MALUTI-A-PHOFUNG MUNICIPALITY

NOTICE NUMBER: 03/2026/2027

BID NUMBER: SCM/BID07/2026/2027

APPOINTMENT OF A SERVICE PROVIDER FOR THE GRAP COMPILATION FIXED ASSETS REGISTER FOR THE MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS

CLOSING DATE: 29th OCTOBER 2026 @ 10H00

PREPARED FOR:	PREPARED BY:
MALUTI-A-PHOFUNG MUNICIPALITY PRIVATE BAG X 805 WITSIESHOEK 9870 TEL: 058 718 3791 CONTACT PERSON: Mr S Mopeli E-MAIL: selomom@map.fs.gov.za	SUPPLY CHAIN MANAGEMENT UNIT MALUTI-A-PHOFUNG MUNICIPALITY PRIVATE BAG X 805 WITSIESHOEK 9870 TEL: (058) 718 3878 (058) 718 3870 CONTACT PERSON: Ms M. MOTSAU EMAIL: mastokim@map.fs.gov.za : palesal@map.fs.gov.za

NAME OF BIDDER_______________________________________

BID AMOUNT; EXCL/INCL VAT____________________________

CSD NUMBER: ____

NOTE: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

MALUTI-A-PHOFUNG MUNICIPALITY

NOTICE NUMBER: 03/2026/2027
BID NO. SCM/BID07/2026/2027

APPOINTMENT OF A SERVICE PROVIDER FOR THE GRAP COMPILATION FIXED ASSETS REGISTER FOR THE MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS

Maluti-a-Phofung Municipality hereby invite bids for appointment of a Service Provider for the compliant fixed assets register for the municipality for a period of three (3) years

Requirements:

- Bidders must submit a Copy of Company Registration Certificate (CRC) Reflecting Active Members (Except for Sole Traders and Partnership).
- Bidders must be registered with Central Supplier Database (CSD), CSD number must be provided, and in case of a JV all parties must be registered on CSD.
- Bidders are required to submit their unique personal identification Number (Pin) issued by SARS to enable the Municipality to view the taxpayer's profile and tax Status
- All supplementary forms including municipal rates and taxes clearance certificate form contained in the bid documents must be completed in full or (submit a proof that the municipal rates and taxes are not in arrears for more than three months)
- In Bids whereby consortia/ joint ventures/ sub-contractors are involved, each party must submit a separate Tax Compliance Status (TCS) Certificate/Pin/CSD Number.
- Copy of Company Profile (with documents for functionality)
- Bidders must index their bid document properly.
  Sealed Bids should clearly indicate: **APPOINTMENT OF A SERVICE PROVIDER FOR THE COMPILATION OF GRAP COMPLIANT FIXED ASSET REGISTER FOR THE PERIOD OF THREE (3) YEARS (SCM/BID07/2026/2027)**

Closing date:	**29th October 2026 at 10h00**
Bid Box:	Bid Box No. "A" Maluti-a-Phofung Municipality Setsing Business Centre C/O Moremoholo & Motloung streets Phuthaditjhaba

Supply Chain Enquiries: M. Motsau (058)7183878/(058) 718 3870 –mastokim@map.fs.gov.za
palesal@map.fs.gov.za

Technical Enquiries: S. Mopeli - 058 718 3791- selomom@map.fs.gov.za

Please note:

1. **No bids will be accepted from persons in the service of the state.**
2. Bid documents will be obtainable as from Wednesday **the 16th of September 2026** after **10h00** from the cashiers point, Phuthaditjhaba offices upon payment of a **R 504.00** non-refundable fee (cash or bank guaranteed in favour of Maluti-a-Phofung Municipality) or alternatively the tender document may be download from e-tender portal at no extra charge.
3. No electronic copies, telegraphics, telefaxes and late Bids will be accepted.
4. Municipality is not bound to accept the lowest Bid.
5. Municipality reserve the right not to award the bid.
6. Municipal Supply chain management policy and Preferential Procurement Policy Framework Act No 5 of 2000 (80/20 preferential points allocation system in line with revised Procurement Regulations of 2022 by using the balance scorecard methodology) will be applied.
7. Only one submission for this bid will be considered from the bidder.
8. Failure to comply with the above mentioned conditions may invalidate your bid.
9. Should you not receive any correspondence from us within 90 days regard your bid as unsuccessful.
10. Communication will be limited to the successful bidder.

