



**CLUSTER**  
**Trading Services**

**UNIT**  
**Water and Sanitation**

**DEPARTMENT**  
**Engineering and Data Services**

**PROCUREMENT DOCUMENT**  
**PROFESSIONAL SERVICES**

**Contract No:** 34133-5W

**Contract Title:** REQUEST FOR PROPOSALS FOR AN INDEPENDENT CERTIFIER  
FOR A PERFORMANCE-BASED MANAGEMENT CONTRACT

**CLARIFICATION MEETING AND QUERIES**

**Clarification Meeting:** Compulsory Clarification Meeting

**Meeting Location, Date, Time:** Meeting ID: 379 834 399 523 94  
Passcode: MF2mw33Q  
On 23 January 2026 at 10:30

**Queries can be addressed to:** Tel: 031-311-8744  
**The Employer's Agent's:** eMail: Sydney.Masha@durban.gov.za All email queries are to be  
submitted by 26 March 2026. Emailed questions and answers will be  
**Representative:** consolidated and posted on Etenders/Municipal website/SSS for the  
benefit of all tenderers by 09 April 2025

**TENDER SUBMISSION**

**Delivery Location:** Sealed Tenders, addressed to the City Manager and marked with the Tender  
Number, are to be placed in the Tender Box **located in the ground floor foyer of  
the Municipal Buildings, 166 KE Masinga Road (Old Fort Rd), Durban** (and not  
any other municipal department): Tenderers are to also make an electronic  
submission via the eThekwini Municipality JDE System (SSS Module)

SSS Queries: Contact: Lindo Dlamini: Tel: 031-322-7133 / 031-322 7153  
Email: supplier.selfservice@durban.gov.za

**Closing Date/ Time:** Friday, 24 April 2026 at 11h00

**FACSIMILE, eMAIL, or POSTED TENDERS WILL NOT BE ACCEPTED**

**Issued by:**

ETHEKWINI MUNICIPALITY

**Deputy Head:** Engineering and Data Services

**FOR OFFICIAL USE ONLY**

Tenderer Name:			VAT Registered: Yes No
	Price (excl)	VAT	Price (incl)
Submitted: R	R	R	R
Corrected: R	R	R	R

FOR OFFICIAL USE ONLY

Tenderer Name:			VAT Registered: Yes No
	Price (excl)	VAT	Price (incl)
Submitted: R	R	R	R
Corrected: R	R	R	R

## INDEX to PROCUREMENT DOCUMENT

TENDER PART	Part T1	TENDERING PROCEDURES		Page
		<b>T1.1</b>	<b>Tender Notice and Invitation to Tender</b>	
		T1.1.1	Tender Notice and Invitation to Tender .....	<b>2</b>
		<b>T1.2</b>	<b>Tender Data</b>	
		T1.2.1	Standard Conditions of Tender .....	<b>4</b>
		T1.2.2	Tender Data ( <i>applicable to this tender</i> ) .....	<b>4</b>
		T1.2.3	Additional Conditions of Tender .....	<b>10</b>
	Part T2	RETURNABLE DOCUMENTS		Page
		<b>T2.1</b>	<b>List of Returnable Documents</b> .....	<b>14</b>
		<b>T2.2</b>	<b>Returnable Schedules, Forms and Certificates</b> .....	<b>15</b>

CONTRACT PART	Part C1	AGREEMENT AND CONTRACT DATA		Page
		<b>C1.1</b>	<b>Form of Offer and Acceptance</b>	
		C1.1.1	Offer .....	<b>38</b>
		C1.1.2	Acceptance .....	<b>39</b>
		C1.1.3	Schedule of Deviations .....	<b>40</b>
		<b>C1.2</b>	<b>Contract Data</b>	
		C1.2.1	Standard Conditions of Contract .....	<b>41</b>
		C1.2.2	Contract Data.....	<b>41</b>
		C1.2.3	Additional Conditions of Contract .....	<b>44</b>
	Part C2	PRICING DATA		Page
		<b>C2.1</b>	<b>Pricing Assumptions / Instructions</b> .....	<b>46</b>
		<b>C2.2</b>	<b>Pricing Schedule</b> (separate page numbering system) .....	<b>47</b>
	Part C3	SCOPE OF WORK		Page
		<b>C3.1</b>	<b>Background</b> .....	<b>48</b>
		<b>C3.2</b>	<b>Employer's Requirements</b> .....	<b>48</b>
		<b>C3.3</b>	<b>Annexures</b> .....	<b>55</b>
		C.3.3.1	Standard Conditions of Tender.....	<b>56</b>
		C.3.3.2	Standard Professional Services Contract.....	<b>57</b>

## **PART T1: TENDERING PROCEDURES**

### **T1.1.1: TENDER NOTICE AND INVITATION TO TENDER**

The eThekweni Municipality is in the process of implementing its turnaround strategy for EWS which was adopted by Council in April 2023. The strategy now forms part of the National Treasury reforms for metro trading services as outlined in the Guidance notes included with this bid. Therefore, contracting with a PBMC to augment management capacity has been identified as a key enabler in realising some of the objectives in the reform strategy. The PBMC contract shall have specific deliverables to be archived and an incentive portion against key performance indicators that have been established in line with the EWS strategic documents and National Treasury performance framework for outcome based USDG grants.

The City now seeks to procure an Independent Certifier (IC) to enhance the transparency and assurance of the work that will be undertaken by the management contractor over the 5-year period. The performance certification provides additional assurance on operational and contractual performance, which may indirectly support the external audit's understanding of the organization's overall performance and risk environment.

<b>Subject</b>	<b>Description</b>	<b>Tender Data Ref.</b>
<b>Employer</b>	The Employer is the eThekweni Municipality as represented by: Deputy Head: <b>Engineering and Data Services</b>	F.1.1.1
<b>Tender Documents</b>	Documents can only be obtained in electronic format, issued by the eThekweni Municipality. Documentation can be downloaded from the <b>National Treasury's eTenders website</b> or the <b>eThekweni Municipality's Website</b> . The <u>entire document</u> should be printed (on A4 paper) and suitably bound by the tenderer.	F.1.2
<b>Clarification Meeting</b>	<b>Meeting ID: 379 834 399 523 94</b> <b>Passcode: MF2mw33Q</b> <b>On 23 January 2026 at 10:30</b>	F.2.7
<b>Seek Clarification</b>	Queries relating to these documents are to be addressed to the Employer's Agent's Representative whose contact details are: <b>Tel: 031-311-8744</b> <b>eMail: Sydney.Masha@durban.gov.za</b> <b>All email queries are to be submitted by 26 March 2026. Emailed questions and answers will be consolidated and posted on Etenders/Municipal website/SSS for the benefit of all tenderers by 09 April 2025</b>	F.2.8
<b>Submitting a Tender Offer</b>	Tender offers shall be delivered to: Sealed Tenders, addressed to the City Manager and marked with the Tender Number, are to be placed in the Tender Box <b>located in the ground floor foyer of the Municipal Buildings, 166 KE Masinga Road (Old Fort Rd), Durban</b> (and not any other municipal department); Tenderers are to also make an electronic submission via the eThekweni Municipality JDE System (SSS Module)  SSS Queries: Contact: Lindo Dlamini: Tel: 031-322-7133 / 031-322 7153 Email: <a href="mailto:supplier.selfservice@durban.gov.za">supplier.selfservice@durban.gov.za</a>	F.2.13
<b>Closing Time</b>	Tender offers shall be delivered on or before <b>Friday, 24 April 2026</b> at or before <b>11h00</b> .	F.2.15
<b>Evaluation of Tender Offers</b>	<b>The 80/20</b> Price Preference Point System, as specified in the PPPFA Regulations 2022 will be applied in the evaluation of tenders. Refer to Clause F.3.11 of the Tender Data for the <b>Specific Goal(S)</b> for the awarding of Preference Points, and other related evaluation	F.3.11

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requirements.

**Requirements for sealing, addressing, delivery, opening and assessment of tenders are further stated in the Tender Data**

## **PART T1: TENDERING PROCEDURES**

### **T1.2: TENDER DATA**

#### **T1.2.1 STANDARD CONDITIONS OF TENDER**

The conditions of tender are the Standard Conditions of Tender as contained in Annex F of the CIDB Standard for Uniformity in Construction Procurement (July 2015) as published in Government Gazette No 38960, Board Notice 136 of 2015 of 10 July 2015.

The Standard Conditions of Tender make several references to the Tender Data for details that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the Standard Conditions of Tender.

#### **T1.2.2 TENDER DATA**

Each item of data given below is cross-referenced to the clause in the Standard Conditions of Tender to which it mainly applies.

### **F.1: GENERAL**

**F.1.1 The employer:** The Employer for this Contract is the eThekweni Municipality as represented by: Deputy Head: **Engineering and Data Services**

**F.1.2 Tender documents:** The Tender Documents issued by the Employer comprise:

- 1) This procurement document.
- 2) The “Standard Professional Services Contract – 3<sup>rd</sup> Edition July 2009” published by the Construction Industry Development Board (CIDB). This document is obtainable separately, and Tenderers shall obtain their own copies.
- 3) In addition, Tenderers are advised, in their own interest, to obtain their own copies of the following acts, regulations, and standards referred to in this document as they are essential for the Tenderer to get acquainted with the basics of construction management, the implementation of preferential construction procurement policies, and the participation of targeted enterprise and labour.
  - The Employer’s current (as at advertising date) Supply Chain Management Policy.
  - The Preferential Procurement Policy Framework Act No 5 of 2000, and the Preferential Procurement Policy Framework Act Regulations (2022).
  - The Occupational Health and Safety Act No 85 and Amendment Act No 181 of 1993, and the Construction Regulations (2014).
  - The Construction Industry Development Board Standard for Uniformity in Construction Procurement (July 2015).
  - Any other eThekweni Policy documents referenced in the Tender Documents.

