

# MALUTI-A-PHOFUNG MUNICIPALITY

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**BID NUMBER: SCM/BID22/2023/2024**

**APPOINTMENT OF A SERVICE PROVIDER: SECURITY SERVICE  
(GUARDING ACCESS CONTROL) TO VARIOUS COUNCIL BUILDING  
AND PREMISES FOR THE PERIOD OF THREE (3) YEARS**

**CLOSING DATE: 02 MAY 2024 AT 10H00**

**PREPARED FOR:**

**MALUTI-A-PHOFUNG MUNICIPALITY**

**PRIVATE BAG X 805**

**WITSIESHOEK**

**9870**

**CONTACT PERSON: S. TSHABALALA**

**Cell: 058 718 3774**

**Email: tshabalala.sipho71@gmail.com**

**PREPARED BY:**

**SUPPLY CHAIN MANAGEMENT UNIT**

**MALUTI-A-PHOFUNG MUNICIPALITY**

**PRIVATE BAG X 805**

**WITSIESHOEK**

**9870**

**TEL: (058) 718 3871/3877**

**FAX: (058) 713 0459**

**NAME OF BIDDER** \_\_\_\_\_

**BID AMOUNT; EXCL/INCL VAT** \_\_\_\_\_

**CSD NUMBER:** \_\_\_\_\_

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

**MALUTI-A-PHOFUNG MUNICIPALITY**



NOTICE NUMBER:23/2023  
BID NO SCM/BID22/2023/24

**APPOINTMENT OF A SERVICE PROVIDER: SECURITY SERVICE  
(GUARDING ACCESS CONTROL) TO VARIOUS COUNCIL BUILDING  
AND PREMISES FOR THE PERIOD OF THREE (3) YEARS**

Maluti-a-Phofung Municipality hereby invites Bids for Security Service (Guarding Access Control ) to Various Council Building and Premises for the Period of Three (3) years

**Requirements:**

- Bidders must submit Copy of Company Registration Certificate (CRC) Reflecting Active Members (Except for Sole Traders and Partnership).
- Bidders must be registered with Central Supplier Database (CSD), CSD number must be provided.
- Bidders are required submit their unique personal identification Number (Pin) issued by SARS to enable the Municipality to view the taxpayer's profile and tax Status
- In Bids where consortia/ joint ventures/ sub-contractors are involved, each party must submit a separate Tax Compliance Status (TCS) Certificate/Pin/CSD Number
- All supplementary forms including municipal rates and taxes clearance certificate form contained in the bid documents must be completed in full or (submit a proof that the municipal rates and taxes are not in arrears for more than three months)
- Copy of company profile
- Sealed Bids should clearly indicate: **Description of the Project and Reference of the Bid number APPOINTMENT OF A SERVICE PROVIDER: SECURITY SERVICE (GUARDING ACCESS CONTROL) TO VARIOUS COUNCIL BUILDING AND PREMISES FOR THE PERIOD OF THREE (3) YEARS (SCM/BID22/2023/2024)**

Closing date: **02 May 2024**

Bid Box: Bid Box No. "B"  
Maluti-a-Phofung Municipality  
Setsing Business Centre  
C/O Moremoholo & Motlounge streets  
Phuthaditjhaba

Supply chain enquiries: (058) 718 3871/ (058) 718 3877 – [thabisot@map.fs.gov.za](mailto:thabisot@map.fs.gov.za)  
[lebohanga@map.fs.gov.za](mailto:lebohanga@map.fs.gov.za)

Technical Enquiries: S. TSHABALALA @ 082 960 1365– [tshabalala.sipho71@gmail.com](mailto:tshabalala.sipho71@gmail.com)

**Please note:**

1. **No bids will be accepted from persons in the service of the state.**
2. Bid documents will be obtainable as from Wednesday **03 April 2024** after **10h00 am** from the cashiers point , Phuthaditjhaba offices upon payment of a **R 312.00** non-refundable fee (cash or bank guaranteed in favor of Maluti-a-Phofung Municipality) or can be downloaded on E-tender portal.
3. No telegraphic, telefaxes and late Bids will be accepted.
4. Municipality is not bound to accept the lowest Bid.
5. Municipality reserve the right not to award the bid.
6. Municipal Supply Chain Management Policy and Preferential Procurement Policy Framework Act No 5 of 2000 (90/10 preferential points allocation system in line with revised Procurement Regulations of 2023 by using the balance scorecard methodology) will be applied
7. Empowerment goals as per the Municipality Preferential Procurement Policy will be allocated as follows:

- **Empowerment goal as per the Municipal Preferential Procurement Policy will be allocate as follows :**

- **❖ Location based (Office Municipal Rates Statement, Lease Agreement and Affidavit for Rural Entities**

- Within Maluti-A-Phofung **10 points**
- Within Thabo Mofutsanyana District **07 points**
- With Free State Province **05 points**
- Outside Free State Province **02 points**

8. Only one submission for this bid will be considered from the bidder.
9. Failure to comply with the above mentioned conditions may invalidate your bid.
10. Should you not receive any correspondence from us within 120 days, regard your bid as unsuccessful.
11. Communication will be limited to the successful bidder.

