

**NKANDLA MUNICIPALITY**



**NKANDLA MUNICIPALITY  
CONTRACT MANAGEMENT PRACTITIONER**

**23 -02- 2026**

*[Handwritten Signature]*  
**SIGNATURE**

**BID NUMBER: NKA/COR04/25/26**

**PROVISION OF PAYROLL SYSTEM FOR A PERIOD OF 36 MONTHS**

ENQUIRIES: SCM  
ISSUED BY:  
NKANDLA MUNICIPALITY  
PRIVATE BAG X 161 NKANDLA 3855  
TEL: 035 833 2000/40

**SUMMARY FOR TENDER OPENING PURPOSES**

NAME OF TENDERER: .....

TELEPHONE NO.: .....

ADDRESS: .....

.....

CONTACT PERSON: .....

EMAIL ADDRESS: .....

TOTAL PRICE (INCLUDING VAT) FOR A PERIOD OF 36 MONTHS	R
ESCALLATION RATE	
COMPANY REGISTRATION NUMBER:	
CSD REGISTRATION NUMBER:	

**TENDER CLOSES AT 11h00 on the 23<sup>rd</sup> of March 2026**

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**TENDERER CONTACT DETAILS**

This information shall be used for any correspondence or contact with the tenderer. Please indicate whether you want to receive any correspondence via e-mail or send to your postal address by registered mail.

<b>Name of Service Provider:</b>	
<b>Contact Person:</b>	
<b>Email Address:</b>	
<b>Telephone Number:</b>	
<b>Fax Number:</b>	
<b>Physical Address:</b>	
<b>Postal Address:</b>	

**NOTE: The service provider shall be deemed to have satisfied himself/herself/themselves as to all the conditions and circumstances affecting this Bid, including the physical aspects of working areas, and by the submission of a Bid, will confirm acceptance of the conditions and circumstances applicable to any subsequent contract. NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)**

**ADVERTISEMENT****INVITATION TO TENDER****PROJECT: PROVISION OF PAYROLL SYSTEM  
BID NUMBER: NKA/COR04/25/26**

Nkandla municipality herewith extends this invitation to call for tenders from existing and experienced service providers who meet the eligibility criteria set out in the tender. The contract entails the supply, delivery, installation and commissioning of electronic human resource management system, payroll system (inclusive of support services) for a period of three years. **Detailed Specification contained in the tender document.**

**BID DOCUMENTS FOR ABOVE BID**

The physical address for collection of bid documents is Nkandla Municipality, Finance Department Main Building, Lot 292, Maree Road, Nkandla, upon presentation of a receipt proving prior payment of a non-refundable fee of **R 740.00** (inclusive of VAT), having been made at the Municipal Finance Department, or deposited on the municipal bank account: FNB; Account No 62720610717, Branch 220930 (Use company name and bid number as reference). **Bid documents will be available as from 08H00 on Monday 23 February 2026 to 13H00 on Friday 27 February 2026** and will also made available on [www.nkandla.gov.za](http://www.nkandla.gov.za) and [www.etenders.gov.za](http://www.etenders.gov.za) .

**SUBMISSIONS**

Duly completed bid documents sealed in an envelopes, endorsed with tender number and Project Name are to be deposited in the Tender Box at the Municipal Offices, Lot 292 Maree Road, Nkandla, by no later than **Monday at 11h00 on the 23rd of March 2026 (closing date)**, at which time the bids will be opened in public. Bids are to be submitted on the bid documentation provided by the Municipality.

**SUPPORTING DOCUMENTS AND CONDITIONS**

Nkandla Municipality's SCM policy will apply. Bidders are required to submit mandatory documents: CSD registration report, proof of municipal rates (i.e. municipal rate certificate/lease agreement/council letter, any of the directors should not be in arrears for more than 3 months), and fully completed bid document where bidders will be required to provide them to proceed to next stage. The Council reserves the right to negotiate further conditions and requirements with the successful bidder and reserve the right not to appoint. Bids that are late, incomplete, unsigned, faxed or e-mailed will not be accepted or considered. The municipality will accept no responsibility for the late delivery of bids by courier services or any other forms of mailing. Bids shall remain valid for 90 days from the closing date (23 March 2026).