Electronically downloaded documentation is obtainable from the National Treasury’s **eTenders Website** or the **eThekweni Municipality’s Website** at URLs:

- <https://www.etenders.gov.za/>
- <https://www.durban.gov.za/pages/business/procurement>

The entire downloaded document should be printed on white A4 paper (single-sided) and suitably bound by the tenderer.

**F.1.4 Communication and employer's agent:** The Employer's Agent's Representative is:

**Tel: 031-311-8744**

**eMail: Sydney.Masha@durban.gov.za All email queries are to be submitted by 26 March 2026. Emailed questions and answers will be consolidated and posted on Etenders/Municipal website/SSS for the benefit of all tenderers by 09 April 2025**

The Tenderer's contact details, as indicated in the Contract Data: Clause C1.2.2.2 "Data to Be Provided by Contractor", shall be deemed as the only valid contact details for the Tenderer for use in communications between the Employer's Agent and the Tenderer.

## **F.2: TENDERER'S OBLIGATIONS**

### **F.2.1 Eligibility: General**

A Tenderer will not be eligible to submit a tender if:

- (a) the Tenderer submitting the tender is under restrictions or has principles who are under restriction to participate in the Employer's procurement due to corrupt or fraudulent practices.
- (b) the Tenderer does not have the legal capacity to enter into the contract.
- (c) the Tenderer does not comply with the legal requirements as stated in the Employer's current SCM Policy.
- (d) the Tenderer cannot provide proof that he is in good standing with respect to duties, taxes, levies and contributions required in terms of legislation applicable to the work in the contract.
- (e) In the event of a Compulsory Clarification Meeting:
  - i) the Tenderer fails to attend the Compulsory Clarification Meeting.
  - ii) the Tenderer fails to have form "Certificate of Attendance at Clarification Meeting / Site Inspection" (in T2.2) signed by the Employer's Agent or his representative.
- (f) in the case of JV submissions, two or more JV entities have common directors / shareholders or common entities tendering for the same works.
- (g) at the time of closing of tenders, the Tenderer is not registered on the **National Treasury Central Supplier Database (CSD)** as a service provider. In the case of a Joint Venture, this requirement will apply individually to each party in the Joint Venture.
- (h) The tender fails to complete and sign the Declaration of Municipal Fees in T2.2: "Returnable Documents" and submits the required documentation. Reference is to be made to Returnable Document T2.2.12.

SCM Policy (Cl.14(4)) requires suppliers/ service providers/ contractors to be registered on the **eThekwini Municipality Central Supplier Database**.

In the event of the Tenderer not being registered on the eThekwini Municipality's Central Supplier Database, the tenderer must register on the internet at [www.durban.gov.za](http://www.durban.gov.za) by following these links:

- Business
- Supply Chain Management (SCM)
- Accredited Supplier and Contractor's Database.

The following are to be noted regarding registration on the **eThekwini Municipality Central Supplier Database**:

- (a) The information for registration as in the possession of the eThekwini Municipality will apply.
- (b) It is the Tenderer's responsibility to ensure that the details as submitted to the Municipality are correct.
- (c) Tenderers are to register prior to the submission of tenders.

**F.2.2.2 The cost of the tender documents:** Replace this paragraph with the following:

"Documents are to be obtained, free of charge, in electronic format, from the **National Treasury's eTenders website** or the **eThekwini Municipality's Website**. The entire electronically downloaded document should be printed on white A4 paper (single-sided) and suitably bound by the tenderer.

**F.2.6 Acknowledge addenda:** Add the following paragraphs to the clause:

"Addenda will be published, in electronic format, on the websites specified in F.1.2. Tenderers are to ensure that the eTenders website is consulted for any published addenda pertaining to this tender up to three days before the tender closing time as stated in the Tender Data."

"Acknowledgement of receipt of the addenda will be by the return of the relevant completed, dated, and signed portion of the addenda, to the physical or email address as specified on the addenda. Failure of the tenderer to comply with the requirements of the addenda may result in the tender submission being made non-responsive."

**F.2.7 Clarification meeting:**

**Meeting ID: 379 834 399 523 94**

**Passcode: MF2mw33Q**

**On 23 January 2026 at 10:30**

In the event of a Compulsory Clarification Meeting, Tenderers must sign the attendance register in the name of the tendering entity. The Tenderer's representative(s) at the clarification meeting must be able to clearly convey the discussions at the meeting to the person(s) responsible for compiling the entity's tender offer.

**F.2.12 Alternative tender offers:** No alternative tender offers will be considered.

**F.2.13 Submitting a tender offer:** Submissions must be submitted on official submission documentation issued (in electronic format) by the eThekwini Municipality. The entire downloaded document should be printed on white A4 paper (single-sided) and suitably bound by the tenderer.

Identification details to be shown on each tender offer package are:

- Contract No. : **34133-5W**
- Contract Title : **REQUEST FOR PROPOSALS FOR AN INDEPENDENT CERTIFIER FOR A PERFORMANCE-BASED MANAGEMENT CONTRACT**

The Employer's address for delivery of tender offers is:

Sealed Tenders, addressed to the City Manager and marked with the Tender Number, are to be placed in the Tender Box **located in the ground floor foyer of the Municipal Buildings, 166 KE Masinga Road (Old Fort Rd), Durban** (and not any other municipal department): Tenderers are to also make an electronic submission via the eThekwini Municipality JDE System (SSS Module)

SSS Queries: Contact: Lindo Dlamini: Tel: 031-322-7133 / 031-322 7153 Email: [supplier.selfservice@durban.gov.za](mailto:supplier.selfservice@durban.gov.za)

**Tenderers are to include, with their paper ("hard copy") submission, a memory-stick containing an electronically scanned (300 dpi resolution) Public Document Format (PDF) copy of their complete bid submission. This PDF file should be named using the contract number and the Tenderer's name, eg. "XX-xxxx – Tenderers Name.PDF". Furthermore, tenderers are to upload their complete tender**



submission on Supplier Self Service (SSS) portal.

A two-envelope procedure is required.

Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will not be accepted.

**F.2.15 Closing time:** The closing time for delivery of tender offers is:

- Date : **Friday, 24 April 2026**
- Time : **11h00**

**F.2.16 Tender offer validity:** The Tender Offer validity period is 120 Days from the closing date for submission of tenders. In terms of SCM Policy (C1.21.2) tenders must remain valid for an acceptance for a period of twelve (12) months after the expiry date of the original validity period unless the Municipality is notified in writing of anything to the contrary by the tenderer.

**F.2.23 Certificates:** Refer to T2.1 for a listing of certificates that must be provided with the tender. All certificates must be valid at the time of tender closing.

**Tenderers are to include, at the back of their tender submission document, a printout of the required documents/ certificates.**

The Form of Offer (C1.1.1), Data to be provided by the Contractor (C1.2.2.2), and the Bill of Quantities (C2.2) are also required to be completed in full.

#### **Tax Clearance**

Refer also to returnable form in T2.2.3: "Tax Compliance Status PIN/ Tax Clearance Certificate".

SARS has introduced a new Tax Compliance Status System. Tenderers must submit a **Tax Compliance Status PIN** (TCS PIN) instead of an original Tax Clearance Certificate. This TCS PIN can be used by third parties to certify the taxpayer's real-time compliance status. This TCS PIN is to be entered on Returnable Document T2.2.1: "Compulsory Enterprise Questionnaire". Separate Tax Clearance Certificates / TCS PINs are required for each entity in a Joint Venture.

**Failure to comply will make the tender non-responsive.**

#### **Central Supplier Database (CSD)**

Refer also to returnable form in T2.2.12: "Eligibility: CSD Registration Report".

The entities (full) **CSD Registration Report**, obtained from the National Treasury Central Supplier Database, is to be included in the tender submission ( <https://secure.csd.gov.za> ).

Separate CSD Registration Reports are required for each entity in a Joint Venture.

### **F.3: THE EMPLOYER'S UNDERTAKINGS**

**F.3.1.1 Respond to requests from the tenderer:** Replace the words "five working days" with "three working days".

**F.3.2 Issue addenda:** Add the following paragraph: "Addenda will be published, in electronic format, on the same platform(s) as the Tender Notification (refer to F.1.2).

**F.3.4 Opening of Tender Submissions:** Tenders will be opened immediately after the closing time for tenders. The public reading of tenders will take place in the SCM Boardroom, 6<sup>th</sup> Floor, Engineering Unit Building, 166 KE Masinga Road, Durban.

### F.3.11 Evaluation of Tender Offers:

#### **Eligibility**

Tenders will be checked for compliance with the ELIGIBILITY requirements, as specified in Clause F.2.1. Tenderers not in compliance will be deemed non-responsive.

#### **Functionality**

FUNCTIONALITY will be evaluated to determine the responsiveness of tenders received. The minimum score for FUNCTIONALITY is 64 points. Those tenders not achieving the minimum score will be deemed non-responsive.

The functionality Criteria, Sub-Criteria, Points per Criteria/ Sub-Criteria, Returnable Documentation and Schedules, Method of Evaluation, and Prompts for Judgement are as specified in T1.2.3: "Additional Conditions of Tender".

#### **Preference Point System**

The financial offer will be reduced to a comparative basis using the **Tender Assessment Schedule**.

The procedure for the evaluation of responsive tenders is **PRICE AND PREFERENCE** in accordance with the Employer's current SCM Policy, the Preferential Procurement Policy Framework Act (5 of 2000), and the Preferential Procurement Policy Framework Act Regulations (2022).

#### **Price Points**

As it is unclear (at the time of advertising) which of the two preference point systems applies, either the 80/20 preference point system will apply, determined by the price offered by the lowest acceptable tender.

