



agriculture, rural development,
land & environmental affairs
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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Litiko Letekulima, Kutfutukiswa
Kwetindzawo Tasemakhaya, Temhlaba
Netesimondzawo

Departement van Landbou,
Landelike Ontwikkeling,
Grond en Ongewing Sake

umNyango weZelimo
UkuThuthukiswa kweeNdawo zemaKhaya,
iNarha neeNdaba zeBhoduluko

MEMORANDUM

Ref: 5/6/3/1/36 – 25/26
Enq: M Masuku
Ext.: 6136

**TO : MR C.M CHUNDA
HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND
ENVIRONMENTAL AFFAIRS**

**FROM : DR L.B CELE
DEPUTY CHAIRPERSON: BID ADJUDICATION COMMITTEE**

**SUBJECT : REQUEST TO DEVIATE FROM NORMAL SUPPLY CHAIN
MANAGEMENT PROCESS TO PROCURE PROPERTY ON SALE FOR
OFFICE ACCOMMODATION IN MIDDELBURG, STEVE TSHWETE
MUNICIPALITY**

1. PURPOSE

To request approval from the Head of Department to procure a property for office accommodation through a deviation from the normal Supply Chain Management (SCM) process, in order to accommodate officials under the Agricultural Producer Support and Development (APSD) Directorate in Middelburg, under the Steve Tshwete Local Municipality.

2. BACKGROUND

The Bid Adjudication Committee (BAC) received a request from the Asset Management and Facilities Directorate to deviate from the normal procurement processes in order to procure an office property located in Middelburg for APSD officials.

The Department is currently leasing office space at a cost of approximately R73,000.00 per month, amounting to nearly R1 million per annum. Over a projected five-year period, rental expenditure is estimated at approximately R5 million. The lease expired on 31 December 2025 and is currently operating on a month-to-month basis.

REQUEST TO DEVIATE FROM NORMAL SUPPLY CHAIN MANAGEMENT PROCESS TO PROCURE PROPERTY ON SALE FOR OFFICE ACCOMMODATION IN MIDDELBURG, STEVE TSHWETE MUNICIPALITY

The Department has, over the years, spent a significant amount of public funds on leasing properties. In some instances, these costs have exceeded market-related rental rates due to additional mark-ups associated with procurement processes.

The proposed property is valued at approximately R4,200,000.00, which is more cost-effective compared to continued leasing. The property is located within the CBD and offers the following:

- Accessibility, including for persons with disabilities
- Adequate parking space
- Existing partitioning requiring minimal adjustments
- Backup power supply (inverter system with an estimated capacity of up to six hours)
- Three bathrooms and a kitchen, meeting operational requirements

The Department further confirmed that no alternative suitable properties meeting operational requirements are available in the area. The acquisition aligns with the Department's objective to reduce long-term rental expenditure and promote state asset ownership.

The property details are as follows

Property Details	Agency Details
Physical Address: Erf 218 Middelburg, 23 Bhimy Damane Street Erf size: 350m ² Title Deed Number:	Tocesign (Pty) Ltd trading as Rawson Properties Registration number: 2019/5078/62 Representative: Annelie Landman Physical address – 51 Walter Sisulu Street Middelburg, 1050 Contact details Cell: 083 791 0440 Email: annelie.landman@rawson.co.za Office Number – 013 591 4002
Conveyancer Details: To be confirmed	

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3. FINANCIAL IMPLICATION

The property is currently listed for R4,200,000.00. The purchase will be funded in the next financial year, subject to budget reprioritisation by the Office of the Chief Financial Officer (CFO). Additional costs related to property transfer (e.g. legal fees, transfer duties) are anticipated but not yet fully quantified.

4. DISCUSSION

After considering the request from the Asset Management and Facilities Directorate, the Bid Adjudication Committee (BAC) resolved to recommend that the Accounting Officer approve a deviation from the normal procurement processes to allow for the purchase of the property through limited bidding (single quotation). Although they noted the budget availability remains a key risk. The Committee acknowledged that property ownership would reduce recurring rental costs but emphasized the importance of financial readiness and compliance. The Committee further advised that all Supply Chain Management requirements be strictly followed.