**EVALUATION CRITERIA**

Nkandla Local Municipality subscribes to the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000). The 80/20 preference points system will be applicable during the evaluation and adjudication of this bid. The amended PPPFA regulation 2022 will be used.

**STAGE 1: COMPLIANCE TO MANDATORY**, Failure to comply with all the mandatory information as requested above will result in the proposal being deemed nonresponsive.

**STAGE 2: FUNCTIONALITY**, Proposals will be subjected to a prequalification in terms of functionality, Functionality: 100 points, 50 points for experience, 30 points for capacity and 20 points for key personnel. Minimum qualifying points will be 70 points for further evaluation.

**STAGE 3: PREFERENTIAL POINTS SYSTEM, (80/20)**; 80 for price and 20 for specific goals (RDP Goals). **Detailed evaluation criteria contained in the tender document.**

For further information please contact the following:

	<b>Name &amp; Surname</b>	<b>Telephone</b>	<b>E-mail</b>
Technical enquiries	Mrs TW Thethwayo	035 833 2068	Thobeka.Tetwayo@nkandla.gov.za
SCM Related Enquiries	Ms. LN Mtshali	035 833 2040	Lethiwe.Mtshali@nkandla.gov.za

**MBD 1**

**PART A**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NKANDLA LOCAL MUNICIPALITY**

BID NUMBER:	NKA/COR04/25/26	CLOSING DATE:	23 MARCH 2026	CLOSING TIME:	11:00
DESCRIPTION	PROVISION OF PAYROLL SYSTEM				

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).**

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

<b>LOT 292</b>
<b>Maree road</b>
<b>Nkandla</b>
<b>3855</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 /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? <input type="checkbox"/> Yes <input type="checkbox"/> No [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			

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	BTO	CONTACT PERSON	Mrs TW Thethwayo
CONTACT PERSON	Ms LN Mtshali	TELEPHONE NUMBER	035 833 2068
TELEPHONE NUMBER	035 833 2040	FACSIMILE NUMBER	n/a
FACSIMILE NUMBER	n/a	E-MAIL ADDRESS	Thobeka.Tetwayo@nkandla.gov.za
E-MAIL ADDRESS	Lethiwe.Mtshali@nkandla.gov.za		

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER’S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?  YES  NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  YES  NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  YES  NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  YES  NO

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

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

**DETAILS OF TENDERER**

Name of firm / entity / enterprise	
Trading as (if different from above)	
Postal address	Postal Code _____
Physical address	
<b>Contact Details of the Person Signing the Tender:</b>	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
<b>Contact Details of the Senior Manager Responsible for Overseeing Contract Performance:</b>	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
<b>Contact Details of Person Responsible for Accounts / Invoices:</b>	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
Company Income Tax Number	
VAT Registration Number	
Company Registration Number	
Any other Registration Applicable to this Industry	

**DETAILS OF TENDERING ENTITY'S BANK**

I/We hereby authorize the Employer/Client to approach all or any of the following bank/s for the purposes of obtaining a financial reference:

DESCRIPTION OF BANK DETAIL	BANK DETAILS APPLICABLE TO TENDERER'S HEAD OFFICE
Name of bank	
Branch name	
Branch code	
Name of Account Holder	
Account number	
Type of Account	

Signature of Tenderer: \_\_\_\_\_

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

**THE RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS**

**RESOLUTION** of a meeting of the Board of Directors / Members / Partners of

\_\_\_\_\_ NAME OF TENDERER

Held at \_\_\_\_\_ on \_\_\_\_\_  
 (Place) (Date)

**RESOLVED THAT:**

1. The enterprise submits a Tender to the Nkandla Municipality in respect of the following:

**TENDER NUMBER: NKA/COR04/25/26**

2. Mr/Mrs/Ms \_\_\_\_\_

In his/her capacity as \_\_\_\_\_

and who will sign as follows: \_\_\_\_\_  
 (SPECIMAN SIGNATURE)

be, and is hereby, authorized to sign the Tender and any and all other documents and/or correspondence in connection with and relating to the Tender, as well as to sign any contract, and or all documentation resulting from the award of the Tender to the enterprise mentioned above.

