

GREATER TZANEEN MUNICIPALITY



SUPPLY CHAIN AMANGEMENT UNIT

BID DESCRIPTION: : PANEL OF PROFESSIONAL SERVICE PROVIDERS FOR FINANCIAL AND GOVERNANCE FOR PERIOD OF THREE (3) YEARS

BID NUMBER: SCMU 19/2022

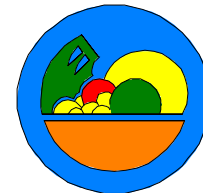
NAME OF THE BIDDER:
.....

BID AMOUNT: R..... (VAT Incl.)

AMOUNT IN WORDS:
..... R

CLOSING DATE: 05 JANUARY 2023 @ 12H00

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MBD1
GREATER TZANEEN MUNICIPALITY
GROTER TZANEEN MUNISIPALITEIT
MASIPALA WA TZANEEN
MASEPALA WA TZANEEN

SUPPLY CHAIN MANAGEMENT UNIT
DEPARTMENT: BUDGET AND TREASURY

BID DESCRIPTION: PANEL OF PROFESSIONAL SERVICE PROVIDERS FOR FINANCIAL AND GOVERNANCE FOR PERIOD OF THREE (3) YEARS

BID NO: SCMU 19/2022

Bids are hereby invited from interested service providers for appointment of **Panel of professional service providers for financial and governance for period of three (3) years** for Greater Tzaneen Municipality. Bid documents are obtainable at the Municipal website (www.greatertzaneen.gov.za) and Supply Chain Offices; Agatha Street, **upon a non-refundable fee of R2000.00** or **Deposited to the following banking details: Greater Tzaneen Municipality; Absa Bank; Acc no:4051444332 reference number please write the name of the company and bid Number.**

Interested bidders must attach proof of the following documents to avoid disqualification:

Proof of payment for tender document (**attach slip / receipt**) Original or certified copy of valid BBBEE Certificate or Sworn Affidavit of BBBEE status level; Copy of company registration certificate/ documents from CIPC; Certified ID copies of all directors; Tax compliance status Pin or certificate; Copy of current municipal account (not older than 3 months) or copy of Lease Agreement and 3 Month proof of payment only (No statements) for the company and directors ; Certified copies of Permission to Occupy (PTO's) land for bidders residing in Tribal Authority's areas of jurisdiction or confirmation letter from Tribal Authority for bidders residing in rural areas; CSD registration summary report (not older than 3 months); Joint Venture Agreement (In case of a Joint Venture) and combined BBBEE Certificate, initial every page of the bid document; all MBD forms be completed in full; Compulsory briefing session.

Financial: Professional bodies (IIA; SAICA); Qualifications (CA; CIA, ACFE, ACCA or equivalent).

Governance: Professional bodies (SACPCMP, IAIA, SAIOSH/ IOSM), Qualifications (Degree in Health and Safety or equivalent.)

Completed bid documents with attachments (supporting documents) must be wrapped in a sealed envelope and be deposited into Greater Tzaneen Municipality bid box, Civic Centre, Agatha Street, marked as Bid No: SCMU 19/2022, Postal Address and contact details of the bidder.

Bid document will be available at www.greatertzaneen.gov.za and Supply chain Management office on the date of advert.

Compulsory Briefing session will be held on 13 December 2022 @ 12h00 Old fire station, Greater Tzaneen Municipality
Closing date: 05 January 2023 @ 12:00. Public bid opening will take place.

EVALUATION OF BIDS

The Evaluation of the bid will be conducted in two stages; first stage will be assessment on functionality:

Technical Ability – 40 Points; Key Personnel Experience – 30 Points; Company Work Experience – 30 Points; only bidders who obtain 70 points will be subjected to 80/20 Preference point scoring system, where 80 points will be allocated for price only and 20 points will be allocated based on the Broad Based Black Economic Empowerment (BBBEE) status level of contributors.

Bidders shall take note of the following bid conditions:

- a. Greater Tzaneen Municipality Supply Chain Management Policy will apply on this bid.
- b. Broad Based Black Economic Empowerment (B-BBEE) Act will apply on this bid.
- c. Greater Tzaneen Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of the bid.
- d. Contract period: 36 months.
- e. Council reserves the right to negotiate further conditions with the successful bidder.
- f. Council reserves the right not to appoint.
- g. No bidder will be appointed if not registered on Central Supplier Database.
- h. Council have the right to appoint more than one bidder;
- i. Late, incomplete, unsigned, faxed or emailed bids will not be accepted.

Technical enquiries should be directed to Ms MP Makhubela @ 015 307 8062

Administrative enquiries relating to the tender be directed to Mrs. Z Ramothwala @ 015 307 8199

Mr. D Mhangwana
Municipal Manager
Greater Tzaneen Municipality

PART B.1 Form of bid

Bid for contract number: SCMU 19 / 2022

I/We, the undersigned:

Bid for an amount % (vat inclusive) and.

a) Bid to supply and deliver to the Greater Tzaneen Municipality all or any of the supplies of goods described in both Specification and Scheduled of this Contract.

b) Agree that we will be bound by the specifications, prices, terms and conditions stipulated in those Schedules attached to this bid document, regarding delivery and execution.

c) Further agree to be bound by those conditions, set out should this bid be accepted in whole or in part.

d) Confirm that this bid may only be accepted by the Greater Tzaneen Municipality by way of a duly authorized Letter of Acceptance; and,

e) Declare that we are fully acquainted with the Preferential Procurement Forms and Schedules, and the contents thereof and that we have signed the Schedule of Prices – PART “F” and completed the Preference Points claim Forms attached in Part I, J, K, L and M; N; O”

f) Declare that the relevant authorised person thereto will initial each page of the bid document and amendment.

g) Declare that all information provided in respect of the bidder as well as the bid documents submitted are true and correct.

h) Declare that documentary proof regarding aspects of the bid process or accidental thereto will, when required, be submitted to the satisfaction of the Municipality.

Signed atthis Day of20.....