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ADV M.M MOFOKENG
MUNICIPAL MANAGER

1. Scope of work

1.1 Review, correction and updating of existing asset registers

The service provider will be required to reconstruct a GRAP compliant asset register from the current registers been kept by the municipality. All the required Fixed Asset Register (FAR) assertions are to be satisfied as required by the GRAP standards.

This includes amongst others:

- Ownership,
- Existence of the asset,
- Completeness of the existing FAR, and
- Up to date valuation of the asset for those assets without verifiable cost prices.

The service provider is expected to identify the gaps between the FAR provided by the municipality in meeting the GRAP standards based on the above principles. The service provider to prepare a project implementation plan to undertake the review and updating of the FAR to be GRAP compliant as well as to bring it to current.

The service provider must also submit a detailed methodology for the compilation of the FAR which should also demonstrate that the terms and conditions outlined in this document have been taken into account.

1.2 Verification of existing assets and assets identification for incomplete assets

The service provider must use the existing FAR to undertake the validation and verification of the asset register. This process will include amongst other things;

- Conducting 100% verification of infrastructure, fixed assets and movable assets.
- Tracing all the assets in the existing FAR to their actual location, keeping record of all assets which cannot be traced, which should subsequently be investigated and accounted for as required for by GRAP standards and any applicable legislation (e.g; MFMA).
- Identify and record all municipal assets in various locations which cannot be traced to the existing FAR.
- Record the location of all fixed assets by providing the GPS coordinates of each asset component.
- Determine the ownership of the assets from the existing asset register as well as the asset user.

- Capture for each asset the data attributes which are required to its description in the FAR. This will include amongst a few, the length, width, diameter, capacity, etc of each asset component. The data attributes from the field work should be compared with those in the existing asset register and reconciled as required.

The service provider must ensure that all movable assets are bar-coded, and the municipality's GIS is updated with the relevant information including the verified infrastructure asset coordinates.

1.3 Unbundling of the asset register and condition assessment

For infrastructure assets in the existing FA, the service provider should review the level of the componentization applied with the municipality's asset management policy as well as the National Treasury guidelines. For all completed projects, the service provider should undertake a comprehensive componentization of the assets to a level where significant components have differing useful life expectations to that of the parent asset. This process should be undertaken to enable more realistic depreciation charges to be set and thus more accurately model the use of the asset.

To undertake a condition assessment of the assets with the view to provide indication as to whether or not the consumption of the asset is as initially expected upon the acquisition of the asset and service levels are being attained. The condition assessment of the fixed assets should be undertaken to a level that will enable the municipality to:

- Analyse the rate of deterioration of the assets,
- Identify the appropriate mitigation measures to take and the timing,
- Support more accurate estimates for remaining useful life, and
- Enable the forward planning on the capital replacement needs that will decrease risk of unavoidable and unplanned expenditures.

1.4 Valuation of the asset register

Review the valuation of assets in the existing asset register to ensure that they are correctly valued.

For projects completed, the service provider must use the projects record to determine the date that the asset became available for use, and appropriate cost model to determine the initial cost of the asset components that are unbundled and recognised in the FAR. Where the relevant project records are not available due to the poor state of record keeping at the municipality, the service provider should apply appropriate valuation techniques/methods in line with the municipality's asset management and accounting policy and applicable GRAP standards to value the asset.

1.5 Review and update the useful life of the existing asset

The service provider must undertake a review of the estimated useful life (EUL), the asset component age and the remaining useful life (RUL) of each asset and ensure that changes to the EUL are effected in the updated asset register.