5. RECOMMENDATION

The Bid Adjudication Committee recommends that;

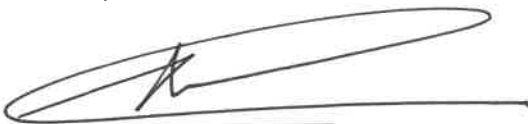
- 5.1. The Accounting Officer approve to deviate from normal procurement processes to procure an office property located in Middelburg under Steve Tshwete Local Municipality on sale from Tocosign (Pty) Ltd trading as Rawson Properties to accommodate the officials from Agricultural Producer Support and Development through limited bidding (single quotation).
- 5.2. Approves the procurement subject to the availability and confirmation of budget by the Chief Financial Officer in the 2026/2027 financial year.
- 5.3. All the Supply Chain Management process should be followed when procuring for these services, i.e. required SBD's forms, CSD, orders, delivery notes and invoices.
- 5.4. Ensures that an independent property valuation is obtained to confirm that the purchase price is market-related, in order to mitigate audit risks.

**REQUEST TO DEVIATE FROM NORMAL SUPPLY CHAIN MANAGEMENT PROCESS TO
PROCURE PROPERTY ON SALE FOR OFFICE ACCOMMODATION IN MIDDELBURG,
STEVE TSHWETE MUNICIPALITY**

6. RECOMMENDATION

The Bid Adjudication Committee recommends that;

- 6.1. The Accounting Officer approve to deviate from normal procurement processes to procure an office property located in Middelburg under Steve Tshwete Local Municipality on sale from Tocosign (Pty) Ltd trading as Rawson Properties to accommodate the officials from Agricultural Producer Support and Development through limited bidding (single quotation).
- 6.2. Approves the procurement subject to the availability and confirmation of budget by the Chief Financial Officer in the 2026/2027 financial year.
- 6.3. All the Supply Chain Management process should be followed when procuring for these services, i.e. required SBD's forms, CSD, orders, delivery notes and invoices.
- 6.4. Ensures that an independent property valuation is obtained to confirm that the purchase price is market-related, in order to mitigate audit risks.



DR L.B CELE
DEPUTY CHAIRPERSON: BID ADJUDICATION COMMITTEE

13/03/2026
DATE



MR S.T NGELE
MEMBER: BID ADJUDICATION COMMITTEE

13/03/2026
DATE



MS T TANDA
MEMBER: BID ADJUDICATION COMMITTEE

13/03/2026
DATE



MR H.A SIBISI
MEMBER: BID ADJUDICATION COMMITTEE

13/03/2026
DATE



MR A MTHEMBU
MEMBER: BID ADJUDICATION COMMITTEE

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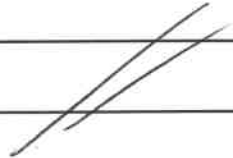
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STEVE TSHWETE MUNICIPALITY**

7. RECOMMENDATION

The Bid Adjudication Committee recommends that;

- 7.1. The Accounting Officer approve to deviate from normal procurement processes to procure an office property located in Middelburg under Steve Tshwete Local Municipality on sale from Tocosign (Pty) Ltd trading as Rawson Properties to accommodate the officials from Agricultural Producer Support and Development through limited bidding (single quotation).
- 7.2. Approves the procurement subject to the availability and confirmation of budget by the Chief Financial Officer in the 2026/2027 financial year.
- 7.3. All the Supply Chain Management process should be followed when procuring for these services, i.e. required SBD's forms, CSD, orders, delivery notes and invoices.
- 7.4. Ensures that an independent property valuation is obtained to confirm that the purchase price is market-related, in order to mitigate audit risks.

APPROVED / ~~NOT APPROVED~~



MR C.M CHUNDA
HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS
DATE: 9/4/26