#### **Preference Points**

Refer to T2.2.6: "MBD 6.1: Preference Points Claim".

The Preference Points 20 will be derived from points allocated/ claimed for **Specific Goals** as indicated in the table(s) below, according to the specified **Goal/ Category Weightings**.

<b>Ownership Categories</b>	<b>Criteria</b>	<b>80/20</b>
<b>Race: Black (w1)</b>	Equals 0%	0
	Between 0% and 51%	2.67
	Greater or equal to 51% and less than 100%	5.33
	Equals 100%	6.67
<b>Gender: Female (w2)</b>	Equals 0%	0
	Between 0% and 51%	2.67
	Greater or equal to 51% and less than 100%	5.33
	Equals 100%	6.67
<b>Disabilities (w3)</b>	Equals 0%	0
	Between 0% and 51%	2.67
	Greater or equal to 51% and less than 100%	5.33
	Equals 100%	6.67
<b>Maximum Goal Points:</b>		20

### Targeted Procurement

(SCMP Cl.23) After tender submissions have been evaluated in terms of the **Preference Point System** and the highest points scorer has been ascertained, the requirements of targeted procurement will be applied according to the provisions of the SCM Policy.

Targeted Procurement requirements are specified in the “**Additional Conditions of Tender**” in T1.2.3.4.

**F.3.13 Acceptance of tender offer:** In addition to the requirements of Clause F.3.13 of the Standard Conditions of Tender, tender offers will only be accepted if:

- (a) The tenderer submits a **valid Tax Clearance Certificate OR Tax Compliance Status PIN**, issued by the TCS System of the South African Revenue Services, or has made arrangements to meet outstanding tax obligations.
- (b) The tenderer or any of its directors/shareholders is **not listed on the Register of Tender Defaulters** in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- (c) The tenderer has not:
  - Abused the Employer’s Supply Chain Management System; or
  - Failed to perform on any previous contract and has been given a written notice to this effect.
- (d) The tenderer has completed the **Compulsory Enterprise Questionnaire** and there are no conflicts of interest which may impact on the tenderer’s ability to perform the contract in the best interests of the Employer or potentially compromise the tender process.

The Municipality does not bind itself to accept the lowest or any tender. It reserves the right to accept the whole or any part of a tender to place orders. Bidders shall not bind the Municipality to any minimum quantity per order. The successful Tenderer (s) shall be bound to provide any quantities stipulated in the specification.

**F.3.17 Copies of contract:** The number of **paper copies** of the signed contract to be provided by the Employer is **ONE (1)**.

### **T1.2.3 ADDITIONAL CONDITIONS OF TENDER**

#### **T1.2.3.1 Appeals**

In terms of Regulation 49 of the Municipal Supply Chain Management Regulations persons aggrieved by decisions or actions taken by the Municipality, may lodge an appeal within 14 days of the decision or action, in writing to the Municipality. All appeals (clearly setting out the reasons for the appeal) and queries with regard to the decision of award are to be directed to:

The City Manager  
Attention Ms S. Pillay      eMail: [Simone.Pillay@durban.gov.za](mailto:Simone.Pillay@durban.gov.za)  
P O Box 1394  
DURBAN, 4000

#### **T1.2.3.2 Prohibition on awards to persons in the service of the state**

Clause 44 of the Supply Chain Management Regulations states that the Municipality or Municipal Entity may not make any award to a person:

- (a) Who is in the service of the State;
- (b) If that person is not a natural person, of which a director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) Who is an advisor or consultant contracted with the municipality or a municipal entity.

Should a contract be awarded, and it is subsequently established that Clause 44 has been breached, the Employer shall have the right to terminate the contract with immediate effect.

#### **T1.2.3.3 Code of Conduct and Local Labour**

The Tenderers shall make themselves familiar with the requirements of the following policies that are available on web address: <ftp://ftp.durban.gov.za/cesu/StdContractDocs/>:

- Code of Conduct;
- The Use of CLOs and Local Labour.

#### **T1.2.3.4 Targeted Procurement**

Targeted Procurement provisions are not applicable to this tender.

(SCMP Cl.52.21(d) If feasible to contract for a contract above R30m, an organ of state must apply subcontracting to advance designated groups.

(SCMP Cl.52.21(e) Tenders that are between the contract value of R5m and R30m (incl.) must, where feasible, allow for subcontracting in line with the Council approved Economic Empowerment Framework.

Refer to **Economic Empowerment Framework**.

#### **T1.2.3.5 Functionality Specification**

Functionality Evaluation is applicable to this tender.

- The minimum number of evaluation points for Functionality is 70 %
- The Functionality criteria and maximum score in respect of each of the criteria are as follows:

### FUNCTIONALITY SPECIFICATION FOR PBMC INDEPENDENT AUDITOR

	Functionality Criteria	Sub Criteria	Evaluation criteria/KPI						Returnable schedules/evidence	Max Sub Score	Total
			Level 0	level 1	level 2	level 3	level 4	level 5			
1	Previous experience as an Auditor in a City (or cities)/Water utility providing water and sanitation services as required in this contract in the last 15 years	No of similar assignments undertaken for or including performance audit and certification requirements	No information provided; OR submission of no substance / irrelevant information provided	To have undertaken 1 <u>project</u> of a similar nature within the past 15 years.	To have undertaken 2 to 3 assignments of a similar nature within the past 15 years.	To have undertaken 4 to 6 assignments of a similar nature within the past 15 years.	To have undertaken 7 to 10 assignments of a similar nature within the past 15 years.	To have successfully completed 10+ assignments of a similar nature within the past 15 years.	Report detailing scope of assignment, details and contacts of clients, contract value; duration/period undertaken;	30	30
		% score	0%	20%	40%	60%	80%	100%			
		Score	0	6	12	18		30			
							24				
2	Experience of Key staff		No information provided OR submission of no substance / irrelevant information OR less than 1 year's relevant experience on assignments of a similar nature.	Minimum 1 years relevant experience including experience on assignments of a similar nature.	Minimum 5 years relevant experience including experience on projects of a similar nature.	Minimum 10 years relevant experience including experience on assignments of a similar nature.	Minimum 15 years relevant experience including experience on assignments of a similar nature.	Minimum 20 years relevant experience including experience on assignments of a similar nature.			20
		% score	0%	20%	40%	60%	80%	100%			
	Lead Auditor		0	2	4	6	8	10	Qualification as CA (Auditor); CV with minimum post registration professional qualification of not less than 10 years' experience in management of Audit teams, performance management, certification of performance results	10	

	<b>Financial Specialist</b>		0	1	2	3	4	5	CV with minimum post registration professional qualification not less than 10 years, CA/Equivalent and expertise and expert in Financial Performance management auditing	<b>5</b>	
	<b>Technical Specialist</b>		0	1	2	3	4	5	CV with minimum post registration professional qualification not less than 10 years as Pr Eng or equivalent, experience and expert in Water /Sanitation on similar assignments	<b>5</b>	
<b>3</b>	<b>Proposed Approach and methodology that will be used</b>		No information provided OR submission of no substance / irrelevant information	Poor - Unacceptable understanding of the requirements.	Adequate - Low level of understanding of the requirements.	Good - Satisfactory level of understanding of the requirements.	Very Good - Meets the expected level of understanding of the requirements	Excellent - Meets and exceeds the expected level of understanding of the requirements.	Summary outline		<b>50</b>
		<b>% score</b>	0%	20%	40%	50%	75%	100%			
<b>3.1</b>	<b>Technical Understanding of Project Requirements</b>	Demonstrate comprehension of project objectives and challenges as articulated in the National Treasury A;A1;A2 and A3 Guidelines;B&IP and road map of the EWS and associated documents ;Demonstrate understanding of local water utility context, water sector reforms, operational needs, regulatory compliance and infrastructure conditions	0	2	4	5	7.5	10	Articulate envisaged role and governance structure; outline experience and expertise to be utilised to realise the objectives of the City and the performance audit and certification aligned to the EWS turnaround strategy and ongoing reforms.	<b>10</b>	

3.2	<b>Proposed Methodology and Approach to the assignment</b>	Detail workplan with defined milestones and deliverables; clear process work flow , quality assurance;etc	0	0,07	0,14	0,175	0,2625	0,35	The auditor must demonstrate a clear, well-structured approach for undertaking the assignment in evaluating and reporting on the performance-based contract.	35	
3.3	<b>Innovation and Value-Added Services</b>	Proposed Creative solutions and modern technologies that improve service delivery that will be applicable to EWS	0	0,01	0,02	0,025	0,0375	0,05		5	
		<b>Total score</b>									100
		<b>Min score required</b>									70

**The Key staff listed are only for functionality evaluation- The full team must be disclosed in the methodology and approach document**

## **PART T2: RETURNABLE DOCUMENTS**

### **T2.1 LIST OF RETURNABLE DOCUMENTS**

#### **T2.1.1 General**

The Tender Submission Documentation must be submitted in its entirety. All forms must be properly completed as required.

The Tenderer is required to complete each and every Schedule and Form listed below to the best of their ability as the evaluation of tenders and the eventual contract will be based on the information provided by the Tenderer. Failure of a Tenderer to complete the Schedules and Forms to the satisfaction of the Employer will inevitably prejudice the tender and may lead to rejection on the grounds that the tender is non-responsive.