Based on available records on asset installation dates where available, the service provider must review and update the asset (and asset component) age of the infrastructure. The service provider must indicate the methodology that will be used that takes into account, the materiality of the valuation of the assets.

It is important that the service provider determines the remaining useful life of each asset component based on the condition assessment undertaken than just assessing the EUL and deducting the current age of the asset. The service provider must indicate the methodology that will be used in determining the useful life and asset age. The issue of materiality of the result should be considered in developing the method of assessing useful lives of each asset component.

For assets that may be near or past their assessed useful life but still in use, the service provider must determine the minimum remaining life based on the asset type or the service type.

1.6 Calculate the depreciation charges

In order to determine the carrying value of the assets, the service provider must determine the depreciation of each asset based on the depreciation amount of each asset over its useful life. In order to determine the depreciation, the service provider must indicate the depreciation methods to be used for the various assets based on the depreciation pattern of each asset component which must reflect the pattern in which the asset’s future economic benefits are expected to be consumed in line with the municipality's asset management policy and accounting policy.

The service provider must ensure that the depreciation charges are in line with the useful lives of the assets as determined in the Local Government Capital Assets Management Guideline of 2008.

1.7 Compile a GRAP compliant asset register

The service provider must compile a GRAP 17 compliant asset register that provides the information determined from the above tasks. Further tasks to be performed as part of the compilation process will include but not limited to the following:

- Corrections emanating from the review of the valuation of assets in the existing asset register to ensure that they are correctly valued.
- Take on dates for assets in the existing FAR.
- Reconciliation of the assets in various locations to those in the existing FAR.
- Investigation of assets in the existing FAR but not traceable to the various locations.
- Reconciling the new asset register with the existing asset register and resolve all variances identified.
- Addressing any other gaps identified in the existing FAR in meeting GRAP 17 standards.

The service provider must compile the fixed asset listing in a format suitable for import into the municipality's current financial management system. The asset register must provide the following but not limited to information on:

- Asset class
- Asset unique identification codes
- Attribute data of each asset
- Location of the asset
- Acquisition date
- Take-on date
- Purchase price
- Take-on value
- Estimated base useful life
- Condition of the asset
- Modified useful life
- Remaining useful life
- Current unit replacement cost
- Replacement cost
- Method of depreciation
- Accumulated depreciation
- Depreciation replacement cost
- Annual depreciation
- Conditional assessments
- Impairment
- Prior period adjustments
- Additions
- Disposals
- Derecognition
- Carrying amount

The service provider must further consult the MFMA-Local Government Capital Asset Management Guideline, part 5.1.1 for information to be included in an asset register.

1.8 <u>Review and update the asset management policy & standard operating procedures</u>

1.8.1 Updating of the Asset Management Policy

The service provider should review the municipality's asset management policy based on the updated register. This should include but not limited to the following:

- Review the criteria to be met before expenditure can be capitalised as an item of property, plant and equipment.

- Criteria for determining the initial cost of the different items of property, plant and equipment. Document the method of calculating depreciation for different items of property, plant and equipment.

- Review and determine the criteria for capitalizing subsequent expenditure on property, plant and equipment.
- Review/develop the standards and procedures for scrapping and disposal of property, plant and equipment.
- Review and update the classification and/or componentization of property, plant and equipment.

1.8.2 <u>Procedures for maintenance of the asset register</u>

The service provider should review the current processes for the maintenance of an up-to-date GRAP compliant asset register.

1.9 <u>Capacity building and training</u>

The importance of the need for relevant capacity building, training and technology transfer to the municipal asset, financial and engineering officials cannot be overemphasized. This is considered to be a key component of the assignment, not only because it will serve to develop the competence and expertise of the individuals, but also because it will establish a common understanding of the technical aspects of asset management and specifically the updating of the asset registers which form the basis for maintenance management and financial management of the assets.

