape	Mr X Jikela	Corporate Services	36 months	05/11/2019	04/11/2022	Yes	86 303.68	-	86 303.68	-	-	R 86 303.68	R 86 303.68	ACTIVE	Satisfactory
Request for quotations	Provision of short term insurance for BCMDA	Marsh (Pty) Ltd	Mr B Nelisa	Office of the CEO	12 months	09/11/2019	07/11/2020	Yes	20 240.83	-	20 240.83	20 240.83	-	R 0.00	R 0.00	ACTIVE	Satisfactory
Bid 9 of 2019	Supply, delivery and installation of office furniture for a period of 12 months	Insight office furniture (Pty) Ltd	Mr X Jikela	Corporate Services	12 months	07/11/2019	06/11/2020	Yes	Per unit rates	-	Per unit rates	-	-	R 0.00	R 0.00	ACTIVE	Not yet commenced
Notice 18 of 2019	Provision of Strategy Consulting Services	Mhessa Consulting (Pty) Ltd	Ms S Mazankani	Office of the CEO	2 months	17/12/2019	16/02/2020	Yes	94 300.00	-	94 300.00	-	-	R 94 300.00	R 94 300.00	ACTIVE	Satisfactory

BID NUMBER	CONTRACT DESCRIPTION	CONTRACTOR / SERVICE PROVIDER / SUPPLIER	SENDER / PROJECT MANAGER	DIVISION	CONTRACT DURATION	CONTRACT START DATE	EXPIRY DATE	SIGNED CONTRACT (SLA)?	AWARD AMOUNT (incl. VAT)	VARIATION AMOUNT	TOTAL CONTRACT AMOUNT	AMOUNT PAID TO DATE (incl. VAT)	ACCRUED EXPENDITURE (incl. VAT)	AVAILABLE FUNDING EXPENDITURE TO DATE	COMMITMENT	CONTRACT STATUS	PERFORMANCE OF SERVICE PROVIDER
Bid 3 of 2019	Proposed New East London Beach Front Precinct Project, Court Crescent	Gaulbra CC	Dr. E. Uthaler	Development (Facilitation)	18 months	TBC upon issuing site hand-over certificate	TBC upon issuing site hand-over certificate	No. Only Signed Contract in draft stage and awaiting certificate	87 676 782.00		87 676 782.00			R 87 676 782.00	R 87 676 782.00	ACTIVE	Not yet commenced
Bid 4 of 2019	Proposed Upgrade of Water Work, East London	Mvuzaluzo Projects	Dr. E. Uthaler	Development (Facilitation)	12 months	Application for work permit from Dept of Labour in progress	Application for work permit from Dept of Labour in progress	documentation such as work permit, work programmes, site hand over certificates etc.	103 107 561.47		103 107 561.47			# 103 107 561.47	R 103 107 561.47	ACTIVE	Not yet commenced
Bid 15 of 2019	Provision of Security Services, EL Beachfront	Falcoob Security Services	Dr. E. Uthaler	Development (Facilitation)	12 months	09/12/2018	08/12/2020	Yes	2 919 555.60		2 919 555.60			R 2 919 555.60	R 2 919 555.60	ACTIVE	Satisfactory