#### **T2.1.2 Returnable Schedules, Forms and Certificates**

##### **Entity Specific**

T2.2.1	Compulsory Enterprise Questionnaire.....	16
T2.2.2	Certificate of Attendance at Clarification Meeting .....	18
T2.2.3	Tax Compliance Status PIN / Tax Clearance Certificate .....	19
T2.2.4	MBD 4: Declaration of Interest .....	20
T2.2.5	MBD 5: Declaration for Procurement Above R10 Million .....	22
T2.2.6	MBD 6.1: Preference Points Claim Form ITO the Preferential Regulations .....	23
T2.2.7	MBD 8: Declaration of Bidder's Past SCM Practices .....	23
T2.2.8	MBD 9: Certificate of Independent Bid Determination .....	28
T2.2.9	Joint Venture Agreements (if applicable) .....	31
T2.2.10	Record of Addenda to Tender Documents (if applicable).....	32
T2.2.11	Declaration of Municipal Fees .....	33
T2.2.12	CSD Registration Report.....	34

##### **Technical or Functionality Evaluation**

T2.2.13	Experience of Tenderer .....	35
T2.2.14	Experience of Key Staff.....	36
T2.2.15	Approach and Methodology .....	36



## **T2.2     RETURNABLE SCHEDULES, FORMS, AND CERTIFICATES**

The returnable schedules, forms, and certificates, as listed in T2.1.2, can be found on pages [16](#) to [32](#).

### **NOTE**

The **Form of Offer** (C1.1.1), The **Data to be Provided by Contractor** (C1.2.2.2), and the **Bill of Quantities** (C2.2) are also required to be completed by the tenderer.

## T2.2.1 **COMPULSORY ENTERPRISE QUESTIONNAIRE**

Ref	Description	Complete or Circle Applicable
1.1	Name of enterprise	
1.2	Name of enterprise's representative	
1.3	ID Number of enterprise's representative	
1.4	Position enterprise's representative occupies in the enterprise	
1.5	National Treasury Central Supplier Database Registration number	<b>MAAA</b>
1.6	eThekwini Supplier Database: Reference number (PR), if any:	<b>PR</b>
1.7	VAT registration number, if any:	
2.0	<b>Particulars of sole proprietors and partners in partnerships (attach separate pages if more than 4 partners)</b>	
	<b>Full Name</b>	<b>Identity No.</b>
2.1		
2.2		
2.3		
2.4		
3.0	<b>Particulars of companies and close corporations</b>	
3.1	Company registration number, if applicable:	
3.2	Close corporation number, if applicable:	
3.3	Tax Reference number, if any:	
3.4	South African Revenue Service: Tax Compliance Status PIN:	

**4.0 Record in the service of the state** (Insert on a separate page if necessary)

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- |   |  |
|---|--|
| <input type="checkbox"/> a member of any municipal council  | <input type="checkbox"/> a member of any provincial legislature  |
| <input type="checkbox"/> an official of any municipality or municipal entity  | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity |
| <input type="checkbox"/> a member of the board of directors of any municipal entity   | <input type="checkbox"/> a member of the National Assembly or the National Council of Province           |
| <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) | <input type="checkbox"/> an employee of Parliament or a provincial legislature                           |

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 mths

**5.0 Record of spouses, children and parents in the service of the state** (Insert on a separate page if necessary)

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- |   |  |
|---|--|
| <input type="checkbox"/> a member of any municipal council  | <input type="checkbox"/> a member of any provincial legislature  |
| <input type="checkbox"/> an official of any municipality or municipal entity  | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity |
| <input type="checkbox"/> a member of the board of directors of any municipal entity   | <input type="checkbox"/> a member of the National Assembly or the National Council of Province           |
| <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) | <input type="checkbox"/> an employee of Parliament or a provincial legislature                           |

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 mths

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise:

- i) authorizes the Employer to verify the tenderers tax clearance status from the South African Revenue Services that it is in order.
- ii) confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004.
- iii) confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption.
- iv) confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest.
- v) confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**

## **T2.2.2 CERTIFICATE OF ATTENDANCE AT CLARIFICATION MEETING / SITE INSPECTION**

Reference is to be made to Clauses F.2.1(c) and F.2.7 of the Tender Data.

This is to certify that:

(tenderer name):

of (address):

was represented by the person(s) named below at the Clarification Meeting held for all tenderers, the details of which are stated in the Tender Data (F.2.7).

I / We acknowledge that the purpose of the meeting was to acquaint myself / ourselves with the site of the works and / or matters incidental to doing the work specified in the tender documents in order for me / us to take account of everything necessary when compiling our rates and prices included in the tender.

### **Particulars of person(s) attending the meeting:**

Name: .....

Name: .....

Signature: .....

Signature: .....

Capacity: .....

Capacity: .....

### **Attendance of the above person(s) at the meeting is confirmed by the Employer's Agent's Representative, namely:**

Name: .....

Signature: .....

Date: .....

### **T2.2.3 TAX COMPLIANCE STATUS PIN / TAX CLEARANCE CERTIFICATE**

Reference is to be made to Clauses F.2.23 and F.3.13(a) of the Tender Data.

SARS has introduced a new Tax Compliance Status System. Tenderers can submit a Tax Compliance Status PIN (TCS PIN) instead of an original Tax Clearance Certificate. This TCS PIN can be used by third parties to certify the taxpayer's real-time compliance status.

Separate Tax Clearance Certificates / TCS PINs are required for each entity in a Joint Venture.

The TCS PIN(s) are to be entered under item 3.4 on form **T2.1.2.1: Compulsory Enterprise Questionnaire**.

**Tenderers are to include, at the back of their tender submission document, a printout of their Tax Compliance Status PIN (TCS PIN) OR an original Tax Clearance Certificate.**

**Failure to include the required document will make the tender submission non-responsive.**

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, **and that the requested documentation has been included in the tender submission.***

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**

## T2.2.4 MBD 4: DECLARATION OF INTEREST

MSCM Regulations: “**in the service of the state**” means to be:

- (a) a member of:
  - (i) any municipal council.
  - (ii) any provincial legislature.
  - (iii) the national Assembly or the national Council of provinces.
- (b) a member of the board of directors of any municipal enterprise.
- (c) an official of any municipality or municipal enterprise.
- (d) an employee of any national or provincial department, national or provincial public enterprise 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 enterprise.
- (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.

- 1 No bid will be accepted from persons **in the service of the state**<sup>1</sup>.
- 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 Name of enterprise

Name of enterprise’s representative

3.2 ID Number of enterprise’s representative

3.3 Position enterprise’s representative occupies in the enterprise

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 / sole proprietors / partners in partnerships, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below. In the case of a joint venture, information in respect of each partnering enterprise must be completed and submitted.

3.8 Are you presently in the service of the state?

If yes, furnish particulars: .....

3.9 Have you been in the service of the state for the past twelve months?

If yes, furnish particulars: .....

Complete T2.1.2.1 Item 1.1
Complete T2.1.2.1 Item 1.2
Complete T2.1.2.1 Item 1.3
Complete T2.1.2.1 Item 1.4
Complete T2.1.2.1 Item 3.1 or 3.2
Complete T2.1.2.1 Item 3.3
Complete T2.1.2.1 Item 1.7

Circle Applicable

YES

NO

YES

NO

<p>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?</p> <p>If yes, furnish particulars: .....</p> <p>.....</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">YES</td> <td style="width: 50%; padding: 5px;">NO</td> </tr> </table>	YES	NO
YES	NO		
<p>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?</p> <p>If yes, furnish particulars: .....</p> <p>.....</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">YES</td> <td style="width: 50%; padding: 5px;">NO</td> </tr> </table>	YES	NO
YES	NO		
<p>3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?</p> <p>If yes, furnish particulars: .....</p> <p>.....</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">YES</td> <td style="width: 50%; padding: 5px;">NO</td> </tr> </table>	YES	NO
YES	NO		
<p>3.13 Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?</p> <p>If yes, furnish particulars: .....</p> <p>.....</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">YES</td> <td style="width: 50%; padding: 5px;">NO</td> </tr> </table>	YES	NO
YES	NO		
<p>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?</p> <p>If yes, furnish particulars: .....</p> <p>.....</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">YES</td> <td style="width: 50%; padding: 5px;">NO</td> </tr> </table>	YES	NO
YES	NO		

4 The names of all directors / trustees / shareholders / members / sole proprietors / partners in partnerships, their individual identity numbers and state employee numbers must be indicated below. In the case of a joint venture, information in respect of each partnering enterprise must be completed and submitted

Full Name	Identity No.	State Employee No.	Personal income tax No.
Use additional pages if necessary			

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct.*

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**

**T2.2.5 MBD 5: DECLARATION FOR PROCUREMENT ABOVE R10 MILLION  
(ALL APPLICABLE TAXES INCLUDED)**

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire.

Circle Applicable	
YES	NO
<p>1.0 Are you by law required to prepare annual financial statements for auditing?</p> <p>1.1 <b>If YES, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.</b></p>	
<p>2.0 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?</p> <p>2.1 If NO, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.</p> <p>2.2 If YES, provide particulars.</p> <p>.....</p> <p>.....</p>	
<p>3.0 Has any contract been awarded to you 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?</p> <p>3.1 If YES, provide particulars.</p> <p>.....</p> <p>.....</p>	
<p>4.0 Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?</p> <p>4.1 If YES, provide particulars.</p> <p>.....</p> <p>.....</p>	

**If required by 1.1 above, tenderers are to include, at the back of their tender submission document, a printout of their audited annual financial statements.**

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, and, if required, that the requested documentation has been included in the tender submission.*

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**



**T2.2.6 MBD 6.1: PREFERENCE POINTS CLAIM**  
**In terms of THE PREFERENTIAL PROCUREMENT REGULATIONS (2022)**

**Reference is to be made to Clause F.3.11 of the Tender Data.**

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

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

## **1.0 GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included).
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The applicable preference point system for this tender is the 80/20 preference point system.

1.2 The applicable preference point system for this tender is the 90/10 preference point system.

1.2 Either the 80/20 or 90/10 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the applicable system once tenders are received.