The service provider must develop a capacity building program and a training framework during the inception phase. The framework should include but not be limited to the following:

- Training objectives
- Identify the training needs/purpose and what will be achieved
- Provide the training methodologies to be used
- Identify a capacity building and training plan with clear timelines, deliverables, trainers and trainees.

PRICE SCHEDULE						
Bidders are requested to follow the model below so that proposals can easily be completed.						
Product	**Unit Price**	**Quantity/Hours**	**Year 1**	**Year 2**	**Year 3**	**Total Amount**
			R	**R**	**R**	**R**
Information Gathering						
Gap Analysis Reconciliation						
Verification						
Data Validation						
Financial Reporting						
Compile Asset Management Plan (and FAR)						
Provide Audit Support						
Disbursement						
					SUB-TOTAL	
					VAT	
					GRAND TOTAL	

CRITERIA	WEIGHT	POINTS ALLOCATED	DOCUMENTS TO BE SUBMITTED AS PROOF TO SCORE POINTS
EXPEREINCE: Previous GRAP Compliant projects (40 Points) Previous completed GRAP-compliant FAR projects with an unqualified audit opinion on Property, Plant and Equipment: - 06 and above, reference letters = - 03 – 05 reference letters = - 01 – 02 reference letters = - 0 reference letters =	**40** **25** **10** **0**		Copies of signed appointment letters and reference letters from previous clients should be attached to claim points. The municipality will verify the information submitted with respective referees. The attached references should be contactable to enable the municipality to verify the letters (both email and telephone).
RESOURCES: Technical Expertise and Competency of Team Leader (10 Points) The team must be led by both: • a Qualified Engineer (Engineering Council of South Africa Registered), or • Chartered Accountant (ACCA/SAICA & IRBA Registered): - 10 and more years = - 7 - 9 Years = - 4 - 6 Years = - 1 - 3 Years = - 0 - years =	**10** **07** **05** **02** **0**		All relevant certified qualifications and registrations must be submitted to claim points. Please attach an organogram of the proposed project team.

RESOURCES: Asset Management Team Composition (20 Points) The team must be composed of the following individuals: 1. Chartered Accountant (ACCA/SAICA & IRBA Registered); 2. Qualified Professional valuer (PV SACPVP Registered); 3. Registered Geomatics Professional (SAGC Registered); - All five professionals as per the required team list including team leaders= - Any three professionals as per the required team list = - Any two professionals as per the required team list = - One professional as per the required team list = Each expert must have at least 5 years of practical experience in the municipal asset and finance environment.	**20** **15** **10** **5**		All relevant certified qualifications and registrations must be submitted to claim points
Project Time Frames (10 Points) - An in-detail project work plan with detailed tasks and time frames = - A basic plan with basic time frames = - No Project plan =	**10** **5** **0**		The FAR compilation plan must be submitted to the AGSA, in line with the MFMA and the AFS plan prepared by the municipality

Asset Management System (20 Points) Proof of an Asset System with the following main futures: - High definition arial maps taken within the financial year = - Updated street view of the entire municipal assets and network = - Digitized asset registers in a Geographic Information System (GIS) = - Mobile asset verification software (Image and GPS enabled) =	**5** **5** **5** **5**		To provide the system brochure or pamphlet or screenshots or any other documentation to support the point claimed per the listed system functionalities.
TOTAL ALLOCATION	**100**		

Evaluation criteria

Bidders who score less than **80 points** of the **100 points** for functionality will be disqualified and will not be evaluated on preferential points system.

1. **PERFORMANCE MANAGEMENT**

In terms of Section 116 (2) of the MFMA, the municipality is required by Law to monitor the performance of service providers monthly in line with the performance areas as stipulated in the Service Level Agreement (SLA). The monitoring of the appointed service provider will be done monthly.