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H.A GOLIATH  
ACTING MUNICIPAL MANAGER

## CLAUSE 1 DEFINITIONS

- **Armed Security Officer:**
  - A Security Officer performing duties in terms of this Bid with a firearm licensed in terms of the Fire Arm Control Act 2000 (Act 60 of 2000), which type of firearm for the duty may be determined by the Security Manager.
- **Accounting Officer:** refers to the Municipal Manager
- **Directorate Public Safety, Transport, Security and Protection Services:** The MAP or any other employee of the MAP employed in the Directorate Public Safety, Transport, Security and Protection Services assigned to be the Director or Security Manager shall act, as the representative and Directorate Public Safety, Transport, Security and Protection Services or Sub Directorate Security and Protection Services shall have a corresponding meaning.
- **Customer Care Centre:** The following Centres: Main building, Phuthaditjhaba, Kestell Office Harrismith Office, library and Municipal Traffic and any other sites as determined by Security Manager are customer care centres.
- **Monitor:** The conduct by the Security Manager to monitor service and the Successful bidder in terms of this bid specifically inspections, identifying premises for services, consultation with supervisors of such premises, consultation with the providers, investigation of irregularities and reporting of the providers none compliance etc.
- **Service Provider:** Shall mean the successful bidder
- **MAP:** Shall mean the Maluti-a-Phofung Local Municipality
- **Private Security Industry Regulatory Authority (PSIRA):** As defined in section 1 of the Act.
- **Security Officer:** As defined in section 1 {a} {i} {ii} of the act in terms of this bid a person or persons employed by the successful bidder and who is/are registered by the provider at PSIRA and dressed in the approved uniform, and in possession of hand cuffs, torch baton, two radios, identity card and other equipment as and when required by the Manager Security.
- **Shift:** An uninterrupted period of time not less than twelve (12) hours and /not more than 13 hours.
- **The Act:** The Private Security Industry Regulation Act,2001(Act 56 of 2001) (PSIRA)
- **Training:** The compulsory training in terms of Section 1 {m} as contemplated in terms of the Act.

## **CLAUSE 2 COMPLIANCE WITH THE ACT**

- 2.1. Security Officers performing duty on site must be registered with PSIRA in term of the act, by the bidders.
- 2.2. Proof of valid registration document shall be in possession of Security Officers at all times and be available for inspection by the Manager Security.
- 2.3. Only Security Officers meeting the requirements of the Act may be deployed on the Municipality's premises failure may lead to cancellation of the contract.
- 2.4. The Security Officers shall be considered trained to the grade stipulated on the certificate.
- 2.5. Security Officers on shift at MAP premises performing duties in terms of this bid and considered by the Manager Security not to be duly trained, not fit and/or not healthy to perform the service required, shall have to be replaced by trained and fit Security Officers upon request in writing by the Manager Security.

## **CLAUSE 3 SHIFTS**

- 3.1. All the sites are to be guarded day and nights.
- 3.2 The hours of the shifts shall be, unless otherwise determined by the Manager Security.
  - a) Day shift 06:00 - 18:00
  - b) Night shift 18:00 – 06: 00

## **CLAUSE 4 INSPECTIONS**

- 4.1 The Security Service providers shall conduct supervisory site inspections of all sites per shift. The Security Service providers must visit in the following sequence namely, one visits an hour after commencing of shift and one visit an hour before the ending of shift and one visit between the two specified times. Failure in the total of sites visits will be penalized with an amount of R 5 000.00 which will be deducted in the next invoice payment.
- 4.2 The supervisors shall record and report any security breaches with immediate effect, failure will be penalized with an amount of R5 000.00 which will be deducted in the next invoice payment.
- 4.3 The supervisors shall record the nature and scope of the inspection in the pocket book of the Security Officer as well as the occurrence book on site and must be made immediately available to the Security Manager on request by officer on duty.
- 4.4 Visitation must be forwarded to the Security Manager on request.

## **CLAUSE 5 HOUSING AND OTHER FACILITIES FOR SECURITY OFFICER**

- 5.1. No Security Officer shall be allowed to reside on the premise in any of MAP buildings including guardhouses.
- 5.2. At premises where facilities are available shall only be used in terms of the nature of the service to be rendered. The security service providers shall ensure that the guard houses are not damaged and no part or accessories of the guardhouse are tempered with or removed.
- 5.3. If toilet facilities are available on the premises Security Officer may use these facilities. The using of the facilities shall not be regarded as an interruption of the service. The facilities must be kept neat and tidy.

5.4. If running water for consumption is available on the premises it may be used by Security Officers without wasting the water.

5.5. The Security service providers may provide food for the Security Officers but a shift shall not be interrupted to take time off for food consumption.

5.6. Any facility belonging to the Municipality may be utilized with the approval of the Accounting Officer and such shall be kept in the condition it was found

#### **CLAUSE 6 TRANSPORT**

4.11. The service provider shall at their cost and expense provide transport for all Security Officers to and from their point of duty.

*No MAPs vehicle will be provided to transport Security Officers employed by the service provider.*

The vehicles must be branded in the company logo.

#### **CLAUSE 7 UNIFORMS**

4.12. Security guards must wear the prescribed uniform which must include:

- Shirt
- Trousers boots /shoes
- peak cap
- Baton
- Handcuff
- Identification card
- Torch
- Two-way radio
- Firearm if required
- Pocket book
- Or any other equipment required

#### **CLAUSE 8 FAILURES TO RENDER SERVICE**

**8.1.** In the event of the Security Service provider failing to render the service in terms of the bid for whatever reason be it a strike by employees due to non-payment of salaries by the Security Service provider or any other reason(s), MAP reserves the right to cancel the contract without further notice or any portion thereof, without any prejudice to the rights in terms of the Undertaking by the General Conditions and Directions

**8.2.** The following by Security Officers could lead to suspension of a specific site in the contract

- regular absenteeism

- drunkenness on duty
- desertion of post
- not wearing neat uniform or (without firearm: if so required)
- rendering of an unacceptable service in the opinion of the Security Manager.
- regular theft and or other crimes at premises
- failure to inspect guards as per clause 7 (INSPECTIONS)