1.3 Preference Points for this tender shall be awarded for:

- **Price and Specific Goals:** Either 80 or 90 (price) and 20 or 10 (specific goals), in terms of 1.2 above.
- The total Preference Points, for Price and Specific Goals, is 100.

1.4 Failure on the part of the tenderer to submit the required proof or documentation, in terms of the requirements in the Conditions of Tender for claiming specific goal preference points, will be interpreted that preference points for specific goals are not claimed.

1.5 The Municipality reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard of preferences, in any manner required by the Municipality.

## **2.0 DEFINITIONS**

2.1 **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation.

2.2 **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts.

2.3 **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes.

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

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

### 3.0 FORMULA FOR CALCULATION OF PREFERENCE PRICE POINTS

#### 3.1 PROCUREMENT OF GOODS AND SERVICES

**POINTS AWARDED FOR PRICE:** A maximum of 80 or 90 points is allocated for price on the following basis:

##### 80 / 20 Points System

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

Where:

P<sub>s</sub> = Points scored for price of tender under consideration

P<sub>t</sub> = Price of tender under consideration

P<sub>min</sub> = Price of lowest acceptable tender

#### 4.0 POINTS AWARDED FOR SPECIFIC 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 goal(s) stated in **Table 1** below, as supported by proof/ documentation stated in the **Conditions of 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.

The Specific Goals to be allocated points in terms of this tender	Maximum Number of points ALLOCATED (80/20 system)	Maximum Number of points ALLOCATED (90/10 system)	Number of points CLAIMED (80/20 system)	Number of points CLAIMED (90/10 system)
Ownership Goal: Race (black)	6.67	N/A		N/A
Ownership Goal: Gender (female)	6.67	N/A		N/A
Ownership Goal: Disabilities	6.67	N/A		N/A
Total CLAIMED Points (10 Maximum)				N/A

I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, certify that the points claimed, based on the specific goals as specified in the tender, qualifies the tendering entity for the preference(s) shown.

I acknowledge that:

- 1) The information furnished is true and correct.
- 2) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- 3) 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.
- 4) 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.

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**

## T2.2.7 **MBD 8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1.0 This Municipal Bidding Document must form part of all bids invited.
- 2.0 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.
- 3.0 The bid of any bidder may be rejected if that bidder, or any of its directors have:
- a) abused the 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) wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years.
  - 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).
- 4.0 In order to give effect to the above, the following questions must be completed and submitted with the bid.

- 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](http://www.treasury.gov.za)) and can be accessed by clicking on its link at the bottom of the home page.

Circle Applicable	
YES	NO

- 4.1.1 If YES, provide 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](http://www.treasury.gov.za)) by clicking on its link at the bottom of the home page.

YES	NO
-----	----

- 4.2.1 If YES, provide 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 YES, provide 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

NO

4.4.1 If YES, provide 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

4.5.1 If YES, provide particulars.

.....

.....

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both 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.*

**NAME (Block Capitals):**

**Date**

.....

**SIGNATURE:**

.....

.....

## T2.2.8 **MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION**

### **NOTES**

- <sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.
- <sup>2</sup> 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.
- <sup>3</sup> 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.

- 1.0 This Municipal Bidding Document (MBD) must form part of all **bids**<sup>1</sup> invited.
- 2.0 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**).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3.0 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.
- 4.0 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**.
- 5.0 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid.

**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:

-----  
(Name of Bidder)

that:

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.
  - (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<sup>3</sup> 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.
  - (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.
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.

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**



## **T2.2.9    JOINT VENTURES AGREEMENTS**

Joint Venture agreement and Power of Attorney Agreements to be attached here (if applicable).

## **T2.2.10 RECORD OF ADDENDA TO TENDER DOCUMENTS**

I / We confirm that the following communications received from the Employer or his representative before the date of submission of this tender offer, amending the tender documents, have been taken into account in this tender offer.

<b>ADD.No</b>	<b>DATE</b>	<b>TITLE OR DETAILS</b>
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct.*

***It is also confirmed that the requirements, as stated on the Addenda, have been complied with.***

**NAME (Block Capitals):** \_\_\_\_\_

**Date**

**SIGNATURE:** \_\_\_\_\_

## T2.2.11 DECLARATION OF MUNICIPAL FEES

Reference is to be made to Clause F.2.1(f)(ii) of the Tender Data.

I, the undersigned, do hereby declare that the Municipal fees of:

.....  
(full name of Company / Close Corporation / partnership / sole proprietary/Joint Venture)

(hereinafter referred to as the TENDERER) are, as at the date hereunder, fully paid or an Acknowledgement of Debt has been concluded with the Municipality to pay the said charges in instalments.

The following account details relate to property of the said TENDERER:

<u>Account</u>	<u>Account Number: to be completed by tenderer</u>											
Consolidated Account												
Electricity												
Water												
Rates												
JSB Levies												
Other												

I acknowledge that should the aforesaid Municipal charges fall into arrears, the Municipality may take such remedial action as is required, including termination of any contract, and any payments due to the Contractor by the Municipality shall be first set off against such arrears.

- Where the tenderer's place of business or business interests are outside the jurisdiction of eThekweni municipality, a copy of the accounts/ agreements from the relevant municipality are to be provided.
- Where the tenderer's Municipal Accounts are part of their lease agreement, then a copy of the agreement, or an official letter to that effect, is to be provided.

**Tenderers are to include, at the back of their tender submission document, a printout of the above account's and or agreements signed with the municipality.**

**Failure to include the required document will make the tender submission non-responsive.**

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, **and that the requested documentation has been included in the tender submission.***

**NAME (Block Capitals):**

**Date**

**SIGNATURE:**

## T2.2.12 CSD REGISTRATION REPORT


Reference is to be made to Clauses F.2.1(e) and F.2.23 of the Tender Data.

The Conditions of Tender, Clause F.2.1: Eligibility, requires a tenderer to be registered, at the time of tender closing, on the **National Treasury Central Supplier Database (CSD)** as a service provider.

CSD Registration Reports can be obtained from the National Treasury's CSD website at <https://secure.csd.gov.za/Account/Login>.

The date of obtaining the printout is to be indicated on the printout.

The following is an example of the beginning of the printout obtained from the above website.

	CENTRAL SUPPLIER <b>DATABASE</b> FOR GOVERNMENT		Report Date:	
			Report Ran By:	
<b>CSD REGISTRATION REPORT</b>				
<b>SUPPLIER IDENTIFICATION</b>				
Supplier number		Have Bank Account		
Is supplier active?		Total annual turnover		
Supplier type		Financial year start date		
Supplier sub-type		Registration date		
Legal name		Created by		
Trading name		Created date		
Identification type		Edit by		
Government breakdown		Edit date		
Business status		Restricted Supplier		
Country of origin		Restriction Last Verification Date		
South African company/CC registration number				

**Tenderers are to include, at the back of their tender submission document, a printout of their (full) CSD Registration Report.**

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, **and that the requested documentation has been included in the tender submission.***

NAME (Block Capitals):

Date

SIGNATURE:

### T2.2.13 EXPERIENCE OF TENDERER

The previous experience of the tendering entity or joint venture partners in the case of an unincorporated joint venture or consortium, as opposed to the key staff members / experts, as an Auditor in a City (or cities) Water Utility providing water and sanitation services over the last 15 years will be evaluated.

Tenderers should describe their experience in this regard and attach it to this schedule. Contact details of clients of the relevant projects must also be provided.

The description should be put in tabular form with the following headings:

- Scope of Assignment
- Details and Contacts of Clients
- Contract Value
- Duration/Period Undertaken

The scoring of the tenderer's experience will be as per T1.2.3.5 "Functionality Specification"

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, **and that the requested documentation has been included in the tender submission.***

Date

NAME (Block Capitals): \_\_\_\_\_

SIGNATURE:

-----

## T2.2.14 EXPERIENCE OF KEY STAFF

The tenderer must attach a schedule detailing the experience of Key Staff listed in **T1.2.3.5 Functionality Specification** using the following headings:

- Name and personal particulars
- Title
- Job Description
- Qualifications
- Outline of recent assignments / experience relevant to the scope of work.
- Estimated Period of Engagement on this project (weeks).

The experience of assigned staff member in relation to the scope of work will be evaluated from three different points of view:

- 1) General experience, level of education and training and positions held of each operational area team leader.
- 2) The skills and experience of the assigned staff in the specific operational areas. Linked to the scope of work.
- 3) The key staff members' / experts' knowledge of issues which the tenderer considers pertinent to events e.g. local conditions, legislation, techniques etc.

CVs of the team director, and team leaders of **not more than 2 pages each** should be attached to this schedule: (define which CV's are required). Each CV should be structured under the following headings:

The scoring of the experience of key staff will be as per T1.2.3.5 "Functionality Specification".

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, **and that the requested documentation has been included in the tender submission.***

Date

NAME (Block Capitals): \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

## T2.2.15 APPROACH AND METHODOLOGY

Tenderers must explain their understanding of the objectives of the assignment and the Employer's stated and implied requirements, highlight the issues of importance, and must demonstrate a clear, well-structured approach for undertaking the assignment in evaluating and reporting on the performance-based contract.

The approach paper should explain the methodologies to be adopted, and should also articulate the envisaged role and governance structure while outlining the experience and expertise to be utilised to realise the objectives of EWS, the performance audit and certification aligned to the EWS turnaround strategy and ongoing reforms.

Tenderers must attach their approach papers to this page.

The scoring of the approach paper will be as per T1.2.3.5 "Functionality Specification".