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate sheet in the same format below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

**THE RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE**

**RESOLUTION** of a meeting of the Board of Directors / Members / Partners of

\_\_\_\_\_ **NAME OF TENDERER** \_\_\_\_\_

Held at \_\_\_\_\_ on \_\_\_\_\_  
 (Place) (Date)

**RESOLVED THAT:**

1. The enterprise submits a Tender to the Nkandla Municipality in respect of the following:

**TENDER NUMBER: NKA/COR04/25/26**

(List all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium / Joint Venture):

\_\_\_\_\_ and  
 \_\_\_\_\_ and  
 \_\_\_\_\_

2. Mr/Mrs/Ms \_\_\_\_\_

In his/her capacity as \_\_\_\_\_

and who will sign as follows: \_\_\_\_\_  
 (SPECIMAN SIGNATURE)

be, and is hereby, authorized to sign the Tender and any and all other documents and/or correspondence in connection with and relating to the Tender, as well as to sign any contract, and or all documentation resulting from the award of the Tender to the **Consortium / Joint Venture** enterprise mentioned above.

3. The enterprise in the form of a consortium or joint venture accepts jointly and several liability with parties under item 1 above for the fulfilment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the Nkandla Municipality in respect of the project described above under item 1.

4. The **Consortium / Joint Venture** enterprise chooses as its domicilium citandi et executandi for all purposes arising from this joint venture agreement and contract with the Nkandla Municipality in respect of the project under item 1:

(Physical Address) \_\_\_\_\_  
 \_\_\_\_\_

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate sheet in the same format below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

**JOINT VENTURE**

Only to be completed if applicable

<b>Name of Joint Venture:</b>	
<b>Names of Each Enterprise:</b>	
(1) Name and Address of Enterprise:	
(2) Name and Address of Enterprise:	
(3) Name and Address of Enterprise:	
Has an original valid Tax Clearance Certificate been submitted for each enterprise?	YES NO
CIDB Registration Number(s), if any:	

**Submit your Joint Venture Agreement together with this annexure. If no Joint Venture Agreement is submitted, your tender will be disqualified.**

**SIGNED ON BEHALF OF JOINT VENTURE \_\_\_\_\_**

## SPECIFICATIONS

The contract entails the supply, delivery, installation and commissioning of electronic human resource management system, payroll system (inclusive of support services) for a period of three years. The Nkandla municipality herewith extends this invitation to call for tenders from existing and experienced service providers who meet the eligibility criteria set out in the tender.

### **Purpose**

A need has been identified for fully integrated electronic human resources management system, payroll system. As such, the objective of this bid is to appoint a service to supply, deliver, install and commission of the integrated human resources management system, for the Nkandla municipality, and render the related support services for a period of three (3) years.

### **Background**

Nkandla municipality has a staff complement of approximately 152 permanent employees, approximately 27 councillors, approximately 14 ward co-ordinators and approximately 10 temporary employees in terms of the current employment equity stats as at end of June 2025.

The organisational structure of Nkandla municipality comprises of the following department

- . Office of the municipal manager
- . Department: corporate services
- . Department: budget and treasury office
- . Department: community services and
- . Department: technical services

The Nkandla municipality wishes to introduce the best practiced processes and techniques in human resources (HR) in managing its workforce. The municipality wishes to use a centralized solution as a means of improving its HR management and payroll systems.

This new technology and practices in the areas of HR process management system should enable the municipality to achieve the objectives of operational efficiency, streamlined processes and workflow automation in respect of HR payroll function.

The system should enable the Human Resources Section to achieve an increased speed and accuracy result when HR transactions are performed with computer software rather than manually, and routine transactions such as employee headcount, payroll tracking and time and attendances reporting to become automated and more cost - effective.