_____ Signature Name of Firm: _____

Address: _____

As Witness:

1. Name _____ Date ___/___/_____ Signature: _____

2. Name _____ Date ___/___/_____ Signature: _____

State in cases where the bidder is a Company, Corporation of Firm by what authority the person signing does so, whether by Articles of Association, Resolution, Power of Attorney or otherwise. I/We the undersigned am/are authorized to enter into this contract on behalf of:

By virtue of _____

Dated _____ a certified copy of which is attached to this bid. Signature of authorized person: _____

Name of Firm: _____

Postal Address: _____

As witness:

1. Name: _____ Date ___/___/___ Signature: _____

2. Name: _____ Date ___/___/___ Signature: _____

Please Note: The prices at which bids are prepared to supply the goods and materials or perform the services must be placed in the column on the form provided for that purpose. Failure to sign the form of bid and initialling each page of the bid document will result in disqualification of the bidder. Bidders must sign this Form of Bid as well as PART “F,” attached to this bid document and on acceptance of a bid by the Greater Tzaneen Municipality the Conditions of Contracts, Special Conditions, Specifications and Scheduled of prices, attached hereto shall be deemed to be the conditions of Contract between the parties.

Failure to complete all blank spaces in the forms and to attend to the other details mentioned herein will render the bid liable to rejection.

Bank account details of Bidder:

Bank: _____

Branch: _____

Branch Code: _____

Account Number: _____

Type of Account: _____

Proof that municipal account is paid in full to be attached (arrangements made with council will be taken into consideration).

PART B. 2 Bidding Information

Details of person responsible for bidding process Name:

Contact number: _____

Address of office submitting bid: _____

Telephone: _____

Fax no: _____

E-mail address: _____

Authority for signatory Signatories for close corporation and companies shall confirm their authority by attaching to this form a duly signed and dated copy of the relevant resolution of their members or their board of directors, as the case may be. An example for a company is shown below:

“By resolution of the board of director(s) passed on ____/____/20____

Mr/ Mrs. _____

Has been duly authorized to sign all documents in connection with the bid for

Contract _____

No _____

And any contract, which may arise there from on behalf of Signed on behalf of the company:

In his capacity as: _____ Date: ____/____/____

Signature of signatory as witness:

1. Name _____ Date ____/____/____ Signature: _____

2. Name _____ Date ____/____/____ Signature: _____

PART C General undertakings by the bidder

1.1 Definitions

1.1.1 “Acceptable bid” means any bid, which in all respects, complies with conditions of bid and specifications as set out in the bid document, including conditions as specified in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and related regulations.

1.1.2 “Chairperson” means the chairperson of the Greater Tzaneen Municipality Bid Adjudication Committee.

1.1.3 “Municipal Manager” means the Accounting Officer or Municipal Manager of the Municipality.

1.1.4 “Committee” refers to the Bid Adjudication Committee.

1.1.5 “Council” refers to Greater Tzaneen Municipality.

1.1.6 “Equity Ownership” refers to the percentage ownership and control, exercised by individuals within an enterprise.

1.1.7 “HDI equity ownership” refers to the percentage of an enterprise, which is owned by individuals, or in the case of a company, the percentage shares that are owned by individuals meeting the requirements of the definition of a HDI.

1.1.8 “Member” means a member of the Bid Adjudication Committee.

1.1.9 “Historically Disadvantaged Individual (HDI)” means a South African citizen- (i) Who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the 1983 and 1993 Constitutions; and/or (ii) Who is a female; and/ or (iii) Who has a disability?

1.1.10 “Service providers” refers to the bidders who have been successful in being awarded Council contracts.

1.1.11 “SMMs” (Small, medium and Micro Enterprises) refers to separate and distinct business entities, including co- operative enterprises and NGOs, managed by one owner or more, as defined in the National Small Business (Act 102 of 1996).

1.1.12 “Contract” refers to legally binding agreement between Greater Tzaneen Municipality and the service provider.

1.1.13 “Bid” means a written offer in a prescribed or stipulated form in response to an invitation by the Municipality for the provision of services or goods

1.1.14 “Contractor” means any natural or legal person whose bid has been accepted by the Council.

1.1.15 “Closing time” means the date and hour specified in the bid documents for the receipt of bids.

1.1.16 “Order” means an official written order issued for the supply of goods or the rendering of a service in accordance with the accepted bid or price quotation.

1.1.17 “Written” or “in writing,” means handwritten in ink or any form of mechanical writing in printed form.

1.1.18 Functionality” means technical capability, financial and other resource availability that the service provider needs, to successfully and efficiently render the service and/or deliver in accordance with the specifications.

1.2 INTERPRETATION:

1.2.1 In this agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention: -

1.2.2 An expression which denotes: -

1.2.3 Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the signature date, and as amended or re-enacted from time to time.;

1.2.4 When any number of day is prescribed, such shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;

1.2.5 Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this agreement.

1.3 I/we hereby Bid:

1.3.1 To supply all or any of the supplies and/or to render all or any of the services described in the attached documents {Forms, Schedule(s) and/or Annexure(s) to the Greater Tzaneen Municipality.

1.3.2 On the terms and conditions and accordance with the specifications stipulated in the bid documents (and which shall be taken as part of and incorporated into, this bid);

1.3.3 At the prices and on the terms regarding time for delivery and/or execution inserted therein.

2.1 I/we agree further that: The offer herein shall remain binding upon me/us and open for acceptance by the Greater Tzaneen Municipality during the validity period indicated and calculated from the closing time of the bid. This bid and its acceptance shall be subject to the terms and conditions contained in the Forms, Scheduled(s)

and/or Annexure(s) attached hereto with which I am /we are fully acquitted. notwithstanding anything to the contrary in the Form(s), Schedule(s) and /or Annexure(s) attached hereto:

2.1.1 if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance or fail to fulfil the contract when called upon to do so, the Greater Tzaneen Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the Municipality.

2.1.2 In such event, I/we will then pay to the Municipality any additional expenses incurred by the Municipality for having either to accept any less favourable bid or, if new bids have to be invited, the additional expenditure incurred by the invitation of new bids and by the subsequent acceptance of any less favourable bid.