**8.3. The following will be considered with penalties:**

DESCRIPTION	PENALTIES PER GUARD
No security officer posted	<b>R 10 500.00</b>
Desertion from post(Irrespective of time)	<b>R 10.500.00</b>
Sleeping on duty	<b>R10 500.00</b>
Drunkness on duty	<b>R10 500.00</b>
No uniform	<b>R10 500.00</b>

**8.4** The above –mentioned will have a 1-hour rectifying time period in which the service providers have time to rectify the problem. A cash value to the amount of R 5 000.00 will be deducted from the invoice in each case (per Guard) for the following:

- No ID – card (Company PSIRA)
- No pocket book or pen
- No handcuffs
- Torch (night shift)
- No baton
- No hand radio.
- No firearm if so required.

8.5. In this regard any supervisor from the Municipality’s Security Division may conduct spot checks and all Security Officers must cooperate fully.

8.6. A 48-hour letter will be issued if standard of service is unacceptable. The Security Service provider will then be investigated after 48-hours to see if all mentioned in the bid are in order.

8.7. Supervisors meeting can be arranged at any time.

8.8. Management meeting to be held as and when required by the Security Manager

8.9. All records in terms of the services are to be made available on request.

**8.10. IN THE EVENT:**

- a) The Security Service providers fails to deliver the specified service in time and in the manner required by the Security Manager.
- b) The MAP suffered damage by delay in the rendering of the service, or theft which occurred on the premises under the control of a security officer it is agreed that the provider shall pay to the MAP as liquidated damages, and not by way of penalty, the following sums, in each case to be fixed by the Security Manager.
  - a. A sum equal to any excess cost incurred by the MAP over the bid price in making good the deficiency in such manner as it may deem fit.
  - b. A sum equal to the value of the stolen item.

8.11 Within 48 hours after discovery of sub - standard service, as mentioned in this clause the Security Manager shall submit a letter to the Service Provider to bring to their attention the nature of the sub- standard service. The Service Provider must reply within 24-hours after receipt of this letter to the Security Manager.

#### **CLAUSE 9 MONITORING OF THE SERVICE**

**9.1** The Security Manager shall monitor the service in terms of the following:

**9.1.1.** The bid specifications:

- A. Compliance with the Private Security Industrial Regulation Act,2001(act 56 of 2001) and the regulation promulgated in terms of the act
- B. In terms of the wages of security officers the Service Provider shall comply with the Basic Conditions of Employment Act 1997(Act 75 of 1997) and the regulation promulgated in terms of the Act.
- C. A monitoring committee will be established by the Security Manager and the succeeded bidders will designate their employees to attend such meeting which may be scheduled by the committee
- D. Meetings between the parties shall take place as and when required by the Security Manager on a date, time and place determined by the Security Manager to inter alia discuss the performance of the services.

#### **CLAUSE 10 GENERAL**

**10.1.** The column (**PRICE PER OFFICER PER MONTH (EXCL VAT)**) must include all the overhead expenditure, such as the calculation of the day /night shift, etc.

10.2. The Security Manager is entitled to reduce the guards per site or to add additional guards per site, which arrangements shall be made in writing.

10.3. A complete staff establishment certified by PSIRA must be produced one month after awarding of tender in order to verify staff placed on MAP sites, or at any other time required by the Security Manager:

10.4. The Security Manager may require from the successful bidder(s) to render a security

service with guard dogs and firearms as and when required. (Please refer to the attached annexure A)

10.6. A full report of an incident that occurred on an MAP sites must be reported in writing to the Security Manager within 24 hours of such incident.

10.7. A monthly summary report of all incident that occurred on service sites must be handed to the Security Manager within seven (7) days after month end.

10.8. Companies may at their own cost install electronic patrol tracking system on all MAP sites for proper guard monitoring.

10.9. Radio communication tests from sites must be available on request to ensure proper communication from the sites to service providers control room. The control room/communication must comply with ICASA legislation.

10.10. Compulsory inspections will be carried out by the Manager: Security or authorized delegate(s) on infrastructure to determine the capacity of the bidder to render the requested service.

10.11 Accounting Officer as advised by the Directorate, may at any time terminate part or the service in total should the service delivery not be to the standard required by Maluti-A-Phofung Municipality.

10.12. Security Service Provider must undertake to when so required, to provide a certain and reasonable number of additional staff as requested for the rendering of service at the sites during crisis situations.

10.13. The bidders **must have a 24hour locally operational control room with telephone lines** and monitor the radio communication (must comply with the ICASA Legislation)

10.14. The bidders must have a functional Patrol Monitoring System.

10.15. The bidders must have a **Base Radio Station** (must comply with the ICASA Legislation) in the control room which is staffed by a qualified radio operator on a 24-hour base

10.16. The bidders must have **patrol vehicle, flashlights, and handcuffs. Reflector vests and other equipment required by the site and resulting from the nature and extent of this contract.**

10.17. The tenderer shall be in possession of a sufficient number of **two –way radios to issue to every guard on duty at all the guard posts.**

10.18. The tenderers/bidders must also provide response vehicle to respond without delay to any guard in need of help /assistance.

10.19. The tenderers will be responsible for the security functions at the premises and will do

foot patrol access control to prevent crime in general and will also search vehicle entering and exiting the premises both private and Council vehicle and comply with other security measures as requested.

10.20. The norm/quality of the security to be rendered must be in accordance with acceptable standard of the trade concerned.