### **Eligibility Criteria**

- (a) Sound knowledge in Human Resources Management and Payroll Systems
- (b) Understanding of GRAP standards, ASB directives
- (c) Knowledge of PFMA, MFMA, ASB directives
- (d) Training municipalities and government entities on GRAP standards
- (e) Assisting public entities in establishing and reviewing strategic plans, annual performance
- (f) Plans and managing quarterly Performance Reports
- (g) Experience in Audit Readiness Assignment
- (h) Knowledge of Government Systems including

### **Scope of the services**

The project and service scope are to undertake the supply, delivery, installation and commissioning of HR management, payroll system (inclusive of support services) for a period of three (3) years, and reporting directly to the designated official.

Nkandla municipality intends to meet its obligations and objectives by ensuring that good relations are fostered with internal employees by providing an integrated HR and payroll systems. Further to this, the municipality wishes to achieve increased speed and accuracy result when HR transactions are performed with computer software than manually, and routine transactions as employee headcount, payroll tracking, and time and attendance reporting become automated and more cost-effective

In addition to HR management and payroll system, the Nkandla municipality has identified a need for a biometric system which will enable it to capture information on attendance and reporting become automated and more cost effective.

HR managers coordinate a wide variety of employee management activities that involve large amount of data over time. A human resources information system provides data management and accurate and timely information for decision making; it also streamlines HR operational, managerial and department support processes. The required system must be able to link current Payday system without disrupting the MSCOA set up.

Considering the above it is critical that the systems required cover following modules:

Item No	Item descriptions	Compliance with the minimum requirement (please indicate with a tick in box)	Comments
1	Human resources management and payroll systems:		
1.1	HR management system compulsory modules:		
1.	<p><b>Employee self-service portal (The Service Provider must install the portal on Nkandla Municipality Server)</b></p> <ul style="list-style-type: none"> <li>(Leave, pays slips, employees corresponding with the HR Section on any HR enquiries, ability to inform HR via the system of any changes of personal information)</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2.	<p><b>Leave management and administration</b> /</p> <p><b>The system must align with relevant collective agreements and leave management policy of Nkandla municipality</b></p> <ul style="list-style-type: none"> <li>This must have the ability to forfeit leave days</li> <li>Send reminders to employees of leave days that are about to be forfeited, hence this requires accurate alignment with the SALGBC: Conditions and collective agreements.</li> <li>The ability to remind employee and supervisors of leave applications made which were authorized prior to employees going on leave.</li> <li>The system must alert employee via email/SMS that leave has been approved and that employee can proceed on leave</li> <li>Ability to alert human resources section as well as supervisor and or admin officers on possible abuse of sick leave (this must align to eight-week period rule)</li> <li>The leave system must align with the SALGBC Conditions of Service</li> <li>Alignment with payroll system</li> <li>Costing of loss time due to AWOL</li> </ul>		
3.	<p><b>EMPLOYMENT EQUITY MANAGEMENT AND REPORTING</b></p> <p><b>The HIRS system must take cognizance of the employment equity plan of Nkandla municipality</b></p> <ul style="list-style-type: none"> <li>Real time reports as and when required for managerial decisions</li> <li>Electronic head counts reports in various required formats i.e., by occupational levels, departmental, gender, race, disability, management level, supervisory level, labour turnover etc.</li> <li>Total number of employees by department occupational level, organizational etc.</li> <li>Alignment with the department of labour reporting</li> </ul>		