2.1.3 The Municipality shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract.

2.1.4 Pending the ascertainment of the amount of such additional expenditure the Municipality may retain such monies, guarantee, or deposit as security for any loss the Municipality may sustain, as determined hereunder, by reason of my/our default.

2.1.5 Any legal proceedings arising from this bid may in all respects be launched or instituted against me/us and if/we hereby undertake to satisfy fully any sentence or judgment which may be obtained against me/us as a result of such legal proceedings, and I/we undertake to pay the Greater Tzaneen Municipality legal costs on an attorney and own client.

2.1.6 if my/our bid is accepted that acceptance may be communicated to me/us by letter or facsimiles and that proof of delivery of such acceptance to SA Post Office Ltd or the production of a document confirming that a fax has been sent, shall be treated as delivery to me/us. The law of the Republic of South Africa shall govern the contract created by the acceptance to this bid.

2.1.7 I/we have satisfied myself/ourselves as to the correctness and validity of this bid, that the price(s) and rate(s) quoted cover all the work/items(s) specified in the bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk

2.1.8 I/we accept full responsibility for the proper execution and conditions defaulting on me/us under this agreement as the principal(s) liable for the fulfilment of this contract. I/we declare that I/we have participation/no participation in the submission of any other bid for the supplies/services described in the attached documents.

If your answer here is yes, please state the names(s) of the other Bid(s) involved.....

PART D:

**GENERAL CONDITIONS OF CONTRACT GENERAL CONDITIONS OF CONTRACT
THE NATIONAL TREASURY REPUBLIC OF SOUTH AFRICA**

_____ **Gover
nment Procurement: Greater Tzaneen Municipality**

General Conditions of Contract July 2010

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government. In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter. The General Conditions of Contract will form part of all bid documents and may not be amended. Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

- 1. Definitions
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- 5. Use of contract documents and information; inspection
- 6. Patent rights
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- 8. Inspections, tests and analysis
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15. Warranty
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17. Prices
18. Contract amendments
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21. Delays in the supplier's performance
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24. Dumping and countervailing duties
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26. Termination for insolvency
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28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

1. DEFINITIONS

The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 “Day” means calendar day.

1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.

1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.

1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12” Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. APPLICATION

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. GENERAL

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. STANDARDS

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. USE OF CONTRACT DOCUMENTS AND INFORMATION; INSPECTION.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause

5.2.1 Except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause

5.3.1 Shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. PATENT RIGHTS

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. PERFORMANCE SECURITY

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) A cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations

8. INSPECTIONS, TESTS AND ANALYSES

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier. 8.8 The provisions of clauses 8.4 to 8.7

shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. PACKING

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. DELIVERY AND DOCUMENTS

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. INSURANCE

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. TRANSPORTATION

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC. **13. INCIDENTAL SERVICES**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods.
- (b) Furnishing of tools required for assembly and/or maintenance of the supplied goods.
- (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods.

(d) Performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. SPARE PARTS

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) In the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. WARRANTY

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models and those they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty. 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. PAYMENT

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. PRICES 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. CONTRACT AMENDMENTS

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. ASSIGNMENT

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. SUBCONTRACTS

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under these contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. DELAYS IN THE SUPPLIER'S PERFORMANCE

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 Without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. PENALTIES

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. TERMINATION FOR DEFAULT

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) If the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2.

(b) If the Supplier fails to perform any other obligation(s) under the contract; or

(c) If the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated

fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier?

23.5 Any restriction imposed on any person by the Accounting Officer /Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information: (i) The name and address of the supplier and / or person restricted by the purchaser; (ii) The date of commencement of the restriction (iii) The period of restriction; and (iv) The reasons for the restriction. These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS

24.1 When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. FORCE MAJEURE

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. TERMINATION FOR INSOLVENCY

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without

compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. SETTLEMENT OF DISPUTES

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein, (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and (b) The purchaser shall pay the supplier any monies due the supplier.

28. LIMITATION OF LIABILITY

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) The aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. GOVERNING LANGUAGE

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. APPLICABLE LAW

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise provided in SCC.

31. NOTICES

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. TAXES AND DUTIES

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. NATIONAL INDUSTRIAL PARTICIPATION (NIP) PROGRAMME

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 PROHIBITION OF RESTRICTIVE PRACTICES

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998

PART E GENERAL PROCEDURES

1. General Directives

1. The following general procedures contained in this document have been laid down by the Council and are applicable to all bids, orders, and contracts, unless otherwise approved by the Council prior to the invitation of the bids.
2. Where applicable, special conditions or procedures are also laid down by the Council to cover specific supplies or services.
3. Where such special conditions or procedures are in conflict with the general conditions and procedures, the special conditions or procedures shall apply.
4. The bidder shall satisfy himself/herself with the conditions and circumstances of the bid. By bidding, the bidder shall deem to have satisfied himself/herself as to all the conditions and circumstances of the bid.
5. Formal contract are concluded with the contractors only where this requirement is stated in the bid invitation.
6. All bids with regard to the bidding of a service e.g., materials, cleaning services; professional services, etc. shall be subject to the negotiation of a Service Level agreement between the successful contractor and the Municipality. The acceptance of this Service Level Agreement is subject to the approval by the Council of the Municipality.
7. The written acceptance of bid shall be posted to the bidder or contractor concerned by registered or certified mail.
8. Process for competitive bidding Following are procedures for a competitive bidding process for each of the following stages:

8.1 Compilation of bidding documentation

- (a) Take into account – ♣ The general conditions of contract; ♣ Any Treasury guidelines on bid documentation; and ♣ The requirement of the Construction Industry Development Board, in the case of a bid relating to construction, Replacement or refurbishment of buildings or infrastructure.
- (b) Include evaluation and adjudication criteria, including any criteria required by other applicable legislation.
- (c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted as MBD 4

(d) Require the bidders to furnish the following if the value of the transaction is expected to exceed R10 million (VAT included):

- ♣ If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statement – * For the past three years; or * Since their establishment if establishment during the past three years
- ♣ A certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payments is overdue for more than 30 days
- ♣ Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract
- ♣ A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality is expected to be transferred out of the Republic (e) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

8.2 Issuing of bid documents

on the date that the advertisement appears in the Municipality's Bid Bulletin, and or media, prospective bidders may request copies of the bid documentation. The Supply Chain Unit will keep a register and potential bidders should sign for receipt of the bid documentation. If a fee is payable, an official receipt must be issued before the bid document is handed to the bidder. No bid responses from any Bidder should be accepted if sent via the Internet, e-mail or fax.