2. **APPLICABLE FUNCTIONAL OR TECHNICAL EVALUATION CRITERIA COMPLIANCE DOCUMENTS:**

<u>The bidder must submit the following documents, failure to comply, the bidder will not be evaluated further:</u>

- Valid and certified copy of a Letter of good standing compensation & injury Diseases Act (COIDA).
- Valid Unemployment Insurance fund (UIF) registration certificate in the name of the company or close corporation (submit certified copy of the original document).

- **RISK IMPLICATIONS**
- The Municipal assets are at risk of being stolen or vandalized and inadequately maintained which adversely impacts the delivery of basic service

MBD 1

PART A
INVITATION TO BID

<table>
<tr><td colspan="6">YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY</td></tr>
<tr><td>BID NUMBER:</td><td>SCM/BID09/2026/2027</td><td>CLOSING DATE:</td><td>29th OCTOBER 2026</td><td>CLOSING TIME:</td><td>10H00</td></tr>
<tr><td>DESCRIPTION</td><td colspan="5">APPOINTMENT OF A SERVICE PROVIDER FOR THE COMPILATION OF GRAP COMPLIANT FIXED ASSETS REGISTER FOR THE MUNICIPALITY FOR THE PERIOD OF THREE (03) YEARS</td></tr>
<tr><td colspan="6">THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</td></tr>
</table>

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:

<table>
<tr><td>MALUTI-A-PHOFUNG LOCAL MUNICIPALITY</td></tr>
<tr><td>CNR MOREMOHOLO & MOTLOUNG STREETS</td></tr>
<tr><td>SETSING BUSINESS CENTRE</td></tr>
<tr><td>PHUTHADITJHABA</td></tr>
<tr><td>9870</td></tr>
<tr><td>BID BOX “A”</td></tr>
</table>

<table>
<tr><td colspan="6">SUPPLIER INFORMATION</td></tr>
<tr><td>NAME OF BIDDER</td><td colspan="5"></td></tr>
<tr><td>POSTAL ADDRESS</td><td colspan="5"></td></tr>
<tr><td>STREET ADDRESS</td><td colspan="5"></td></tr>
<tr><td>TELEPHONE NUMBER</td><td>CODE</td><td colspan="2"></td><td>NUMBER</td><td></td></tr>
<tr><td>CELLPHONE NUMBER</td><td colspan="5"></td></tr>
<tr><td>FACSIMILE NUMBER</td><td>CODE</td><td colspan="2"></td><td>NUMBER</td><td></td></tr>
<tr><td>E-MAIL ADDRESS</td><td colspan="5"></td></tr>
<tr><td>VAT REGISTRATION NUMBER</td><td colspan="5"></td></tr>
<tr><td>TAX COMPLIANCE STATUS</td><td>TCS PIN:</td><td></td><td>OR</td><td>CSD No:</td><td></td></tr>
<tr><td>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?</td><td colspan="2">☐Yes ☐No
[IF YES ENCLOSE PROOF]</td><td colspan="2">ARE YOU A FOREIGN BASED SUPPLIER FORTHE GOODS /SERVICES OFFERED?</td><td>☐Yes ☐No
[IF YES, ANSWER PART B:3]</td></tr>
<tr><td>TOTAL NUMBER OF ITEMS OFFERED</td><td colspan="2"></td><td colspan="2">TOTAL BID PRICE</td><td>R</td></tr>
<tr><td>SIGNATURE OF BIDDER</td><td colspan="2">……………………………….</td><td colspan="2">DATE</td><td></td></tr>
<tr><td>CAPACITY UNDER WHICH THIS BID IS SIGNED</td><td colspan="5"></td></tr>
</table>

<table>
<tr><td colspan="2">BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</td><td colspan="2">TECHNICAL INFORMATION MAY BE DIRECTED TO:</td></tr>
<tr><td>DEPARTMENT</td><td>SCM</td><td>CONTACT PERSON</td><td>Mr S Mopeli</td></tr>
<tr><td>CONTACT PERSON</td><td>MISS M. MOTSAU OR MISS P. LITSIBANE</td><td>TELEPHONE NUMBER</td><td>058 718 3791</td></tr>
<tr><td>TELEPHONE NUMBER</td><td>058 718 3870</td><td>FACSIMILE NUMBER</td><td>N/A</td></tr>
<tr><td>FACSIMILE NUMBER</td><td>N/A</td><td>E-MAIL ADDRESS</td><td>selomom@map.fs.gov.za</td></tr>
<tr><td>E-MAIL ADDRESS</td><td>palesal@map.fs.gov.za</td><td colspan="2"></td></tr>
</table>

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE**

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN 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.