10.21. All possible steps shall be taken by the security service providers to ensure that the contract /intended execution of the agreement, will take place. These steps include, inter **alia**, the following:

- The protection of Maluti- a - Phofung property, personnel and public visiting the intended sites and the protection of the said property against theft and vandalism and crime in general.
- **The protection of MAP officials against injuries, death or any offence. Including offence referred to in Schedule 1 of the Criminal Procedure Act, 51(act 51 of 1977)**
- The Security Service providers must provide fully uniformed security personnel required for the successful rendering of the service.

## **CLAUSE 11 SCOPE OF WORK**

1. **Service definition.** Maluti- a- Phofung Municipality desires to appoint one (1) or more security service providers to provide security service at various Maluti- a- Phofung Municipality's sites, to protect and secure Maluti -a-Phofung Municipality's property, personnel, public and assets  
Tenderers / bidders should demonstrate knowledge of South African Security Law and Regulations with proven track record.
2. **Overall Responsibilities:** The incumbent security company shall render the services using trained guards. The scope of service offered shall include, but is not limited to;
  - *Access control*
  - *Sites surveillance*
  - *Eradication of theft/shrinkage*

- *Monitoring and identification of security threats & risks*
- *Locking and un- locking of facilities as per requirements*
- *Safeguarding of lost and found property*
- *Maintaining records of security registers as per site requirements*
- *Assist where applicable with OH & S AND OTHER RELEVANT SYSTEMS*
- *Overall crime prevention*
- *Foot patrols*
- *Site inspections buildings and fence parameters*
- *Crime must be reported immediately to the SAPS and to the client through security Manager/Director*

**3 SITES.** The security companies shall provide security service to safeguard MAP assets at the sites appointed to render the services as described in point 6 below:”  
‘General Duties /job description’”

**4. Equipment Needed.** The following will be the type of equipment that will be needed to execute duties satisfactory:

- Base station radio
- Two -way hand held radio at the rate of 1 per every guard on duty.
- Patrol monitoring system
- Vehicle mobile radio
- Torches for all guards for night shift
- Handcuffs and other equipment needed to assist the security officer to perform a good quality service.
- All the above equipment must be fully operational at all times. Tenderers may suggest alternative technology which may be more effective in service delivery

**5** **UNIFORMS; All** security officer on site must be in the company's uniforms as approved by the security officers of the company.

**6** **GENERAL DUTIES / JOB DESCRIPTION.** The following duties must be performed by the security officers of the company:

- To act as authorized officer in terms of the control of Access to public premises and vehicle Act,1985(Act 53 of 1985)
- Do access control, guarding of premises, patrol premises escorting of VIPs & service provider, protection of personnel, protection of property, protection of visitors, and protection of information and execute other security functions as required by the Security Manager and site Managers at the MAP premises.
- To monitor the inwards and outward movement of depot/stock:
- To record incidents /events in an occurrence register and report immediately such incidents/events to the MAP municipality Unit in writing.
- Duties /Job description for each post will be provided to successful service provider by the MAP municipality.
- Submit monthly reports in a format and to the satisfaction of the client MAP
- Must identify a contact person on a 24-hour availability base from the appointed company who will be responsible for communication between MAP municipality and Service provider.

## **CLAUSE 12 REQUIREMENTS AND DUTIES**

### **REQUIREMENTS**

The following requirements are applicable to all security officers.

#### **Training skill and knowledge**

1. Minimum training – The standard laid down as determined by the PSIRA/SASSETA
2. Registered with PSIRA
3. Theoretical – and practical training of firearms if an armed guard is required.

4. Sound knowledge of the act on fire arms and ammunition (armed guards)
5. Sound knowledge of all the relevant and applicable section of the Criminal Procedures Act, which have a direct bearing on the duties of a security officer.

### **Equipment and other aids**

1. In addition, the bidders must be able to provide electronic security services to Maluti-A-Phofung Municipality key points and premises, in terms of the specifications for **control room monitoring (alarms, CCTV), rapid response and installations** to such activations from registered and reputable Security Service Providers, who are capable of rendering all of the functions as required in terms of the specifications underlined and included herein for Maluti-A-Phofung Municipality.

The successful bidder will be expected to provide the GSM Technology on built to transfer model, which imply that after the term of contract has expired the GSM Technology installed will remain the property of the municipality

2. Monitoring will take place on the premises of the Municipalities Central Control Room.
3. Response services must be done within 7 min from the time of detection. The Service Provider shall provide an electronic audit trail to verify the response times.
4. CCTV operators must do the following
  - Deter and detect crime
  - Assist in the identification of offenders leading to their arrest and successful prosecution
  - Monitor municipal facilities, assets and locations
  - Testify in the Court of Law, disciplinary process or any inquiries sanctioned by the Municipality
5. It is imperative that the correct balance be created between staff selection and training, in order to ensure that the Control Room output is maximized. It is of no or very little value to have a world standard Control Room with staff that is not equal to the task. Based on the international best practice standard and research CCTV operators must have undergone the following training curriculum, in order of priority: -
6. Basic Computer Literacy

- This is the foundation course which prepares operators for the more in depth courses to follow. All hardware in a CCTV Control Room is computer associated, thus requiring operators to be computer literate (Windows platform)
  - Surveillance and Monitoring Assessment Exercise (SAMAE). SAMAE is a computerized package, which evaluates the capacity of CCTV and other high vigilance personnel to perform effectively and consistently. SAMAE allows, select and place the right operators to ensure the surveillance technology and systems are used optimally for their purpose
7. Induction Course will include amongst others the following
- General, outline of an integrated security system, central & satellite control rooms and the role of CCTV within the Municipality
  - Crime hotspots
  - Types of cameras
  - Basic functions of CCTV operators
  - Duties of control room operators
  - Introduction to the Code of Practice, User's Manual and Policies and Procedures for a CCTV Control Room
  - Site visit to the locations of the cameras and geographical areas.
8. *Radio in a serviceable condition, with good communication between user stations (individual on duty) and with the control room of the firm respectively.*
9. *Baton and handcuffs*
10. *Flashlight (during the night)*
11. *Full company uniform with the necessary identifying insignias, which clearly illustrate the code of arms of the firm.*
12. *Such other as is /are necessary to properly render the services contemplated in Clause 3*
13. *Trained dogs*