Only the Supply Chain Management Unit will have direct communication between the potential bidders and will facilitate all communication between potential bidders and the Municipality with regard to any advertised bid. No line function staff should be allowed to communicate with potential bidders without the approval by the Chief Financial Officer: Supply Chain Management Unit. The Supply Chain Management Unit will only consider request for the extension of the closing dates of advertised bid if the postponed date can be advertised in the media used to advertise before the original closing date. The closing time may be postponed only if all potential bidders can be advised of the postponed time, in writing, before the original closing time. The decision to extend the closing date or time rests with the Chief Financial Officer: Supply Chain Management Unit, who must ensure compliance with all relevant rules and regulations and must confirm prior to the action being taken.

8.3 Payment of bid documents

To ensure that only bona fide bidders collect documentation, and to recover printing costs, bid documents will be issued only after payment of the following amounts to the cashier:

Category Contract	Contract Value	Bid Payment
Micro	R30 000 – R200 000	R200.00
Small	R200 001 – R1000 000	R700.00
Medium	R1000 001 – R2 Million	R1500.00
Large	Above	R2000.00
Professional Services		R5000.00

8.4 Public Invitation for Competitive bids

the following are procedures for the invitation of competitive bids:

(i) Invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the Government Bid Bulletin) and

(ii) Public advertisement must contain the following: The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (Vat included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper; subject to (iii) below; and (iii) Accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days' requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process

(iv) Bids submitted must be sealed.

(v) The following information must appear in any advertisement:

* **Bid number,**

* **Description of the requirements**

* **Closing date and time.**

* **The name and telephone numbers of the contact person for any enquiries.**

8.5 Inspection on loco A fully explanatory site inspection will be conducted.

8.6 Handling of bids submitted in response to public invitation

(a) Closing of bids

All bids will close at **12H00** on a date as stipulated on the advertisement, which must be reflected in the bid document. Bids are late if they are received at the address indicated in the bid documents after the closing date and time. A late bid should not be admitted for consideration and where practical should be returned unopened to the bidder accompanied by an explanation.

(b) Opening of bids

Bids are opened in public as soon as possible after the closure in the presence of the Senior Supply Chain Officer: Supply Chain Management or his/her delegate. The official opening of the bids should in each case read out the name of the bidder and the amount of the bid. The bid should be stamped with the official stamp of the Municipality and endorsed with the signatures of the person opening it and of the person in whose presence it was opened. Bids should be recorded in a register kept for that purpose.

8.7 Validity of the bids

The validity periods should not exceed 90 (ninety) days and is calculated from the date of bid closure endorsed on the front cover of the bid document. Should the validity period expire on a Saturday, Sunday or Public holiday, the bid must remain valid and open for acceptance until the closure on the following working date.

8.8 Consideration of bids

The Council takes all bids duly admitted into consideration. • The Council reserves the right to accept the lowest or any bid received • The decision by the Municipality regarding the awarding of a contract must be final and binding

8.9 Evaluation of bids

The following are criteria against which all bids' responses will be evaluated:

- i) Compliance with bid conditions
 - ⊗ Bid submitted on time
 - ⊗ Bid forms signed and each page initialled
 - ⊗ All essential information provided
 - ⊗ Certified ID copies
 - ⊗ Proof of work experience (attach CV)
 - ⊗ Original or certified copy of B-BBEE Certificate
 - ⊗ Submission of an original Tax Clearance Certificate,

MBD 2

⊗ Submission of Company Registration Certificate

⊗ Submission of a Joint Venture Agreement, properly signed by all parties

⊗ Payment of Municipal Rates

And all requirements as per advert

- ii)** Meeting technical specifications and comply with bid conditions.
- iii)** The number of points scored for achieving Government's Broad-Based Black Economic Empowerment objectives, points scored for price and / or points scored for functionality if applicable.

2.10 Evaluation of bids on functionality and price

- (i)** Greater Tzaneen Municipality must in the bid documents indicate if, in respect of a particular bid invitation that bids will be evaluated on functionality and price.
- (ii)** The total combined points allowed for functionality and price may, in respect of bids with an estimated Rand value above R50, 000,000.00, not exceed 90 points.
- (iii)** When evaluating bids contemplated in this item, the points for functionality must be calculated for each individual bidder
- (iv)** The conditions of bid may stipulate that a bidder must score a specified minimum number of points for functionality to qualify for further adjudication.
- (v)** The points for price, in respect of a bid which has scored the specified minimum number of points contemplated in sub-regulation (v) above, must, subject to the application of the evaluation system for functionality and price contemplated in this regulation, be established separately and be calculated in accordance with the provisions of regulations c and d.
- (vi)** The number of points scored for achieving Government's Broad-Based Black Economic
- (vii)** Empowerment Objectives must be calculated separately and must be added to the points
- (viii)** Scored for functionality and price.
- (ix)** Only bid with the highest number of points be selected.

2.11 Acceptance of bids

Successful bidders must be notified at least by registered post of the acceptance of their bids, but that acceptance, however, will only take effect after completion of the prescribed contract form. Unsuccessful bids should not be returned to bidders but should be placed on record for audit purposes. A register or records should be kept of all bids accepted

2.12 Publication of bid information

The particulars of the successful bidders should be published in the Municipality's Bid Bulletin as well as the website

2.13 Cancellation and re-invitation of bids

(i) In the event that in the application of the 80/20 preference point system as stipulated in the bid documents, all bids received exceed the estimated Rand Value of R50 million, the bid invitation must be cancelled.

(ii) In the event that, in the application of the 90/10 preference point system as stipulated in the bid documents, all bids received are equal to or below R50 million, the bid must be cancelled. (iii) In the event that the Municipality has cancelled a bid invitation as contemplated in sub regulations (i) and (ii) must re-invite bids and, must, in the bid documents stipulate the correct preference point 30 system to be applied.