	<ul style="list-style-type: none"> <li>• Management and operationalization of the Employment Equity plan of Nkandla municipality</li> <li>• Staff movement reports and interpretation of the same with the Employment Equity Plan or how staff movement effects the plan</li> </ul>		
<p><b>4. Skills development</b></p> <p><b>Alignment with the development policy of Nkandla municipality is crucial</b></p> <ul style="list-style-type: none"> <li>• <b>Compilation of electronic</b> skills development reports</li> <li>• Electronic head counts</li> <li>• Sets reminders on scheduled training interventions (alerts training beneficiaries as well as supervisors)</li> <li>• Assists with the compilation of the WSP (Work Skills Plan)/ATR (Annual Training Report) reports</li> <li>• Bursary administration</li> </ul>			
<p><b>5. Organizational structure</b></p> <ul style="list-style-type: none"> <li>• Alignment with or plus (very important)</li> <li>• Ability to analyse and manage the organizational structure</li> <li>• Ability to give real time information as and when required</li> <li>• Costing of each position on the organizational structure</li> <li>• Gives intense details of each post on the structure</li> <li>• Head count of posts on the structure in various formats</li> <li>• Must contain the requirements for each existing company position the name and other personal details of the employee holding the position, remuneration and benefit levels associated with the position</li> <li>• Date of engagement of the person holding the position</li> <li>• Qualification requirements of the post and actual qualifications of the person holding the position</li> <li>• Job description of the post</li> <li>• how was the person recruited to the post?</li> </ul>			
<p><b>6. Recruitment and Selection</b></p> <p>Alignment with the Recruitment policy is crucial</p> <ul style="list-style-type: none"> <li>• Online application module</li> <li>• Managing of employee personal details</li> <li>• Ability to upload employee photo on appointment</li> <li>• Input employee details upon appointment such as name, gender, age, ID Number, Race, supervisor, department, position, level, chronic illness, nickname, or better known as information etc.</li> </ul>			

- 7. Overtime administration**
  - Reports on overtime hours worked by department
  - Costing of all overtime hours worked
  - Compliance with legislation (number of hours exceeding 10 hours, departments contravening legislation etc.)
- 8. Health and Safety**
  - IOD (Injury on Duty) administration
  - Calculation of hours lost per month to IODS and costing of the same
  - Total hours worked for the month
  - Total number of employees
  - Capturing of injury on duty
- 9. Benefits**
  - Analysis and management of benefits information
  - Costing of various benefits such as
    - Allowances,
    - Salaries
    - Bonuses
    - Medical Aid
    - Salary increases
    - Leave payouts

The above list is not exhausted as costing should be done for all employees' benefits
- 10. Labour relations administration**
  - report in Disciplinary cases per department
  - Number of warnings, dismissals etc.
- 11. Reporting SALGA, Auditor General, management information reporting, budget**
- 12. payroll system**
  - Payroll and salary administration
  - Pre-loaded up to date statutory requirements
  - Annual IRP5 generation and administration
  - Third party payments
  - Electronic pay slip administration
  - general ledger integration to Financial Management System (FMS)
  - Report mechanics
  - Must link to the current SAGE without interrupting the MSCOA set up

**THE REQUIRED HR MANAGEMENT SYSTEM, PAYROLL SYSTEM MUST BE OF THE LATEST VERSIONS IN THE MARKET AND BIDDERS MUST PRICE THEIR PRODUCTS ACCORDINGLY.**

The service provider must also ensure that the HR Management System, Payroll System bidders regularly updates in accordance with legislative, SALGA and bargaining council requirement /changes

**CONTRACT DURATION**

The duration of this contract is 36 months. The installation, implementation and commissioning of the required systems shall be within a period of six (6) months from commencement. The support services on the required systems shall be for the remainder of the contact after installation and setup. This is a multi-year tender, hence the tender will run over 3 financial years. Should installation and setup be less than the allowable six (6) months, than the required support services shall be from date of completion of installation and setup. All work is to be carried out in accordance with time schedule as agreed with the municipality.

**NOTE:** bids which do not adhere to the implementation timeframe of not more than 6 months full implementation from the date of confirmation of the award will not be considered. Although the contract is for a maximum period of three years, the municipality reserves the right to amend the contract in terms section 116 and section 33 of the MFMA

**Performance measures**

The performance measures for the support services will be closely monitored by the designated official (contract manager), hence monthly reporting shall be done to the designated official managing the overall contract. In turn these reports shall be discussed, with the contract manager representing the service provider, in quarterly meeting at the discretion of the municipality.