#### **Behaviour and conduct**

1. The security officers must at all times be present at the sites during his/her specific shift.
2. The security officers must at times be alert and in a state of readiness during his specific shift
3. The security officers may not be under the influence of any intoxication liquor or any other drug.
4. The security officers may not at any time when on duty, host private individual for any reason other than that which is related to the business of the client.

#### **DUTIES**

The following duties are applicable to all security officers:

### **General**

1. To prevent any person by pursuing all possible and available means, from committing an illegal and wrongful act which may result in damage to and loss of property on or from any premises.
2. To arrest any person who has committed and illegal and wrongful act on or act at the sites and any person whom the officer reasonably suspects of having committed an illegal and wrongful act.
3. To report the malfunctioning of or damage to anything on or at a guarded premise which is the property of MAP to the Security Manager or his Representatives?
4. To do regular patrols on or at the premises in order to make his presence obvious and to enable him to execute the above mentioned duties.

### **SPECIFIC**

#### **Type A**

The following duties apply to security officers guarding office buildings:

1. To remove any person from the site whose behaviour disturbs the peace or causes discomfort to, or annoys the visitors and tenants

#### **Type B**

The following duties applied to security officers guarding empty buildings and/or premises:

1. To prevent any person apart from personnel of MAP from entering the building or premises responsible for
2. To ensure that nothing is removed from the premises without written authorization and the presence of a staff member from MAP.

#### **Type C**

The following duties applied to security officers guarding Water Treatment plant, or any other such

Water pump Stations, Sewage Plants, Sewage Pump station, Electrical Substation, Electrical Installations, Water Installations, Municipalities properties and Bulk Supply Installations

- To ensure that any equipment taking out from the premises /site has a written permission authorization
- To prevent any person except the Sherriff of court or SAPS when executing official duty from entering without authorization.

#### **Type D**

The following duties applied to security officers guarding a factory or shop or any other such commercial or industrial premises, where MAP has started legal action against the tenants and or owners and or landlords.

- To prevent any person, except Legal personnel of MAP and the messenger of the court from entering the premises.

- To prevent anything from being done and or being removed from the Bulk supply plantation premises without written authorized from the accounting officer Security Manager or any designated officer.

**Type E**

The following duties applied to security officers guarding archives;

- To keep record, with full details of any person who visits the premises at any or all hours, and report to any maintenance defect

**QUESTIONNAIRE**

(To be completed in full by tenderer(s)/ bidders.)

**COMPANY**

- 1. **State** the nature of your (i.e. close corporation, proprietary or limited or other) as well as the registration numbers thereof (please attach proof)

- 2. Please supply us with your registered business address as well as that of your branch officers.  
.....
- 3. List names of all shareholders or members with percentage of shareholding applicable per shareholder or member as well as copies of the relevant identity documents.  
.....  
.....
- 4. List names of all directors and or management as applicable.  
.....  
.....
- 5. Please attach partnership agreement /articles of association and certificate of incorporation /founding statement and CK1 if applicable.  
.....
- 6. How long has your company been a security service provider?  
.....
- 7. How many security guards does your company employ at present?  
.....
- 8. Is your company registered with the private security industry regulating? If so, please give registration details.  
.....
- 9. Are the directors /members of the company registered with the Private Security Industry Regulating Authority  
YES/NO
- 10. What percentage of security guards presently employed by your company are?
  - Registered with the Private Security Industry Regulating Authority? **Attach a copy of registration**
  - Awaiting registration with the Private Security Industry Regulating Authority?
- 11. Which major contracts are you presently serving?  
.....
- 12. Is your company registered with the SAPS to use fire arms?  
YES/NO  
If no, give details  
.....  
.....

**COMMUNICATIONS**

- 13. Please state: Location of your operations /control room:  
.....  
24-hour telephone number of your operations /control room:

- (Code)..... (Number)
- a. Your Company's radio frequency:  
 .....
- b. Is the frequency exclusive to your company? YES/NO If not, please elaborate:  
 .....

.....  
 Please state brief details of the qualification of the staff that will man your operation /control room on a permanent basis: (Attach proof)  
 .....

**GENERAL**

Is your tender based on wages as laid down in terms of the Labour Regulations Act ,1956 as amended by Government Gazette no 5667 of 30 JUNE 1997? YES/NO

**I/we hereby agree that this tender, together with the letter of acceptance thereof will constitute a bidding contract which will take effect from 01/.../2019, or alternative from the first of the month following the date of dispatch of the letter of acceptance, whichever is the latter.**

**COMPANIES AUTHORISED**

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**CAPACITY**

5 QUALITY BASE METHOD WILL BE USED

Place/location where services are to be rendered are as follows:

GRADES REQUIRED	DESCRIPTION	TOTAL GUARDS(Please note the number can change without notice)Envisaged number
Grade C	GRADE C security guard per 12 hour shift	198 Grade C Guard
Grade D	Grade D security guard per 12 hour shift	
Grade C	Armed Guard per 12 hour shift	216 Armed Guard