(a) A bid may be cancelled before award if:

- ⊗ Due to changed circumstances, there is no longer a need for the goods, works or services offered, or
- ⊗ Funds are no longer available to cover the total envisaged expenditure, or
- ⊗ No acceptable bids were received

PART F

SPECIFICATION

FINANCIAL YEAR 2023/2024/2025

SPECIFICATIONS / TERMS OF REFERENCE - PANEL OF PROFESSIONAL SERVICE PROVIDERS FOR THE PERIOD OF THREE (3) YEARS.

The terms of references for the appointment of a Panel of Professional Service Providers to assist the Tzaneen Local Municipality to fulfil its obligations in terms of the Municipal Finance Management Act (MFMA) by providing the below-mentioned professional services on an 'as and when required' basis.

1. BACKGROUND

The Tzaneen Local Municipality is looking to improve the internal control and financial management processes which are caused by a variety of factors, including a lack of adequate resources and legacy or Historic errors in the systems errors amongst many.

In order to improve its financial management processes in compliance with the requirements of the MFMA, it requires assistance to complement its current capacity. The municipality's intention is to obtain the required services through the awarding of specific assignments to external service providers, targeting those areas where it has inadequate specialized municipal financial management skit's or where it has limited capacity.

The following are the areas where the municipality requires professional service providers to assist in:

- Sustainable financial management solutions for the municipality
- Cash management
- Revenue management and collection
- Revenue enhancement
- Debtor's management
- Data cleaning
- Assets management
- Inventory Management
- Investments for unfunded projects
- Land Audit
- Actuarial services for Post-Retirement Medical Award and Long Service Award
- Investigation of Irregular investigations
- Improvement in financial controls
- Resolution of findings made by the auditor general
- Correction of prior-year errors
- Improvement with contract management
- Systems controls in terms of the SCM and asset management
- Training of municipal staff through improved processes in specific areas Adhoc OHS preview and Audit
- AFS reviews

2. OBJECTIVE

The Tzaneen Local Municipality requires, from time to time, external assistance to complement its current capacity in order to fulfil its obligations in terms of the MFMA. Most of the assistance is required at short notice and it is therefore the intention of the Tzaneen Local Municipality to compile a list of experienced and competent service providers in the various fields of municipal financial management.

The successful service providers will report to the Chief Financial Officer on assignments given to them. The qualifying service providers will be listed on a pre-approved panel of service providers. When a need is identified for external support, the Tzaneen Local Municipality will develop detailed terms of reference and request all service providers in the field of the required expertise to submit a comprehensive proposal to execute the terms of reference. These proposals will then be evaluated and the best service provider will be considered for appointment through the SCM committee system.

The objectives of the assignments are to produce sustainable solutions through advanced technical support in specific areas to strengthen such as:

- System controls in terms of SCM;
- Asset management;
- Financial management;
- Debtors Management and Credit Control.
- Financial viability and sustainability of municipalities;
- Contract management;
- Preparations of Annual Financial Statements
- Review of Annual Financial Statements.
- Sourcing of investment funds
- Project management.
- Capacitate municipal staff in discharging their responsibilities through improved processes in specific areas; etc.
- Human resource governance and OHS reviews and Audits

3. SCOPE OF WORK

The following categories of services have been identified as the Scope of Work to be performed during the financial year 2023/2024/2025. These are considered the main areas of focus and are not intended to be exhaustive, as the mandate of the finance section as per the MFMA is quite broad and there may be other areas that may need to be attended to under this project.

Bidders need to demonstrate, via their proposals and previous experience, their capabilities in undertaking assignments in the following categories of service and completing them satisfactorily:

CATEGORY OF SERVICE	DESCRIPTION OF SERVICE	5 ITEMS PER BIDDER
Cash flow management	Improvement of cash flow management and projections improvement of cash flow management process; treatment of conditional grant	

Internal control monitoring	Maintenance of financial records and reconciliations; safekeeping of documents (document management, store e and filing	
VAT	Review and updating of VAT returns, VAT processes review	
Reporting / AFS	GRAP financial reporting; Legislative reporting to National and provincial treasuries and other statutory bodies; Development, improvement and implementation of reporting processes as required; development of templates; Interpretation of reports and other financial and non-financial information	
Skills Development	Transfer of skills to municipal staff; ensuring sustainability and effectiveness if skills transfer	
Project Management	Management of a variety of disciplines; Management of personnel from different service providers; Delivery of results effectively and on time; Management of project budgets.	
Contract management		
Revenue Management	Review and suggest improvements in the management of revenue; revenue enhancement strategy; data cleansing and accounting for revenue	
Supply Chain Management	Strengthen system controls in terms of SCM and asset management	
Source of investment funding	Assisting the municipality sourcing funds to implement approved projects either through grant applications or external investors	
Asset Management	Asset verification, maintenance of GRAP asset register, review of asset management related policies and procedures, Assessment, Valuation, Land Audit and Unbundling of Asset	
OHS Adhoc Reviews and Audit	Assist in health and safety adhoc projects within Human resource governance	

In addition to the above requirements, service providers must ensure the following:

- System controls in terms of Supply Chain Management
- Asset Management
- Financial Management
- Financial viability and sustainability
- Contract management
- Project management
- Capacitation of municipal staff in discharging their responsibilities through improved processes in specific areas

4. DELIVERABLES

4.1 . The outputs required will be specified for each individual project in the relevant Terms of Reference and will be related to the 'Description of Service' in the table above.

- 4.2. The service providers will be required to sign specific agreements for individual projects. The approved list of service providers must have the capacity, functional skills and experience, to provide the services required at a level acceptable to the Tzaneen Local Municipality.

5. COMPETENCY / EXPERTISE REQUIRED

- 5.1. Comprehensive knowledge of the MFMA and related legislation;
- 5.2. Thorough knowledge and understanding of National Treasury Guidelines in respect of processes in municipalities;
- 5.3. Knowledge and experience in the application of Generally Recognized Accounting Practices (GRAP) in municipalities;
- 5.4. Knowledge, expertise and practical experience in contributing to improved sustainability and financial viability through the conduct of projects with particular reference to the scope of work identified in Clause 3 above;
- 5.5. Ability to transfer skills to municipal staff; and
- 5.6. A clear understanding of the dynamics of the Municipality such as Tzaneen Local Municipality.