**Monitoring progress on assignment**

The project leader must be appointed / designated by the Service Provider who will be responsible for the ongoing management of the Service agreement in accordance with the SLA.

**PRICING CONDITIONS**

The pricing structure or schedule has been designed for bidders to cast their prices for the supply, delivery, installation and commissioning of Human Resource Management System, Payroll (inclusive of support services) for period of three (3) years. Bidders must/ shall indicate their prices for each item in the pricing schedule, failure to adhere to this requirement shall lead to automatic disqualification.

Tenders will be evaluated and awarded as a whole. The sum of the prices for each item shall be totalled for year one. The proposed percentage for year two and three will be taken into consideration to obtain the total cost to council, which shall be used as the basis to evaluate prices. Service providers are urged to consider all the necessary costs of bringing the required system and related services to the client when casting their prices i.e. (wages, transport telephone, etc). The municipality shall at any given stage during the evaluation of tender, conduct verification checks in order to ensure the unrealistically low tenders are eliminated not to participate further on price. Service providers are also urged to use historical trends to make realistic forecasting, for the purpose of making informed financial decisions. No further price adjustments shall be accommodated, other than the ones agreed upon according this tender.

The municipality reserves the right to award this tender in whole or part thereof. The municipality reserves right to increase or decrease the scope due to operational and financial reasons. The municipality also reserves the right to terminate the contract of the successful bidder at any time prior to expiry date due to operational, financial under - performance or any material reason that can be justified by the reason that can be justified by the municipality.

All prices shall be quoted in south African currency and be **EXCLUSIVE** of VAT however, those bidders who are registered for VAT shall account for VAT at 15 % to obtain the Grand Total. Those bidders who are not registered for VAT may NOT impose VAT to the municipality. Bidders must indicate the prices for year 1,2 and 3 respectively. The prices must be inclusive of VAT to form the offer.

**SKILLS TRANSFER**

Company's approach to project implementation has been to ensure that our client is independent in operating the system. Identified staff members will be directly involved as per project requirements which are defined as operational technical. All operators will be assisted as part of hand holding in their environment.

**System Administrators**

The Company will train staff who will be identified as system administrators. These candidates will be intensively trained to take charge of the system control and management. They will be required to work hand in hand with the company first line support team during project implementation and thereafter will be required to provide internal support to the system users. These will be system super users who will be trained and equipped with all relevant technical skills.

**FIRST AND SECOND LEVEL SUPPORT**

The company will provide first line support on site during project implementation and will provide handing on this support to system administrators. These are super- user who will handle all relevant technical support post project implementation.

Fist line support post project implementation will be provided as and when required by the company for all cases which super-users escalate them for attention by the Company's first line support

**METHODOLOGY TO BE USED ON SKILLS TRANSFER**

Through formal training sessions will be provided for both super-user and users, hand holding or on job training will also form part of the process as this stimulates the new users to get an idea of how the system works in their working environment. Candidates will continue to receive training in their working environment during the duration of entire project. This is to ensure that system users are well equipped and enabled to be independent in operation of the system.

**SAGE 300 PEOPLE SYSTEM TRAINERS**

Trainers are well trained and have extensive experience in both the technical and operational aspect of the system. Their approach and training are of a world class standard. Further test and qualify control are conducted periodically to ensure that they stay abreast of the system enhancements and new legislative and regulatory requirement.

**TRAINING**

Training is offered on site for both first line and second line support. The is formal FASSET accredited training where training material will be provided, and assignment given to test trainees abilities. The training will be divided into two group namely:

**1. super users**

These are users who will be equipped with technical skills and intensively trained on the general use of the system and will be directly involved during the project deployment to ensure that they gain both technical and operational skills. This training is intensive per reasonable group and sufficient training facility.