CONTRACTS NOT BASED ON A FIXED AWARD AMOUNT

BID NUMBER	CONTRACT DESCRIPTION	CONTRACTOR / SERVICE PROVIDER / SUPPLIER	SENDER / PROJECT MANAGER	DIVISION	CONTRACT DURATION	CONTRACT START DATE	EXPIRY DATE	SIGNED CONTRACT (SLA)?	AWARD AMOUNT (incl. VAT)	VARIATION AMOUNT	TOTAL CONTRACT AMOUNT	AMOUNT PAID TO DATE (incl. VAT)	ACCRUED EXPENDITURE (incl. VAT)	AVAILABLE FUNDING EXPENDITURE TO DATE	COMMITMENT	CONTRACT STATUS	PERFORMANCE OF SERVICE PROVIDER
Bid 2 of 2018	Rendering of agency services in respect of air travel, car hire, venues & facilities and accommodation for the	Honey World Travel	Ms. V. Nisobu	Office of the CFO	16 months	05/05/2018	04/07/2021	Yes	Per unit rates		2 785 192.56			N/A		ACTIVE	Satisfactory
BID 1 OF 2017	Provision of banking services	First National Bank	Ms. V. Nisobu	Office of the CFO	60 months	18/12/2017	18/12/2022	Yes	Per unit rates		38 352.78			N/A		ACTIVE	Satisfactory
RFQ 3 of 2019	Providing Technical assistance with evaluating of proposals at BOMBA Bid Evaluation Committee	Penrose Asset Management	Dr. E. Uthaler	Development (Facilitation)	12 Months	21/05/2019	20/05/2020	Yes	2 875.00 (hourly rate - Hours worked to be confirmed by BEC)		186 875.00			N/A		ACTIVE	Satisfactory, Project completed
RFP 1 OF 2019	Development of Marina Glen A land parcel	Housing Development Agency	Dr. E. Uthaler	Development (Facilitation)	24 Months	16/09/2019	15/09/2021	Not yet	At negotiation stage					N/A		ACTIVE	Deal negotiation stage
RFP 1 OF 2019	Development of Sokwen Terrace Land parcel	Penrose-TaylorMade-Context JV	Dr. E. Uthaler	Development (Facilitation)	24 Months	16/09/2019	15/09/2021	Not yet	At negotiation stage					N/A		ACTIVE	Deal negotiation stage
RFP 1 OF 2019	Development of Water World Land parcel	Penrose-TaylorMade-Context JV	Dr. E. Uthaler	Development (Facilitation)	24 Months	16/09/2019	15/09/2021	Not yet	At negotiation stage					N/A		ACTIVE	Deal negotiation stage
RFP 1 OF 2019	Development of Sleeper Site Land Parcel	Vunani Capital and Projects	Dr. E. Uthaler	Development (Facilitation)	24 Months	16/09/2019	15/09/2021	Not yet	At negotiation stage					N/A		ACTIVE	Deal negotiation stage
		Utho Capital (PTY) LTD	Vunani	Vunani	36 months	03/06/2018	02/06/2021	Yes Panel Appointment	912 670.00		912 670.00	912 670.00		R 0.00		ACTIVE	Combined panel member appointments to date

ANNEXURE C3 - SCHEDULE OF IRREGULAR EXPENDITURE

Contract Description	Contractor/Service provider	Contract Amount	Variation	Total Contract Amount	Expenditure 2016/17 (Excl. VAT)	Expenditure 2017/18 (Excl. VAT)	Expenditure 2018/19 (Excl. VAT)	Total Expenditure Per Contract 2018/19 (Excl. VAT)	Expenditure 2019/20 (Excl. VAT)	Total Expenditure Per Contract 2019/20 (Excl. VAT)	Total Expenditure Per Contract as at 31 December 2019 (Excl. VAT)	Available	Comment
COMPETITIVE BIDS													
BID 1 OF 2016 - Provision of risk and internal audit services to the BCMDA	Lunika Chartered Accountants	469 899.36	68 952.00	538 851.36	167 692.00	220 075.00	151 083.20	538 850.20		538 850.20	538 850.20	1.16	
BID 2 OF 2016 - Rendering of agency services in respect of air travel, car and accommodation to the BCMDA.	Harvey world Travel	2 508.50 per unit			187 441.98	828 955.81		1 016 397.79		1 016 397.79	1 016 397.79	0.00	
BID 3 OF 2016 - Provision of precinct design and implementation services, East London Beach front to the BCMDA	MDA	5 087 249.98	141 748.40	5 228 998.38	712 681.12	1 022 554.88	3 055 748.18	4 290 984.18		4 290 984.18	4 290 984.18	938 014.20	Completed, VAT included in award amount
TC 1 OF 2017 - Provision of an MSCOA compliant integrated financial management and internal control system for BCMDA.	Cameba Consulting group	2 509 964.59		2 509 964.59	1 289 491.75	483 604.39	273 900.00	2 046 996.13	124 492.99	2 171 489.12	2 171 489.12	462 968.46	Project in progress
BID 2 OF 2017 - Provision of Safety and Security services, East London Beach front.	Madolo security services	925 000.00		925 000.00		286 457.00		286 457.00		286 457.00	286 457.00	628 543.00	Project in progress
BID 3 OF 2017 - Provision of internet and email services to the BCMDA	BCX	471 836.00		471 836.00		4 570.00	63 695.94	68 265.94	15 426.02	83 691.96	83 691.96	403 570.06	Project in progress
BID 1 OF 2018 - Provision of EDMS	Metrolic, a Division of Carisyle Human Capital	1 500 000.00		1 500 000.00			1 304 347.83	1 304 347.83		1 304 347.83	1 304 347.83	195 652.17	Project in progress
BID 2 OF 2018 - Rendering of agency services in respect of air travel, car and accommodation to the BCMDA.	Harvey world Travel	Pe unit rates		Pe unit rates			1 042 588.45	1 042 588.45	1 424 097.77	2 466 686.22	2 466 686.22	0.00	Project in progress
Bid 3 of 2018 - Provision of Office Space.													Procurement did not commence due to budgetary constraints.
BID 4 OF 2018 - Provision of Accounting support service	CEG System	498 986.00		498 986.00			389 100.00	389 100.00		389 100.00	389 100.00	109 886.00	Completed, VAT included in award amount.
BID 5 OF 2018 - Provision of Safety and security services.	Falcolux Security services	1 000 000.00	17 362.00	1 017 362.00			587 152.78	587 152.78		587 152.78	587 152.78	430 209.22	Project in progress
BID 7 OF 2018 - Supply and deployment of a cloud-based backup, restore and replication solution/ disaster recovery to the BCMDA for a	Odirille Holdings	418 379.98		418 379.98			126 983.26	126 983.26		126 983.26	126 983.26	291 396.72	Project in progress
BID 8 OF 2018 - Construction project management services at Court Crescent, East London Esplanade.	Nala Consortium	5 773 299.00		5 773 299.00			278 823.00	278 823.00	1 135 321.50	1 414 144.50	1 414 144.50	5 494 476.00	Project in progress
BID 9 OF 2018 - Construction project management services at Water world.	Meklan Engineering services	4 347 731.04		4 347 731.04			212 134.78	212 134.78	813 764.13	1 025 989.91	1 025 989.91	3 524 466.91	Project in progress
BID 10 OF 2018 - Provision of leased office space and parking facilities.	Shishthu funding	3 519 151.58		3 519 151.58								3 519 151.58	Project in progress
BID 2 OF 2019 - Provision of internal audit services.	Lunika Chartered Accountants	428 569.00		428 569.00					24 826.09	24 826.09	24 826.09	403 742.91	Project in progress
BID 6 OF 2019 - Supply and delivery of 9 storage containers and 1 office container.	Amended Recline Project	506 000.00		506 000.00									Project in progress
BID 7 OF 2019 - Supply and delivery of 240 000 refuse bags.	Amended Recline Project	418 600.00		418 600.00					364 000.00	364 000.00	364 000.00	54 600.00	Completed, VAT included in award amount.