2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐YES ☐ NO

3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐YES ☐ NO

3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐YES ☐ NO

3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐YES ☐ NO

3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER: ……………………………………………

CAPACITY UNDER WHICH THIS BID IS SIGNED: ……………………………………………

DATE: ………………………………

TAX CLEARANCE REQUIREMENTS

IT IS A CONDITION OF BIDDING THAT -

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.

2. The attached form "Application for Tax Clearance Certificate (in respect of bidders)", must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.

3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver's Office.

MBD2/ Application for tax Certificate…

APPLICATION FOR TAX CLEARANCE CERTIFICATE
(IN RESPECT OF BIDDERS)

1. Name of taxpayer / bidder: ....
2. Trade name: ....
3. Identification number: | | | | | | | | | | | | | |
4. Company / Close Corporation registration number: | | | | | | | | | |
5. Income tax reference number: | | | | | | | | | | |
6. VAT registration number (if applicable): | | | | | | | | | | |
7. PAYE employer's registration number (if applicable): | | | | | | | | | | |

Signature of contact person requiring Tax Clearance Certificate: ....
....

Name: ....

Telephone number: Code:………………… Number: ....

Address: ....

....

....

DATE: 20_____ / ______ / ______

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

[MBD 2

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state[1].

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.

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

3.1 Full Name of bidder or his or her representative:…………………………………………..

3.2 Identity Number: ……………………………………………………………………………….

3.3 Position occupied in the Company (director, trustee, hareholder[2]):………………………..

3.4 Company Registration Number: ……………………………………………………………….

3.5 Tax Reference Number:…………………………………………………………………………

3.6 VAT Registration Number: …………………………………………………………………

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars. ….……………………………………………………………

………………………………………………………………………………………………..

[1]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.

Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? ………………**YES / NO**

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

…………………………………………………………………………………

3.10 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? …………………………………**YES / NO**

3.10.1 If yes, furnish particulars.

………………………………………………………………………………

……………………………………………………………………………

3.11 Are you, aware of any relationship (family, friend, other) between any other 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**

3.11.1 If yes, furnish particulars

…………………………………………………………………………………

……………………………………...

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

……………………………………………………………………………….

……………………………………………………………………………….

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

……………………………………………………………………………….

……………………………………………………………………………….

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

……………………………………………………………………………..

……………………………………………………………………………..

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

Full Name	**Identity Number**	**State Employee Number**

……………………………………..
Signature

………………………………………..
Date

…………………………………….
Capacity

………………………………………
Name of Bidder

MBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

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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 000 000 (all applicable taxes included); and**
- **the 90/10 system for requirements with a Rand value above R50 000 000 (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 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

(a) Price; and

(b) Specific goals

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

1.5

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and Specific Goals must not exceed	**100**

1.6 Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.7 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

The words in this policy shall bear a meaning as prescribed and/or ascribed by applicable legislation, and in the event of a conflict, the meaning attached thereto by National Legislation shall prevail:

(a) “Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

(b) “Black people” as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.

(c) “Tender” means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods.