Global System for Mobile Communications	CCTV Cameras 4 DVR Recording Machine 01 Router 01 32cm LCD Screen 01 Including Installation  Alarm System Control Panel x 1 Keypad x 1 Transformer 40VA x 1 Evolution Kit x 1 Alarm Motion Sensors x 4 Magnetic Door Sensors x 2 Including Installation	16 GSM sites
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<u>Grading</u>	Post to be guarded	QwaQwa	Harrismith	Kestell	Night Shift	Rate Per Guard	Total Amount
<u>C/C&amp;EJ</u>	<b>SUB-STATIONS(QWA QWA)</b>						
		<b>Armed</b>	<b>Unarmed</b>	<b>Day Shift</b>	<b>Night Shift</b>	<b>Rate Per Guard</b>	<b>Total Amount</b>
	Makabelane Sub-Station	✓		2	2		
	Makhalaneng Sub-Station	✓		2	2		
	Maluti Bus Sub-Station	✓		2	2		
	Moteka Sub-Station	✓		2	2		
	Riverside Sub-Station	✓		4	4		
	Ss1 Sub Station	✓		4	4		
	Ss8 (Puma) Sub Station	✓		2	2		
	Tseseng Sub-Station	✓		2	2		
	Ss5 Sub Station (Setsing)	✓		4	4		
	Elizabeth Ross Sub Station	✓		2	2		
<u>C/C&amp;EJ</u>	<b>SUB-STATIONS (HARRISMITH)</b>	<b>Armed</b>	<b>Unarmed</b>	<b>Day Shift</b>	<b>Night Shift</b>	<b>Rate Per Guard</b>	<b>Total Amount</b>
	Greenland Sub-Station	GSM/ Armed		2	2		
	Makholoeng Sub-Station	✓		2	2		
		✓					

<u>C/C&amp;EI</u>	QWA QWA AND HARRISMITH POUND	Armed	Unarmed	Day Shift	Night Shift	Rate Per Guard	Total Amount
	Tseseng Pound.	GSM					
	Harrismith Pound.	GSM					
<u>C</u>	QWA QWA STADIUMS	Armed	Unarmed	Day Shift	Night Shift	Rate Per Guard	Total Amount
	Charles Mopeli Stadium.	GSM/ Armed		4	4		
	Bluegumbosch Stadium	GSM					
	Phuthaditjhaba Stadium	GSM					
	Makwane Stadium		✓	2	2		
	Thibella Stadium		✓	2	2		
	Infrastructure	GSM	✓	1	1		
	Phuthaditjhaba Park		✓	2	2		
	Refuse	GSM	✓	1	1		
	Phuthaditjhaba Nursery		✓	2	2		
<u>C</u>	HARRISMITH STADIUM	Armed	Unarmed	Day Shift	Night Shift	Rate Per Guard	Total Amount
	Platberg Stadium		✓	4	4		

	Green Pavilion Stadium		✓	2	2					
	Intabazwe Stadium	✓		2	2					
	Tshiame Stadium	✓		2	2					
	Platberg botanical gardens	✓		2	2					
<b>C</b>	<b>QwaQwa Hall</b>	<b>Armed</b>	<b>Unarmed</b>	<b>Day Shift</b>	<b>Night Shift</b>	<b>Rate Per Guard</b>	<b>Total Amount</b>			
	Monontsha Hall	GSM	✓	1	1					
	Makeneng Hall		✓	2	2					
	Multipurpose Hall		✓	3	3					
<b>C</b>	<b>HARRISMITH HALL</b>	<b>Armed</b>	<b>Unarmed</b>	<b>Day Shift</b>	<b>Night Shift</b>	<b>Rate Per guard</b>	<b>Total Amount</b>			
	Intabazwe Multipurpose Hall	GSM								
	Intabazwe Hall	GSM								
	Intabazwe Library	GSM								
	Harrismith Town Hall	GSM								
	Intabazwe office		✓	2	2					
	Caravan Park		✓	2	2					

	Harrismith park	GSM								
<b>C</b>	<b>KESTELL HALL</b>	<b>Armed</b>	<b>Unarmed</b>	<b>Day Shift</b>	<b>Night Shift</b>	<b>Rate Per guard</b>	<b>Total Amount</b>			



	Morallaneng Water Pump Station			✓	2	2	2		
	Sehlaneng 1 Water Pump Station			✓	2	2	2		
	Pereng Water Pump			✓	2	2	2		
	Clubview Sewer Pump Station			✓	2	2	2		
	Industrial Area 3 Sewer Pump Station(1)	✓			2	2	2		
	Industrial Area 3 Sewer Pump Station(2)	✓			2	2	2		
	Industrial Area 3 Sewer Pump Station(3)	✓			2	2	2		
	New Industrial Sewer Pump Station	✓			2	2	2		
	Letsha Le Maduke Sewer Pump Station	✓			2	2	2		
	Qoqolosing Water Pump Station	✓			2	2	2		
	Elands Sewage Plant	✓			2	2	2		
	Masianokeng Water Plant	✓			2	2	2		
	Bochabela Sewer Pump Station	✓			2	2	2		
	Mabolela sewer pump station	✓			2	2	2		