Contract Description	Contractor/Service provider	Contract Amount	Variation	Total Contract Amount	Expenditure 2016/17 (Excl. VAT)	Expenditure 2017/18 (Excl. VAT)	Expenditure 2018/19 (Excl. VAT)	Total Expenditure Per Contract 2018/19 (Excl. VAT)	Expenditure 2019/20 (Excl. VAT)	Total Expenditure Per Contract as at 31 December 2019 (Excl. VAT)	Available	Comment	
BID 11 OF 2019 - Supply, implementation of microsoft office 365 for a period of 36 months.	Gemin Moon Trading (Pty) Ltd	992 821.46		992 821.46	1 857 306.85	2 856 217.07	7 482 557.43	12 199 081.35	4 106 354.90	16 305 436.25	787 895.06	Project in progress	
TOTAL EXPENDITURE COMPETITIVE BIDS													
REQUESTS FOR FORMAL WRITTEN QUOTATIONS - 7 DAY NOTICES													
Notice 7 of 2019 - Supply and delivery of Branding material	Alucron (Pty) Ltd	498 000.00		498 000.00			282 544.64	282 544.64	0.00	282 544.64	215 455.36	Completed	
Notice 10 of 2019 - Midantsane eco park	Zubenathi (Pty) Ltd	573 875.30		573 875.30			499 022.00	499 022.00	0.00	499 022.00	74 853.30	Completed, VAT included in award amount.	
TOTAL EXPENDITURE NOTICES													
Quotations													
RFQ 1 of 2018 - Business case for waterfront development as part of the East London port expansion master plan.	Urho Capital	307 050.00		307 050.00			768 999.98	286 999.98		766 999.98	40 050.02	Completed, VAT included in award amount.	
RFQ 1 of 2019 - Feasibility study for the development of East London signal Hill.	Urho Capital	605 620.00		605 620.00			105 400.00	105 400.00	471 275.10	576 626.10	78 993.90	Completed, VAT included in award amount.	
RFQ 4 of 2019 - Transactional Advisory Deal Negotiations	Pamaja Asset Management	400 000.00	60 000.00	460 000.00			372 399.98	372 399.98	400 000.00	400 000.00	60 000.00	Completed, VAT included in award amount.	
GRAND TOTAL BAC AWARDED EXPENDITURE													
					1 857 306.85	2 856 217.07	8 639 524.05	13 353 047.97	4 927 581.00	18 280 628.97			