6. COMMUNICATION AND REPORTING

- 6.1. The successful bidders will report to the CFO on assignments in accordance with the terms and conditions documented in service level agreements, letters of engagement or contracts;
- 6.2. Projects may be initiated by means of service level agreements or letters of engagement and verbal briefs may be given where it is considered appropriate and necessary.

7. REQUIREMENTS TO BE MET BY SERVICE PROVIDERS

- 7.1. Preference will be given to service providers within the Republic of South Africa
- 7.2. Proposals must reflect shareholding structure of the company, by providing the names, gender of individuals owning the company and their respective share percentage
- 7.3. Copies of the company registration certificates, issued by the Companies and Intellectual Property Commission (CIPC) must be attached to the proposal
- 7.4. In case of a Joint Venture, valid tax clearance certificates (or SARS PINS) for each member of the Joint Venture; company registration certificates for each member, and a joint venture agreement of the parties involved must also be part of the proposals.
- 7.5. Bidders are also required to provide their company profiles as well.
- 7.6. Submitted proposals need to reflect on the track record of the company and where possible, proof of experience in similar projects must be provided.
- 7.7. Certified copies of South African accreditation certificates in Bookkeeping, Accounting or Auditing from credible institutions must be attached to the proposal.
- 7.8. Proof of bank account which is in the name of the company must also be provided
- 7.9. Bidders must complete all relevant MBD forms and ensure that signatures are provided where required.
- 7.10. Shareholders and directors must provide certified copies of their Identity Documents. In cases where there are more than five directors / shareholders, an affidavit of the remaining shareholders / directors with their identity document numbers, must be submitted. The municipality reserves the right to request certified copies of the remaining shareholders / directors should the need arise.
- 7.11. A valid and original or certified copy of company's BBB-EE certificate issued by a SANAS accredited institute or body must be attached to the proposal, or alternatively, a Sworn affidavit for EMEs.

8. CONDITIONS OF TENDER

- 8.1. Proposals submitted late will not be accepted / considered
- 8.2. A proposal that does not meet the requirements as set out in Clause 6 above, shall be deemed non-responsive and as a result, will not be subjected to the next stages of the evaluation process.
- 8.3. Disbursements must be quoted as a percentage of the total price quoted for the execution of the required service
- 8.4. The price quoted for the execution of the required service should be an all-inclusive price. In addition, those service providers that are not registered for VAT with the South African Revenue Services (SARS) are advised not to charge for the Value Added Tax.
- 8.5. Companies are required to be able to demonstrate that they have efficient and reliable systems in place to enable them to execute the required service.
- 8.6. Bidders must be able to provide monthly reports, detailing the activities they have undertaken during the time of reporting.
- 8.7. Any successful bidder will be required to enter into a service-level agreement with the Tzaneen Local Municipality.
- 8.8. A proposal that scores less than 70 points out of 100 points which is allocated for (functionality will be regarded as non-responsive and disqualified automatically.
- 8.9. Tzaneen Local Municipality reserves the right to appoint more than one service provider for a particular assignment
- 8.10. Prospective service providers must be registered on the Central Supplier Database (CSD) and provide proof as part of the proposal.

9. EVALUATION CRITERIA

- 9.1. Proposals received will be subjected to the evaluation process in accordance with the provisions of the Preferential Procurement Policy Framework Act (PPPFA) and its associated regulations
- 9.2. The first stage of the evaluation process entails a process whereby all proposals will be subjected to the requirements that are set out in 7 above. In this instance, should a proposal fail to comply with the requirements as indicated, it will be deemed non-responsive and eliminated.
- 9.3. The second stage of the evaluation process requires qualifying proposals to be subjected to compliance with functionality requirements, weighing a total of 100 points. As a condition of tender, any proposal that receives a score of less than 70 points out of the maximum points of 100 allocated for functionality, will be deemed to be non-responsive and disqualified.
- 9.4. The maximum points allocated for functionality, which amount to a 100, will be broken down to cater for the areas as indicated below:

Criteria	A	B
	Bid rating (Score 1-5)	weighting
1. Technical ability:		40
a) Ability to deliver on demand: i. Comprehensive project plan	30	
Excellent	5	
Good	3	
Average	2	
Poor	1	
b) Quality of systems in place i. Availability of equipment	5	
Excellent	5	
Good	4	
Average	3	
Poor	1	
ii. Communication facilities	5	
Excellent	5	
Good	4	
Average	3	
Poor	1	
2. Key Personnel Experience		30
a. Qualifications of staff i. Appropriate and relevant qualifications	10	
Masters	7	
Honours/post graduate diploma	5	
Degree	3	
Diploma	2	
Certificate	1	
ii. Relevant experience and knowledge	20	
10 years or more	7	
5 – 10 years	5	
2 – 5 years	3	
1 – 2 years	1	
No relevant experience and knowledge	0	
3. Company work experience (Appointment letters)		30

a. Experience in similar or related services		
i. Track record in municipalities		
6 years or more	5	
3 – 5 years	3	
Less than 3 years	0	
TOTAL		100

Applicable keys

1 . Technical ability

a. Ability to deliver on demand

i. Comprehensive project plan

Value: 1 = poor; 2 = average; 3 = good; 5 = excellent

b. Quality of systems in place

i. Availability of equipment

Value: 1 = poor; 3 = average; 4 = good; 5 = excellent ii. Communication facilities

Value: 1 = poor; 3 = average; 4 = good; 5 = excellent

2. Competency of personnel

a. Qualifications of staff

i. Appropriate and relevant qualifications

Value: 1 = Certificate; 2 = Diploma; 3 = Degree; 5 = Honours/post graduate diploma; 7 = masters ii. Relevant experience and knowledge

Value: 1 points = 1-2 years; 3 points = <2 and > 5 years; 5 points =<5 and > 10 years; 7 points = < 10 years