Note that the following criteria will be scored individually

- Technical Understanding of Project Requirements
- Proposed Methodology and Approach to the assignment
- Innovation and Value-Added Services

*I, the undersigned, who warrants that they are authorised to sign on behalf of the Tenderer, confirms that the information contained in this form is within my personal knowledge and is to the best of my belief both true and correct, **and that the requested documentation has been included in the tender submission.***

Date

NAME (Block Capitals): \_\_\_\_\_

SIGNATURE: ..... \_\_\_\_\_

**PART C1 : AGREEMENTS AND CONTRACT DATA**

**C1.1 : FORM OF OFFER AND ACCEPTANCE**

**C1.1.1 : OFFER**

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

Contract No: **34133-5W**

Contract Title: **REQUEST FOR PROPOSALS FOR AN INDEPENDENT CERTIFIER FOR A PERFORMANCE-BASED MANAGEMENT CONTRACT**

The Tenderer, identified in the Offer signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

**\* The offered total Fixed Fee for the 5 year contract period inclusive of Value Added Tax is:**

R..... (In words .....  
.....)

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender Data, whereupon the Tenderer becomes the party named as the Contractor in the Conditions of Contract identified in the Contract Data.

**For the Tenderer:**

**\* Name of Tenderer** (organisation) : .....

**\* Signature** (of person authorized to sign the tender) : .....

**\* Name** (of signatory in capitals) : .....

**Capacity** (of Signatory) : .....

**Address** : .....  
: .....

**Witness:**

**Signature** : .....

**Name**(in capitals) : : .....

**Date** : .....

**Notes:**

**\* Indicates what information is mandatory.**

**Failure to complete the mandatory information and sign this form will invalidate the tender.**

**C1.1 : FORM OF OFFER AND ACCEPTANCE**



### **C1.1.2 : FORM OF ACCEPTANCE**

By signing this part of the Form of Offer and Acceptance, the Employer identified below accepts the Tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract Data. Acceptance of the Tenderer's Offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

The terms of the contract are contained in:

- Part C1 : Agreement and Contract Data, (which includes this Agreement)
- Part C2 : Pricing Data, including the Bill of Quantities
- Part C3 : Scope of Work
- Part C4 : Site Information

and the schedules, forms, drawings and documents or parts thereof, which may be incorporated by reference into Parts C1 to C4 above.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules as well as any changes to the terms of the Offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in this Schedule, which must be duly signed by the authorised representatives of both parties.

The Tenderer shall within two weeks after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data at, or just after, the date this Agreement comes into effect. Failure to fulfill any of these obligations in accordance with those terms shall constitute a repudiation of this Agreement.

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any). Unless the Tenderer (now Contractor) within five days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding contract between the parties.

**Signature** (*person authorized to sign the acceptance*) : .....

**Name** (*of signatory in capitals*) : .....

**Capacity** (*of Signatory*) : .....

**Name of Employer** (*organisation*) : .....

**Address** : .....

: .....

**Witness:**

**Signature** : ..... **Date** : .....

**Name**(*in capitals*) : : .....

**This Form will be completed by the Employer**

**C1.1 : FORM OF OFFER AND ACCEPTANCE**

**C1.1.3 : SCHEDULE OF DEVIATIONS**

1.   **Subject**       : .....
- Details**     : .....
- : .....
2.   **Subject**       : .....
- Details**     : .....
- : .....
3.   **Subject**       : .....
- Details**     : .....
- : .....

By the duly authorised representatives signing this Schedule of Deviations, the Employer and the Tenderer agree to and accept the foregoing Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, as well as any confirmation, clarification or change to the terms of the offer agreed by the Tenderer and the Employer during this process of offer and acceptance.

**FOR THE TENDERER**

**FOR THE EMPLOYER**

.....	Signature	.....
.....	Name ( <i>in capitals</i> )	.....
.....	Capacity	.....
.....	Name and Address of	.....
.....	Organisation	.....
.....		.....
.....		.....
.....	Witness Signature	.....
.....	Witness Name	.....
.....	Date	.....

## **C1.2 : CONTRACT DATA**

### **C1.2.1 CONDITIONS OF CONTRACT**

#### **C1.2.1.1 GENERAL CONDITIONS OF CONTRACT**

The Conditions of Contract are the Standard Professional Services Contract (Third edition: July 2009) published by the Construction Industry Development Board. (see [www.cidb.co.za](http://www.cidb.co.za) - copied for ease of reference in C4.2).

The Contract Data (including variations and additions) shall amplify, modify or supersede, as the case may be, the Standard Professional Services Contract, to the extent specified below, and shall take precedence and shall govern.

Each item of data given below is cross-referenced to the clause in the Standard Professional Services Contract to which it mainly applies.

### **C1.2.2 CONTRACT DATA**

#### **C1.2.2.1 DATA TO BE PROVIDED BY THE EMPLOYER**

The Employer is the eThekweni Municipality as represented by : Deputy Head : **Engineering and Data Services**

3.4 & The authorised and designated representative of the Employer is: **Sydney Masha**

4.3.2 The contact details of the authorised and designated representative are:

- Telephone : +2731-3118744
- Fax : N/A
- e-mail : Sydney.Masha@durban.gov.za

- The address for the Receipt of communications is: Sydney.Masha@durban.gov.za

1 The Project is : **34133-5W**  
: **REQUEST FOR PROPOSALS FOR AN INDEPENDENT CERTIFIER FOR A PERFORMANCE-BASED MANAGEMENT CONTRACT**

1 Period of Performance : **5 years**

1 Period of Performance : Unless terminated in terms of the Contract, or otherwise specified in the Contract Data, the Contract completion shall be when the Service Provider has completed all Deliverables in accordance with the Scope of Work.

1 Start Date : **01/07/2026**

3.4.1 Communications by e-mail **is** permitted.

3.5 The location for the performance of the Project is : eThekweni Water and Sanitation Unit

3.6 The Service Provider may not release public or media statements or publish material related to the Services or Project under any circumstances.

- 3.12 The penalty per Day payable is : **R NIL** subject to a maximum amount of **R NIL**.
- 3.15.1 The programme shall be submitted within **8 weeks** of the award of the Contract.
- 3.15.2 The Service Provider shall update the programme at intervals not exceeding **4 weeks**
- 3.16.2 The indices are those contained in **Table A of P0141 Consumer Price Index** for “CPI for services” Published by Statistics South Africa.
- 4.3.1(d) The Service Provider is not required to assist in the obtaining of approvals, licenses and permits from the state, regional and municipal authorities having jurisdiction over the Project.
- 5.4.1 The Service Provider is required to provide Professional indemnity in an amount of : **R 10 million**.
- 5.4.1 The Service Provider is required to provide Professional indemnity in an amount as set out in the Professional Indemnity Schedule.
1. Insurance against : Professional Indemnity **specify**  
 Cover is : **R 10 000 000**  
 Period of cover : **01/07/2026 to 30/06/2031**
- 5.5 The Service Provider is required to obtain the Employer's prior approval in writing before taking any of the following actions:  
 1) **Sub-contracting any portion of the works**  
 2) **Variations or additional services**
- 7.2 The Service Provider is required to provide personnel in accordance with the provisions of clause 7.2 and to complete the Personnel Schedule.
- 8.1 The Service Provider is to commence the performance of the Services within **14 Days** of date that the Contract becomes effective.
- 8.2.1 The Contract is concluded when : on expiry of the contract period including any extension
- 8.4.3(c) The period of suspension under clause 8.5 is not to exceed **3 months**.
- 9.1 Copyright of documents prepared for the Project shall be vested with the **Employer** .
- 11.1 A Service Provider may subcontract any work which he has the skill and competency to perform.
- 12.1 Interim settlement of disputes is to be by **Adjudication**.
- 12.2/3 Final settlement is by **Arbitration**.
- 12.2.1 In the event that the parties fail to agree on a mediator, the mediator is nominated by : **Agreement between both parties**.
- 12.3.3 The adjudicator is the person appointed by:  
**Agreement between both parties**
- Tel ..... Fax .....
- 12.4.1 In the event that the parties fail to agree on an arbitrator, the arbitrator is nominated by:

**Association of Arbitrator.**

- 13.1.3 All parties in a joint venture or consortium shall carry a minimum professional indemnity insurance of **R 10 000 000**.
- 13.4 Neither the Employer nor the Service Provider is liable for any loss or damage resulting from any occurrence unless a claim is formally made within **36 months** from the date of termination or completion of the Contract.
- 15 The interest rate will be prime interest rate of the Employers bank at the time that the amount is due.

### **C1.2.3 ADDITIONAL CONDITIONS OF CONTRACT**

The additional conditions of contract are:

#### **C1.2.3.1 PERFORMANCE MONITORING OF SERVICE PROVIDERS**

For contract awards that are greater than R10m, the Service Provider shall be subjected to "Performance Monitoring" assessments in terms of the applicable Section of the Council's current Supply Chain Management Policy.

#### **C1.2.3.2 RETENTION**

Retention will not be applied to this contract.

#### **C1.2.3.3 EMPOWERMENT INITIATIVE**

It is a condition of contract that the Professional Service Provider / Civil Engineering Consultant must allow for a minimum of **15%** of the contract value (excluding PC Sum and Fixed Cost allowances) to be subcontracted to persons who are >51% Black owned. Proof of payment to the subcontractors will be required to verify that the minimum has been achieved.

The penalty for not achieving the specified CPG will be 0.5% of the contract value (excluding PC Sum items and Fixed Cost allowances) for every 1% of CPG not achieved.

#### **C1.2.3.4 PRICE ADJUSTMENT TO FIXED FEE FOR INFLATION**

The fixed fee as stated in the Pricing Data shall be adjusted in terms of 3.16.2 on each anniversary of the Starting Date. The adjustment to the fixed fee shall be equal to:

**$(CPI_n - CPI_s) / CPI_s$**

where  $CPI_s$  = the indices specified in the Contract Data during the month in which the start date falls and  $CPI_n$  = the latest indices specified in Contract Data during the month in which the anniversary of the Start Date falls

The indices are those contained in **Table A of P0141 Consumer Price Index** for "CPI for services" Published by Statistics South Africa.