<u>C/C&amp;EI</u>	MAP WATER PUMP STATION & PLANT STATION(HARRISMITH)	Armed	Unarmed	Day Shift	Night Shift	Rate Per Guard	Total Amount
	Sterkfontein Water Plant	✓		2	2		
	Nuwe Jaar -Spruit Water Pump Station	✓		2	2		
	Wilge Water Plant	✓		2	2		
	Intabazwe Tower Water Pump Station	✓		2	2		
	Bergsig Water Pump Station	✓		2	2		
	Letsitsa Borehole Plant	✓		2	2		
	Tsiame B Sewer Pump Station	✓		2	2		
	Tsiame C Sewer Pump Station	✓		2	2		
	Harrismith Store		✓	2	2		
<u>C/C&amp;EI</u>	MAP WATER PUMP & PLANTS STATION	Armed	Unarmed	Day Shift	Night Shift	Rate Per guard	Total Amount
	Sterkfontein Syphon Point	✓		2	2		
	Wilge Water Pump Station	✓		2	2		
	Letsitsa Human Settlement Borehole Plant	✓		2	2		
	Khalanyoni Sewage Pump Station A	✓		2	2		

	Khalanyoni Sewage Pump Station B	✓		2	2				
	Tshiame Sewage Plant	✓		2	2				
<u>C/C&amp;EI</u>	<b>KESTELL PUMP STATION</b>	<b>Armed</b>	<b>Unarmed</b>	<b>Day Shift</b>	<b>Night Shift</b>	<b>Rate Per guard</b>	<b>Total Amount</b>		
	Kestell Water Pump Station	✓		2	2				

## 6 EVALUATION CRITERIA/FUNCTIONALITY

Technical or functional evaluation criteria and functional evaluation report guideline

This section outlines the process followed when the technical evaluation was conducted. If a panel of evaluators was used, it must be indicated in this section as well as the names of the members of the technical evaluation panel. The evaluation criteria used must be indicated and the weighting thereof. If there are any qualifying threshold they must also be indicated in this section. Where an external provider (consultant) was used to evaluate tenders, the report of the consultant will serve as an annexure to this report. This section must then summarise what the consultant has done.

**Technical of functional Evaluation Criteria and Functional Evaluation Report Guideline  
Only those tenderers who score the minimum of 60 points in respect of the following criteria  
are eligible for further evaluation.**

A comment will be rated in accordance with the following:

0= Very Poor; 1=Poor; 2= Acceptable; 3= Good; 4= Very Good; 5= Excellent

WEIGHTS	MAX NUMBER OF POINTS	POINTS SCORED	COMMENTS
<b>QUALITY CRITERIA (COMPLETE DETAILED PROPOSAL)</b>			
Previous experience with state/parental entities. Appointments letters to be attached and be supported by reference letter  Less than 0 reference =0 between 1 to 3 reference =05 Above 3 to 6 reference =10 7 and above reference = 15	15		
<b>2. CERTIFICATES</b>			
2.2 PSIRA Compliant = 10 2.3 COIDA (letter of Good Standing) = 10	20		
<b>3. EQUIPMENT</b>			
<b>3.1 Patrol vehicles X 05</b> Qwaqwa Unit = 02 Patrol Vehicles Harrismith Unit = 02 Patrol Vehicles Kestell Unit = 01 Patrol Vehicle  05 Patrol Vehicles = 20 04 Patrol Vehicles = 15 03 Patrol Vehicles = 10 00 to 02 Patrol Vehicles = 00	20		
<b>4. FIREARMS (LICENSE MUST BE ATTACHED)</b>			

<p>Above 80 = 15  Less than 80 = 10  Less than 50 = 05</p>	<p><b>15</b></p>	
<p><b>5. GLOBAL SYSTEM FOR MOBILE COMMUNICATIONS</b>  CCTV Cameras 4  DVR Recording Machine 01  Router 01  32cm LCD Screen 01</p> <p>Experience:  Above 5 years = 30  03 to 04 years = 15  01 to 02 years = 05</p>	<p><b>30</b></p>	
<p>All sites should be integrated into one central control room  <b>MAXIMUM POSSIBLE SCORE</b></p>	<p><b>100</b></p>	

**Price: 90 points**  
**Specific Goals: 10 points**  
**LOCAL BASED**

<b>WITHIN MALUTI-A - PHOFUNG</b>	<b>10 POINTS</b>
<b>WITHIN THABO MOFUTSANYANE DISTRICT</b>	<b>07 POINTS</b>
<b>WITHIN FREE STATE PROVINCE</b>	<b>05 POINTS</b>
<b>OUTSIDE THE FREE STATE PROVINCE</b>	<b>02 POINTS</b>

**PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY**

BID NUMBER:	SCM/BID22/2023/2024	CLOSING DATE:	2 MAY 2024	CLOSING TIME:	10H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER: SECURITY SERVICE (GUARDING ACCESS CONTROL) TO VARIOUS COUNCIL BUILDING AND PREMISES FOR THE PERIOD OF THREE (3) YEARS				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:					

MALUTI-A-PHOFUNG LOCAL MUNICIPALITY
CNR MOREMOHOLO & MOTLOUNG STREETS
SETSING BUSINESS CENTRE
PHUTHADITJHABA
9870
<b>BID BOX "A"</b>

**SUPPLIER INFORMATION**

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]			[IF YES, ANSWER PART B:3 ]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE		R
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>	<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>				
DEPARTMENT	SCM	CONTACT PERSON	S. TSHABALALA		
CONTACT PERSON	MR T.M THOABALA	TELEPHONE NUMBER	082 960 1365		
TELEPHONE NUMBER	058 718 3863	FACSIMILE NUMBER	N/A		
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	Tshabalala71@gmail.com		
E-MAIL ADDRESS	thabisot@map.fs.gov.za				

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</b>	

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

DATE:

.....

**TAX CLEARANCE REQUIREMENTS****IT IS A CONDITION OF BIDDING THAT -**

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. The attached form "Application for Tax Clearance Certificate (in respect of bidders)", must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver' s Office.