3. Competency of company

a. Experience in similar or related services

i. Track record in municipalities

Value: 3 — 5 years' experience = 3 points; > 6 years' experience = 5 points

FOR INTERNAL USE ONLY

Description of consultant ex experience levels	Number of years of related experience	Rate per hour	
JUNIOR LEVEL	2-4YRS		
MIDDLE LEVEL	5-6 YRS		
MANAGER LEVEL	7-8 YRS		
SENIOR MANAGER LEVEL	9-1 OYRS		

PARTNER LEVEL	GREATER THAN 10YRS		
------------------	-----------------------	--	--

Only bidder who meet the requirements will be scored on functionality where: Technical Ability - 40 points; Competency of personnel — 30 points; Competency of Company — 30 points and only bidders that obtain 70 points in functionality will be on PANEL OF PROFESSIONAL SERVICE PROVIDERS FOR THE PERIOD OF THREE (3) YEARS in a pool. This bid will not be evaluated on price as council is appointing a panel for 36 months. Rates will be used upon your selection once you are in a panel.

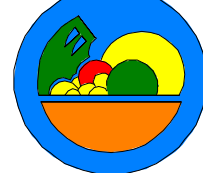
- 9.5. The third stage of the evaluation process entails the evaluation of proposals in determining points scored for price and BBB-EE contribution, whereby the 80/20 preference point system applies to represent the maximum points for price and achievable goals respectively.

10. DURATION OF CONTRACT

The successful service providers will be registered on the panel of service providers for a period of three (3) years and will enter into a contract with the Tzaneen Local Municipality on appointment.

11. CONTACT PERSON FOR TECHNICAL ENQUIRIES

Please direct any enquiries on relation to these specifications / Terms of Reference (TOR's) to the following person(s): Ms. M.P. Makhubela @ 078 2399 010



PART G

Tropical Paradise

GREATER TZANEEN MUNICIPALITY

P.O. BOX 24

TEL: 015 307 8000

TZANEEN, 0850

FAX: 015 307 8049

Tropiese Paradys

INFORMATION REQUIRED FOR BID EVALUATION PURPOSES

1. EXPERIENCE

Complete the below schedule regarding your company previous working experiences on this project.

Client	Contact Person	Contact Number	Contract Value	Contract Period

2. FINANCIAL CAPACITY

The below schedule should be completed by your banker or by the financial institution where your company's bank account is held

Name of Financial Institution	Type of Account	Account Number	Bank Rating

BANK STAMP

Signature: On behalf of the bank

PART H

MBD 2

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet

THE BIDDER'S TAX OBLIGATIONS

1 In order to meet the requirements, bidders are required to complete in full the attached form TCC 00. "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4 In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.

5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form is available from any SARS branch office nationally or on the website www.sars.gov.za.

6 Applications for the Tax Clearance Certificates may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.

PART I

MBD 4

DECLARATION OF INTEREST

- 1.No bid will be accepted from persons in the service of the state*.
- 2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

3.6 Are you presently in the service of the state* (please circle the applicable one) *YES /NO

3.6.1 If so, furnish particulars.

3.7 Have you been in the service of the state for the past twelve months? (Please circle the applicable one) *YES / NO

3.7.1 If so, furnish particulars.

3.8 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? (Please circle the applicable one) *YES / NO

3.8.1 If so, furnish particulars.

3.9 Have you been in the service of the state for the past twelve months? (Please circle the applicable one) *YES / NO

* MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
 - (i) any municipal council.
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces.
- (b) a member of the board of directors of any municipal entity.
- (c) an official of any municipality or municipal entity.
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

3.9.1. If yes, furnish particulars.....

3.10. Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO

3.10.1. If so, furnish particulars

3.11 Are any of the company’s directors, managers, principal shareholders or stakeholders in service of the state? (Please circle the applicable one) *YES / NO

3.11.1 If so, furnish particulars.

3.12 Are any spouse, child or parent of the company’s directors, managers, principal shareholders or stakeholders in service of the state? (Please circle the applicable one) *YES / NO

3.12.1 If so, furnish particulars.

4.Full details of directors / trustees / members / shareholders

Full Name	Identity Number	State Employee Number

Signature

Date

Capacity

Name of Bidder

CERTIFICATION

I, the undersigned (name).....

Certify that the information furnished on this declaration form is correct. I accept that the state may act against me should this declaration prove to be false.

.....

Signature

.....

Date

.....

.....

Designation

Name of Bidder

PART J

MBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: before completing this form, bidders must study the general conditions, definitions and directives applicable in respect of B-BBEE, as prescribed in the preferential procurement regulations, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- The 80/20 system for requirements with a Rand value of up to R50 million (all applicable taxes included) and
- The 90/10 system for requirements with a Rand value above R50 million (all applicable taxes included).

1.2 (a) the value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or

(b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

1.4. The maximum points for this bid are allocated as follows:

	POINTS
Price	80
B-BBEE status level of contributor	20

Total points for price and B-BBEE must not exceed	100
---	-----

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act.
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals.
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).
- (e) **“EME”** means an excepted micro enterprise in terms of a quote of good practice on Black Economic Empowerment issued in terms of section 9(1) of the Broad-Based Economic Empowerment Act.
- (f) **“Functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender document.
- (g) **“Price”** includes all applicable taxes less on unconditional discounts.
- (h) **“Proof of BEE status level of contributor”** means
- 1) BBBEE status level certificate issued by an authorized body or person

- 2) Sworn Affidavit as prescribed by the BBBEE codes of codes practice.
 - 3) an other requirements prescribed in terms of the BBBEE Act.
- (i) “QSE” means a qualifying small business enterprise in terms of a code of good practice on Black Economic Empowerment issued in terms of section 9(1) of the Broad Black Economic Empowerment Act.
- (j) “rand value” means the total estimated value of a contract in rand, calculated at the time of bid invitations, and includes all applicable taxes and excise duties.

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 or 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \text{ Or } P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

- P_s = Points scored for comparative price of bid under consideration
- P_t = Comparative price of bid under consideration
- P_{min} = Comparative price of lowest acceptable bid

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

5.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6

7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contribution: = (maximum of 20 or 10 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level contributor).