### C1.2.2.2 DATA TO BE PROVIDED BY THE SERVICE PROVIDER

Ref / Clause Number	Data
---------------------------	------

1      The Service  
Provider is: .....

.....

Address : .....

.....

.....

Telephone : ..... Fax : .....

5.3      The authorised and designated representative of the Service Provider is:

Name : .....

The address for receipt of communications is:

Address : .....

.....

.....

Telephone : ..... Fax : .....

E-Mail : .....

1      The Period of Performance is : .....

5.5 &  
7.1.2      The Key Persons and their jobs / functions in relation to the  
services are:

Name : .....

Specific Duties : .....

Name : .....

Specific Duties : .....

**PART C2 : PRICING DATA**  
**C2.1 : PRICING INSTRUCTIONS**

- C 2.1.1      The Service Provider is required to provide all the services necessary to undertake the project requirements in accordance with the Scope of Work. This includes all things necessary and incidental to providing the Services, including appointment and payment of subcontractors.
- C 2.1.2      The sole basis for the remuneration of the Service Provider to be appointed to proceed with the project shall be:
  - C 2.1.2.1    Monthly payments based on Invoices and supporting documents for approval of the Executive Director EWS.



## C2.2 : PRICING SCHEDULE

IA-PBMC PRICING SCHEDULE											
Item No	Reference	Description	Unit	Quantity	Rate	AMOUNT					Total(ZAR)
						Y1	Y2	Y3	Y4	Y5	
1.0	As per renumeration schedule TH1	<b>Fixed costs</b>									
1.1		Mobilisation and inception report	Sum	1							
1.2		Initial Performance audit (Baseline assesment and validation)	Sum	1							
1.3		Final close out report and certification	Sum	1							
2.0	As per schedule TH2	<b>Periodic performance audits and reporting</b>									
2.1		Quarterly Performance Audits & Reports	No	4							
2.2		Annual Performance Audit & Compliance certification	No	4							
2.3		Monthly reports assesment reports	No	12							
3.0	As per KPI schedule TH3	<b>Time based fee</b>									
3.1	Schedule TH3.1	Allow provisonal sum for additional meetings for disputes resolution and assignments request by client for special audit or certification as required by client	rate only								
3.2	Schedule TH3.2	Disbursements & Miscellaneous costs									
		Travel & Accomodation									
		Office/admin expenses									
3.4		<b>Total carried to Summary and offer</b>									
Note 1		Bidders to provide the master schedule linking project phases to key resources pricing schedule with indicative times									
		Bidders to provide detailed resource sheet with rates per hr and resimbursible costs llinked to Summary pricing schedule as provided									

NAME : .....

(Block Capitals)

SIGNATURE : .....  
(of person authorised to sign on behalf of the Tenderer)

DATE: .....

## **PART C3 : SCOPE OF WORK**

### **C3.1 BACKGROUND**

The eThekweni Municipality is in the process of implementing its turnaround strategy for EWS which was adopted by Council in April 2023. The strategy now forms part of the National Treasury reforms for metro trading services as outlined in the Guidance notes included with this bid.

Therefore, contracting with a PBMC to augment management capacity has been identified as a key enabler in realising some of the objectives in the reform strategy. The City is in the process of securing a 5-year PBMC which will seek to achieve the following:

- a) To improve the overall performance of EWS in delivering water and sanitation services to its customers as it moves from a Municipal department to a ring-fenced water utility.
- b) To turnaround the financial performance of the business and increase investment by introducing good commercial and operational management through private sector involvement
- c) To strengthen the management and leadership capacity through mentorship and training

The PBMC contract shall have specific deliverables to be achieved and an incentive portion against key performance indicators that have been established in line with the EWS strategic documents and National Treasury performance framework for outcome based USDG grants.

Therefore, the City now seeks an Independent Certifier (IC) to enhance the transparency and assurance of the work that will be undertaken by the management contractor over the 5-year period. The performance certification provides additional assurance on operational and contractual performance, which may indirectly support the external audit's understanding of the organization's overall performance and risk environment.

### **C3.2 EMPLOYER'S OBJECTIVES**

The objective of the IC Contract is to independently verify and certify the achievement of performance targets as defined in the PBMC, ensuring that incentive payments are based on accurate, reliable, and validated performance data.

- 13.1.1. Provide the utility with an objective, third-party review of the overall performance of the PBMC Contract
- 13.1.2. Compliance Assessments of the contractor in comparison to the terms and conditions of the PBMC Contract, to facilitate the best possible project outcome and payment of the incentive fees
- 13.1.3. Verifying performance data and evaluating effectiveness of management practices
- 13.1.4. Build contract oversight supervisory capacity in the utility.

### **C3.3 SCOPE OF WORK**

The scope of the proposed assignment includes the following tasks:

- 1. Preliminary assessment and planning

- a. Preparation of a certification and performance assessment plan
2. Performance Metrics and data Validation-Baseline certification
  - a. Assessment and validation report of performance baseline as required in the PBMC.
3. Verification of PBMC reports, activities, and results
4. Issuing of certification on performance archived
5. Preparing Annual, quarterly, and monthly reports on the PBMC

### **C3.4 RESPONSIBILITIES**

The Independent Certifier is required to validate the performance of the management consultant (MC) and provide reports to the EWS on the achievement of key performance indicators of all the eThekwin Water and Sanitation (EWS) Business Unit's business activities as outlined in the PBMC contract. This will include the following:

- a) To recommend the annual performance payment quantum for the achievement of the key performance indicators and any other remuneration as provided in the PBMC.
- b) To undertake certification or validation of performance for regulated performance indicators for water and sanitation with respect to the Blue drop and Green drop certification by DWS as interim certification if they are not available annually as required.
- c) To provide the required assurance, the IC will package the work based on a strategy authorised by the eThekwin Metro City Manager.

The package will evaluate the following:

1. The achievement of the organisational objectives and key performance indicators for the Business Unit's business activities such as revenue collection, non-revenue water, call centre performance management, financial performance, capital expenditure allocation and implementation performance, operations performance, and associated risk management
  2. To assess compliance with policies, laws, and regulations
  3. To ascertain the integrity and reliability of financial and other information provided to management and stakeholders, including that used in decision making.
  4. To ascertain that systems of control are laid down and operate to promote the efficient data management.
- The INDEPENDENT CERTIFIER is responsible for providing assurance to eThekwin Metro City Manager, eThekwin Metro Council and relevant external stakeholders on the performance of the MC as part of the ongoing Metro Trading Services reforms.

## Relationship with other Audits

Aspect	Performance certification	Annual External Audit (AG)	Internal Audit	Independent USDG performance Assessments
<b>Purpose</b>	Certify performance for PBMC incentive payments	Verify financial statements and compliance	Evaluate internal controls, risk, and governance.	Certify performance of target archived for Trading services reform
<b>Scope</b>	Limited to PBMC-linked KPI's and performance metrics	Broad financial and compliance focus	Organization wide risk and control focus	Limited to A3 KPI
<b>Independence</b>	Independent of the organization (report As provided in governance structure of PBMC)	Independent of the organization	Part of the organization (but independent in function)	Independent and reports to National Treasury
<b>Frequency</b>	Periodic (aligned with PBMC reporting periods)	Annual	Ongoing (periodic reviews)	Annually
<b>Reporting</b>	Certification report for PBMC incentives	Audit Opinion on financial statements	Internal reports	Report on archived targets submitted to NT & Council

### C3.5 STANDARDS AND APPROACH

The IC's work will be performed with due professional care, in accordance with appropriate professional auditing practice. It will have due regard to the relevant regulatory framework and the Code of Ethics and International Standards and their mandatory requirements.

In achieving its objectives, the IC will develop and implement an audit strategy that assesses the EWS Business Unit's arrangements for achieving the approved key performance targets, control and governance, risk management and ensuring value for money is attained.

The INDEPENDENT CERTIFIER will audit measures to monitor the effectiveness of the service delivery and compliance with South Africa's water and sanitation industry standards.

The eThekweni Metro City Manager and the Metro Chief Financial Officer will consider and approve the performance measures and performance payment fees on an annual basis and before the commencement of the Metro's financial accounting year.

The Metro City Manager and the Metro Chief Financial Officer may (if required) also ask the appointed Metro external auditor to provide an independent assessment of Independent Certifier's effectiveness.

### C3.6 COMPETENCIES

The IC must possess a robust understanding of the specific performance management system standards of a water and sanitation utility against which they are assessing. These include:

- Technical knowledge of a water and sanitation utility network and treatment process
- Familiarity with the financial management of a water and sanitation utility

- Familiarity with relevant product standards of a water and sanitation utility
- Understanding of the regulations, and water and sanitation industry-specific requirements
- Detailed knowledge of audit principles especially understanding audit processes, methodologies, and techniques (especially when auditing a performance-based management contract).

### **C3.7 INDEPENDENCE**

The IC has no executive role, nor does it have any responsibility for the development, implementation, or operation of systems. However, it may provide independent and objective advice on financial management, control and governance, risk management, service delivery achievements, call centre performance, value for money and business-related matters, subject to resource constraints.

For day-to-day administrative purposes only such as the approval of travel expenses the IC should liaise with the Metro Chief Financial Officer.

Within the EWS Business Unit, responsibility for financial management, achievement of service delivery targets, risk management, control and governance arrangements and the attainment of value for money rests with the General Manager of the EWS Business Unit and its management, who should ensure that appropriate and adequate arrangements exist without reliance on the Metro's Internal Audit Department.