**DECLARATION OF INTEREST**

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

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

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

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

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

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

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars.....

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

3.10.1 If yes, furnish particulars.

.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

3.11.1 If yes, furnish particulars

.....  
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.12.1 If yes, furnish particulars.

.....  
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

3.13.1 If yes, furnish particulars.

.....  
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES / NO

3.14.1 If yes, furnish particulars:

.....  
.....

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

Full Name	Identity Number	State Employee Number

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

**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:

1 Are you by law required to prepare annual financial statements for auditing?

1.1 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.

.....  
.....

**NO**                      **\*YES /**

2 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?

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.

2.2 If yes, provide particulars.

.....  
.....  
.....  
.....

3 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

\* Delete if not applicable

**\*YES / NO**

such contract?

3.1 If yes, furnish particulars

.....  
.....

**\*YES / NO**

4. 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?

**\*YES / NO**

4.1 If yes, furnish particulars

.....  
.....

**CERTIFICATION**

I, THE UNDERSIGNED (NAME) .....

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.**

**I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE**

**FALSE.**

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

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

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

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

**1. GENERAL CONDITIONS**

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

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

1.2

a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals

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

1.5

	<b>POINTS</b>
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20
<b>Total points for Price and Specific Goals must not exceed</b>	<b>100</b>

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

1.7 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2. DEFINITIONS**

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

- (a) "Act" means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- (b) "Black people" as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.

- (c) "Tender" means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods.
- (d) "price" means an amount of money tendered for goods or services, and includes all applicable taxes less unconditional discounts;
- (e) "rand value" means the total estimated value of a contract in rand, calculated at the time of bid tender invitation, and includes all applicable taxes and
- (f) "tender for income generating contracts" means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auction.

### 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 3.1 POINTS AWARDED FOR PRICE

##### 3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

**80/20**

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

Where

- $P_s$  = Points scored for price of bid under consideration
- $P_t$  = Price of bid under consideration
- $P_{\min}$  = Price of lowest acceptable bid

#### 4. POINTS AWARDED FOR SPECIFICATION GOALS

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

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which

states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points allocated (90/10 system) (To be completed by the tenderer)	Number of points allocated (80/20 system) (To be completed by the tenderer)
Local Based		20		
<b>Total Points Allocated</b>		20		

**DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.2 VAT registration number:.....

4.3 Company registration number:.....

4.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

Signature(s) of Tenderer(s): \_\_\_\_\_ Date: \_\_\_\_\_

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID No.** .....  
**ISSUED BY:** (Procurement Authority / Name of Municipality / Municipal Entity):  
 .....

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

I, the undersigned, ..... (full names),  
 do hereby declare, in my capacity as .....  
 of .....(name of bidder entity), the  
 following:

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

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

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

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

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

(d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.

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

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

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>N</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	N <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	N <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) .....**  
**CERTIFY THAT THE INFORMATION FURNISHED ON THIS**  
**DECLARATION FORM TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

- a. take all reasonable steps to prevent such abuse;
- b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
- c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

cludes 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.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<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;
  - or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<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.**

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

# Maluti-a-Phofung Municipality



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

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

Enquiries: Supply Chain Management Unit

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

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

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

**OR**

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

### **PART A (TO BE COMPLETED BY THE RELEVANT MUNICIPALITY)**

Name of the Municipality: \_\_\_\_\_

Property Physical Address: \_\_\_\_\_

Registered Name: \_\_\_\_\_

Official's Name: \_\_\_\_\_

Municipality Stamp Here

Signature : \_\_\_\_\_

Date: \_\_\_\_\_

**Please tick whether in arrears or up-to-date**

Rates and taxes : Up-to-date / in arrears for more than 3 months

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

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

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

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

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

**PART B ( TO BE COMPLETED BY THE LANDLORD)**

Name of the Landlord:

Property Physical Address:

Landlord Signature:

Date: \_\_\_\_\_

**Landlord's business stamp here Or an Affidavit from SAPS  
Lease Agreement (Compulsory)**

**Please tick whether up-to-date or in arrears**

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

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

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

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

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

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## General Conditions of Contract

- 1. Definitions**
1. The following terms shall be interpreted as indicated:
    - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
    - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
    - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
    - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
    - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
    - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
    - 1.7 "Day" means calendar day.
    - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
    - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
    - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
    - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the

supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

## **4. Standards**

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

## **5. Use of contract documents and information inspection**

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

extend only so far as may be necessary for purposes of such performance.

- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent Rights**

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

## **7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

**9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size

weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

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

**10. Delivery and documents**

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

**11. Insurance**

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

**12. Transportation**

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

**13. Incidental Services**

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

**14. Spare parts**

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;
- (b) in the event of termination of production of the spare parts:
  - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

**15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

**16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.
- 18. Variation orders**
- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

**22. Penalties**

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

**23. Termination for default**

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) if the supplier fails to perform any other obligation(s) under the contract; or
  - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting the supplier from doing business with the public sector for a period not exceeding 10 years.

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- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
  - (ii) the date of commencement of the restriction
  - (iii) the period of restriction; and
  - (iv) the reasons for the restriction.
- These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7 . If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

- 24. Anti-dumping and countervailing duties and rights**
- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.
- 25. Force Majeure**
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for insolvency**
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.
- 27. Settlement of Disputes**
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

### **28. Limitation of Liability**

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

### **29. Governing language**

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

### **30. Applicable law**

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

### **31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

### **32. Taxes and duties**

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

- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.
- 33. Transfer of contracts**
- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser
- 34. Amendment of contracts**
- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.
- 35. Prohibition of restrictive practices**
- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.