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted? (Tick applicable box)

YES		NO	
------------	--	-----------	--

7.1.1 If yes, indicate:

(i) What percentage of the contract will be subcontracted?
.....%

(ii) The name of the sub-contractor?
.....

(iii) The B-BBEE status level of the sub-contractor?
.....

(iv) Whether the sub-contractor is an EME/SME? YES / NO

(Tick applicable box)

(V) Specific, by ticking the appropriate box, if subcontracting with an enterprise in terms of preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at last 51% owned by	EME	QSE
Black People		
Black People who are youth		
Black People who are woman		
Black People with disabilities		
Black People living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black People		
Black People who are military veterans		
Or		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of the business:

8.2 VAT registration number :

8.3 Company registration number.....

8.4 TYPE OF COMPANY/ FIRM [TICK APPLICABLE BOX]

- Partnership/Joint Venture / Consortium
- One-person business/sole proprietor
- Close corporation
- Company
- (Pty) Limited

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

8.6 COMPANY CLASSIFICATION [TICK APPLICABLE BOX]

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g., transporter, etc.

[TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION

Municipality where business is situated

.....

Registered Account Number

Stand Number

8.8 Total numbers of years the company/firm has been in business?

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) Disqualify the person from the bidding process.
 - (b) Recover costs, losses or damages it has incurred or suffered as a result of

- that person's conduct.
- (c) Cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - (d) Restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution

Witnesses

1.....

2.

.....
 Signature(s) of bidders

Date:

Address:

.....

.....

PART K

MBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9 (1) and 9. (3) make provision for the promotion of local production and content.
- 1.2. Regulation 9 (1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9 (3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left[\frac{x}{y} \right] \times 100$$

Where

- x imported content
- y bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as required in paragraph 4.1 below.

1.7. A bid will be disqualified if:

- The bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below, and.
- This declaration certificate is not submitted as part of the bid documentation.

2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals.
- 2.2. **“Bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state.
- 2.4. **“Designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content.
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of

2.7. components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry.

2.8. **“Local content”** means that portion of the bid price, which is not included in the imported content, provided that local manufacture does take place.

2.9. **“Stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.10. **“Sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content?

YES / NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za. Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	

Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

Local content declaration by chief financial officer or other legally responsible person nominated in writing by the chief executive or senior member/person with management responsibility (close corporation, partnership or individual)

IN RESPECT OF BID No.

ISSUED BY: Greater Tzaneen Municipality

NB The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, (full names),

Do hereby declare, in my capacity as

.....

of(name of bidder entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.

(c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content (x)	R
Stipulated minimum threshold for Local content (paragraph 3 above)	
Local content % as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

(d) I accept that the **Greater Tzaneen Municipality** has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

Signature: _____

Date: _____

Witness No. 1 _____

Date: _____

Witness No. 2 _____

Date: _____

PART L

MBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

Description of Service	Price (all applicable taxes included)	Completion date	B-BBEE status level of contribution	Minimum threshold for local production and content (if applicable)

4. I confirm that I am duly authorized to sign this contract.

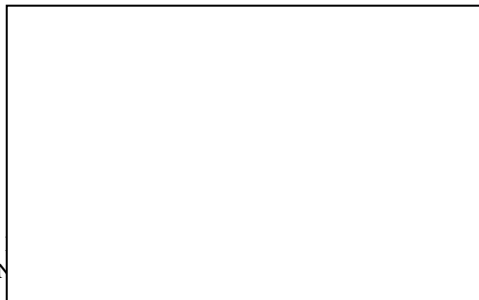
Signed at on

.....

Name (print)

Signature

OFFICIAL STAMP



WITNESSES

1

2

DATE:

.....

PART M

MBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system.
 - b. been convicted for fraud or corruption during the past five years.
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. Been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Item	Question	Yes	No
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, the undersigned (full name)
certify that the information furnished on this declaration form true and correct.
Accept that, in addition to cancellation of a contract, action may be taken against me
should this declaration prove to be false.

.....
Signature

.....
Date

.....
Designation

.....
Name of Bidder

PART N

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid number:

.....

Bid Description:

.....

In response to the invitation for the bid made by **Greater Tzaneen Municipality**

Do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of:

_____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate.
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect.
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder.
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder.
5. For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) Has been requested to submit a bid in response to this bid invitation.
 - (b) Could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities, or experience; and
 - (c) Provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) Prices.
 - (b) Geographical area where product or service will be rendered (market allocation)
 - (c) Methods, factors or formulas used to calculate prices.
 - (d) The intention or decision to submit or not to submit, a bid.
 - (e) The submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) Bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and

Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Returnable Documents

Checklist On Minimum Requirements

To assist you with your tendering process, see a checklist on minimum requirements below:

No.	Minimum requirements	Tick	Comment if not attached
1.	Complete original bid document		
2.	Proof of payment for tender document (attach slip / receipt)		
3.	CSD reports; B-BBEE Certificate/ Sworn affidavit		
4.	Valid Tax Clearance Certificate or Tax pin		
5.	CK/Company registration certificate showing percentage of shareholders / membership interest		
6.	Certified ID copies of the shareholders appearing in the CK		
7.	Proof of Residence: Municipal statement account / letter from headman/Tribal Authority/Lease agreement with 3 months proof of payments not statements for the company and directors		
8.	Contract period 36 months		
9.	Initial each page of the Conditions of Contact		
10.	Company Work Experience		
11.	Key personnel Experience		
12.	Financial: Professional bodies (IIA; SAICA); Qualifications (CA; CIA, ACFE, ACCA or equivalent)		
13.	Governance: Professional bodies (SACPCMP, IAIA, SAIOSH/ IOSM), Qualifications (Degree in Health and Safety or equivalent)		
14.	All MBD Forms must be completed and signed		
15.	In case of a Joint Venture, Association or Consortium a formal contract agreement		
16.	Responded as per the scope of work (compliance to specification/ conditions or term of references)		
17.	Detailed price schedule/ financial Bids		
18.	All/Any alterations initialled		
19.	Form of offer to be filled in details		
20.	Compulsory briefing session attended		

Company Representative (Name)

Signature