Where there are differences of opinion between IC and Management, the Metro City Manager and the Metro Chief Financial Officer should ultimately determine whether or not to accept assessment outcomes and recommendations for performance payments, recognise and accept the risks of not taking action, and instruct the EWS Business Unit's General Manager and management to implement recommendations.

The IC will disclose any interference or other threats to independence in shaping the scope of auditing, performing work, and communicating results. In the event of any interference, the Metro Chief Financial Officer will defend the independence of Independent Auditor.

### **C3.8 ACCESS**

The INDEPENDENT CERTIFIER service has rights of access to all the EWS Business Unit's records, information, and assets which it considers necessary to fulfil its responsibilities.

The Independent Auditor's Team has a right of direct access to the General Manager, Senior Management, the Metro City Manager and Metro Chief Financial Officer. In turn, the IC agrees to comply with any requests from the Metro's external auditors and the Chief Financial Officer for access to any information, files or working papers obtained or prepared during audit work that they need to discharge their responsibilities.

### **C3.9 REPORTING**

The IC must submit an annual report on the performance of the EWS Business Unit PBMC to the Metro City Manager and Metro Chief Financial Officer. The report must relate to the financial year and include any significant issues up to the date of preparing the report which affect the performance of the Business Unit against the agreed key performance indicators.

The report should also give a judgement on the adequacy and effectiveness of the Business Units

arrangements for:

- Financial management
- Call centre management.
- Operations management
- Fixed and movable asset management (stores management)
- Risk management and control.
- Governance
- Economy, efficiency and effectiveness, and the extent to which the Metro City Manager and the Metro Chief Financial Officer can rely on them.

The IC should also prepare, before the beginning of the Metro's financial year, an performance verification audit plan and strategy supported by a design of resource needs. These should be submitted to the EWS Business Unit General Manager, Metro City Management and Metro Chief Financial Officer for approval following consultation with the relevant EWS Business Unit managers.

The IC is accountable to the EWS Executive Director.

The IC should also report audit performance related findings to EWS Business General Manager, the Metro City Manager and the Metro Chief Financial Officer and draw the attention to key issues and recommendations for improvement and also the quantum of performance payments to the Contractor. This will be done by providing the EWS Business General Manager, the Metro City Manager, and the Metro Chief Financial Officer with copies of all reports, unless otherwise directed by the Metro City Manager.

The IC should produce its reports, in writing, within one month of completing each audit, giving an opinion on the Business Unit's performance against agreed indicators, highlighting issues that require addressing to improve systems where appropriate. Such reports should be copied to the EWS Business General Manager, the Metro City Manager and the Metro Chief Financial Officer and external auditor (if required).

The EWS Business Unit General Manager and the Business Unit managers will be required to respond to each audit report, usually within one month of issue, stating their proposed action with a timetable for implementing agreed recommendations. All recommendations will usually be followed up in line with the agreed timetable. In addition, the IC will monitor the implementation of audit recommendations limited to the scope for certification and validation as agreed with all parties.

The INDEPENDENT CERTIFIER should report to the Metro City Manager any serious performance, governance and control weaknesses, significant fraud discovered during the normal course of audit work.

### **C3.10 LIAISON**

The IC will liaise with the Metro City Manager and Metro Chief Financial Officer to optimise the independent audit services provided to the EWS Business Unit Performance Based Management Contract.

### C3.11 INDICATIVE PERFORMANCE INDICATORS FOR PBMC-WEIGHTED SCORED CARD

#### Accountability Performance

Performance areas	Ref	Minimum conditions / performance indicators	Method of measuring allocations for			Weights	
			YEAR-1	YEAR 2	YEARS 3-6		
Accountability Performance Minimum commitments	M1	SPoMA Service Compact	binary	binary	binary		
	M2	SPoMA Appointment	binary	binary	binary		
	M3	SPoMA Organisational structure	binary	binary	binary		
	M4	SPoMA Delegations	binary	binary	binary		
	M5	Financial Model and Business & Investment Plan	binary	binary	binary		
	M6	Budget Support of Business & Investment Plan	binary	binary	binary		
	M7	Financial Transparency – separate AFS	binary	binary	binary		
	M8	Support for management of organisational change	binary	binary	binary		
Accountability Performance Performance Indicators	A1	Customer surveys	n.a.	binary	scalable	2	10
	A2	Financial Accounting – mSCOA compliance	n.a.	binary	scalable	2	
	A3	Public Procurement Transparency	n.a.	binary	scalable	2	
	A4	Capital Budget Execution	n.a.	binary	scalable	2	
	A5	Core Technical & Management Capacity	n.a.	binary	scalable	2	

#### Financial Performance:

Performance areas	Ref	Minimum conditions / performance indicators	Method of measuring allocations for			Weights	
			YEAR-1	YEAR 2	YEARS 3-6		
Financial Performance Performance Indicators	F1	Financial Viability OCCR	n.a.	binary	scalable	5	30
	F2	Cash Collection rate	n.a.	binary	scalable	5	
	F3	Operational Cash Flow	n.a.	binary	scalable	5	
	F4	Customer Debt management – debtors days	n.a.	binary	scalable	5	
	F5	Infrastructure Capex	n.a.	binary	scalable	5	
	F6	Self-Financing ratio	n.a.	binary	scalable	5	

#### Operational Performance: Water and Sanitation

Performance areas	Ref	Minimum conditions / performance indicators	Method of measuring allocations for			Weights	
			YEAR-1	YEAR 2	YEARS 3-6		
Operational Performance Performance Indicators Water & Sanitation	W1	Water Security–input volume % raw water allocation	n.a.	binary	scalable	5	60
	W2	Drinking Water Systems Blue Drop	n.a.	binary	scalable	5	
	W3	Waste Water Treatment Systems Green Drop	n.a.	binary	scalable	5	
	W4	Wastewater Final Effluent Quality	n.a.	binary	scalable	5	
	W5	Water Network performance –mains failures / 100 km	n.a.	binary	scalable	5	
	W6	Sewer Network performance – blockages / 100 km	n.a.	binary	scalable	5	
	W7	Physical Water Loss ILI	n.a.	binary	scalable	5	
	W8	Water Service Complaints Response % in 48 hours	n.a.	binary	scalable	5	
	W9	Sewer Service Complaints Response % in 48 hours	n.a.	binary	scalable	5	
	W10	Non-Revenue Water (NRW)	n.a.	binary	scalable	10	
	W11	Metering Performance	n.a.	binary	scalable	5	

Total weighted score card 100%

Note to Bidders:

Refer to A3-PIAPv1 adopted by Council for year 1 indicative targets which will be the baseline basis for the PBMC subject to agreement in terms of the PBMC contract and IC validation.

### C3 .12 INDICATIVE PERFORMANCE PAYMENTS SCHEDULE FOR PBMC

#### Performance Compensation Calculation

- (1) The performance calculation will be based on EWS annual performance report to National Treasury for the payment of the Incentive Grant allocated to the EWS in the Division of Revenue Act,
- (2) The maximum amount that can be paid to the Management Contract for meeting the specified A3-PIAP targets over the duration of the contract has been fixed at **ten percent** of the total contract fixed fee. The

maximum amount of incentive compensation that can be paid annually is the total incentive compensation divided by 5 years, the duration of the contract

- (3) The actual amount of incentive fee received by the PBMC will depend on the extend of achievement of the performance targets specified in A3-PIAP performance obligations and will be determined the application of a performance factor.
- (4) The Executive Director with the support of the Management Contractor will be responsible for achieving the Performance Targets. If the Executive Director and the Management Contractor, in the opinion of the Independent Certifier, for the Performance Fee Compensation Factor in any Measurement Year:
- (5)
- (a) has achieved a rating of “Poor”, below eighty percent of the A3-PIAP Performance Targets for Management Contractor shall receive no Performance Compensation for that factor in the applicable Measurement Year.
  - (b) has achieved a rating of “Good” for that factor the Management Contractor shall receive eighty percent of the Performance Fee Compensation for that factor in the applicable Measurement Year; and
  - (c) has achieved a rating of “Excellent” for that factor, the Management Contractor shall receive 100 percent of the Performance Fee Compensation for that factor in the applicable Measurement Year.

Grading	Weighted Score %	% of variable performance fee (Prorata basis)	Minimum Criteria	Other conditions
<b>Poor performance</b>	0-<80	0	W10=>90%; Total weighted score ≥80%	Notice for termination
<b>Satisfactory performance</b>	80-<90	80-<90 of variable fee %	W10=>90%; Total weighted score ≥80%	Penalties due to reduced Incentive grant maybe applicable
<b>Excellent performance</b>	90-100	90-100 of variable fee %	W10=>90%; Total weighted score ≥80%	Renewal/extension of contract maybe considered



### **C3.3 ANNEXURES**

- 1. STANDARD CONDITIONS OF TENDER**
- 2. CIDB STANDARD PROFESSIONAL SERVICES OF CONTRACT**

**Annex F**  
(normative)

**Standard Conditions of Tender**

**F.1 General**

**F.1.1 Actions**

**F.1.1.1** The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anticompetitive practices.

**F.1.1.2** The employer and the tenderer and all their agents and employees involved in the tender process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

*Note:*

- 1) *A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result.*
- 2) *Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.*

**F.1.1.3** The employer shall not seek and a tenderer shall not submit a tender without having a firm intention and the capacity to proceed with the contract.

**F.1.2 Tender Documents**

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

**F.1.3 Interpretation**

**F.1.3.1** The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

**F.1.3.2** These conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender.

**F.1.3.3** For the purposes of these conditions of tender, the following definitions apply:

- a) **conflict of interest** means any situation in which:
  - i) someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially;
  - ii) an individual or organisation is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit; or

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## **STANDARD PROFESSIONAL SERVICES CONTRACT**

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Standard Professional Services Contract