(d) “”price” means an amount of money tendered for good or services, and includes all applicable taxes less all unconditional discounts;

(e) “rand value” means the total estimated value of a contract in rand, calculated at the time of bid tender invitation, and includes all applicable taxes and

(f) “tender for income generating contracts” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method invisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auction.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps	=	Points scored for price of bid under consideration
Pt	=	Price of bid under consideration
Pmin	=	Price of lowest acceptable bid

4. POINTS AWARDED FOR SPECICATION GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.*)**

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points allocated (90/10 system) (To be completed by the tenderer)	Number of points allocated (80/20 system) (To be completed by the tenderer)
Location based: • Within Maluti-a-Phofung = 15 • Within Thabo Mofutsanyana District = 10 • Within Free State Province = 05 • Outside Free State = 0 **DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS** • Official Municipal Rates Statement • Lease Agreement Affidavit for rural entities		15		
Gender (Woman Owned Enterprise) = 05 **DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS** • Company Registration Documents Identification Documents		05		
Total Points Allocated		**20**		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.1 Name of company/firm:……………………………………………………………………………….

4.2 VAT registration number:……………………………………..……………………………………

4.3 Company registration number:…………….……………………….…………………………….

4.4 TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium

- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering 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) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

Signature(s) of Tenderer(s):____________________ Date: _____________________

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	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? (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 *audi alteram partem* rule was applied). **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.**	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 ☐	No ☐
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 ☐	No ☐
4.3.1	If so, furnish particulars:		
Item	**Question**	**Yes**	**No**
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 ☐	No ☐
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 ☐	No ☐
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.**

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

………………………………………... **…………………………..**
Signature **Date**

………………………………………. **…………………………..**
Position **Name of Bidder**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids[1] 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.

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

____

(Bid Number and Description)

in response to the invitation for the bid made by:

____

(Name of Municipality / Municipal Entity)

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 consortium[3] 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

Maluti-a-Phofung Municipality

Setsing Business Centre
C/o Moremoholo & Motloung Streets
Phuthaditjhaba
9866

Private Bag X805
Witsieshoek
9870
Tel: 058 718 3700
Fax: 058 713 0459

Enquiries: Supply Chain Management Unit

MUNICIPAL SERVICES, RATES AND TAXES CLEARANCE CERTIFICATE FOR SUPPLY CHAIN MANAGEMENT PURPOSE

The purpose of this form is to obtain prove that municipal services, rates and taxes of the service provider are not more than three months in arrears with the relevant municipality / landlord in the municipal area where the service provider conduct his / her business. **This form is to be completed only if the service provider's rates and taxes are not in arrears for more than three months.**

PART A – to be completed by the relevant municipality in the case where the service provider is the registered owner of the site / owner pays for municipal services / tenant pays for municipal services

OR

PART B – to be completed by the landlord in the case where the service provider is renting the premises / rental paid by tenant include municipal services.

PART A (TO BE COMPLETED BY THE RELEVANT MUNICIPALITY)
Name of the Municipality:
Property Physical Address:
Registered Name:
Official's Name: ________________________________ Municipality Stamp Here Signature : _____________________________________ Date: ____ **Please tick whether in arrears or up-to-date** Rates and taxes : Up-to-date / in arrears for more than 3 months Water: Up-to-date / in arrears for more than 3 months Electricity: Up-to-date / in arrears for more than 3 months Refuse : Up-to-date / in arrears for more than 3 months Other services: Up-to-date / in arrears for more than 3 months
PART B (TO BE COMPLETED BY THE LANDLORD)
Name of the Landlord:

Property Physical Address:
Landlord Signature:

Date: ________________________________

Landlord's business stamp here Or an Affidavit from SAPS

Lease Agreement (Compulsory)

Please tick whether up-to-date or in arrears

Rental: Up-to-date / in arrears for more than 3 months

Municipal services: Up-to-date / in arrears for more than 3 months

NB: In the event that company is operating on leased premises and the address is not the same as the Company registration both lease agreement and landlord statement of account (not in arrears for more than three months) must be attached.

: If the company address or operate in rural settlement the service provider should attach their electricity purchase pattern. Electricity purchase pattern can be validated once the company purchase electricity in three (03) consecutive months.

: In the event the landlord does not have a business stamp an affidavit from SAPS AND lease Agreement must be attached.