**2. Other users:**

These are operational users who will only be trained in the operational aspect of the system. Formal training will be followed with handholding which ensures that candidates are trained in their working environment. This training also takes intensive three days weekly per reasonable group and sufficient training facility

Service providers must provide costing for support that will be provided as and when required, year 1, year 2, year 3 pricing including updates, must be able to provide remote support as and when required

**EVALUATION CRITERIA**

**Basis of evaluation**

Nkandla Local Municipality subscribes to the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000). The 80/20 preference points system will be applicable during the evaluation and adjudication of this bid. The amended PPPFA regulation 2022 will be used.

**STAGE 1: COMPLIANCE TO MANDATORY**

- Proof of registration to the National Treasury Central Database with up-to-date information (i.e. valid tax compliant status and company is actively conducting business).
- Fully completed tender document
- Proof of municipal rates (i.e. municipal rate certificate/ lease agreement/ ward councillor letter) indicating that the company or any of its directors is not in arrears to any municipality for more than 3 months.

**Failure to comply with all the mandatory information as requested above will result the proposal deemed nonresponsive.**

**STAGE 2 : FUNCTIONALITY**

Proposals will be subject to a prequalification in terms of the functionality, thus Functionality 100 points (Minimum threshold of 70 points) being 50 points for Experience, 30 points for capacity and 20 points for key personnel.

DESCRIPTION	Score	Points Scored
<b>EXPERIENCE</b>	<b>50</b>	
<b>Experience:</b> 3 or more copies of official orders/award letters/ appointment letters for the similar service from other organs of state in the last five years	50	
<b>Experience:</b> 2 copies of official orders/award letters/ appointment letters for the similar service from other organs of state in the last five years	30	
<b>Experience:</b> 1 copy of official orders/award letters/ appointment letters for the similar service from other organs of state in the last five years	20	
<b>Experience:</b> 0 copies of official orders/award letters/ appointment letters for the similar service from other organs of state in the last five years	0	
<b>CAPACITY</b>	<b>50</b>	
<b>Project Plan and Implementation Timeline (30 points)</b>	<b>30</b>	
The service provider's project plan will be evaluated based on the following criteria:		
<b>1. Installation Turnaround Time:</b> The service provider's ability to complete the installation within 6 months <b>(10 points)</b> <ul style="list-style-type: none"> <li>• 6 months or less: 10 points</li> <li>• More than 6 months: 0 points</li> </ul>		
<b>2. Support Services Turnaround Time:</b> The service provider's ability to respond to support requests within 14 days <b>(10 points)</b> <ul style="list-style-type: none"> <li>• 14 days or less: 10 points</li> <li>• More than 14 days: 0 points</li> </ul>		

<p><b>3. Training Plan for Municipal Users:</b> The service provider's plan for training municipal users <b>(10 points)</b></p> <ul style="list-style-type: none"> <li>• Comprehensive training plan with clear timelines and milestones: 8-10 points</li> <li>• Adequate training plan with some gaps: 4-7 points</li> <li>• No training plan or inadequate plan: 0-3 points</li> </ul> <p><b>NB:</b> The service provider's project plan should clearly outline the installation, support, and training timelines. The plan should demonstrate a clear understanding of the project requirements and timelines. The service provider should provide a detailed training plan, including the training content, duration, and target audience.</p>		
<p><b>Key Personnel (10 points)</b></p> <p>The service provider's key personnel will be evaluated based on the following criteria:</p> <p><b>1. Qualifications:</b></p> <ul style="list-style-type: none"> <li>• Degree/Diploma in Information Technology/Information System and Human Resource Management: 5 points</li> <li>• Certificates in Information Technology/Information System and Human Resource Management: 3 points</li> </ul> <p><b>2. Experience:</b></p> <ul style="list-style-type: none"> <li>• 5 or more years of experience: 5 points</li> <li>• Less than 5 years of experience: 3 points</li> </ul> <p><b>NB:</b> The service provider must provide CVs and certified qualifications of key personnel.</p> <p><b>3. Financial Stability (10 points)</b></p> <p><b>Audited Financial Statements:</b></p> <ul style="list-style-type: none"> <li>• Two years of audited financial statements: 10 points</li> <li>• One year of audited financial statements: 5 points</li> </ul>	<p><b>20</b></p>	
<p><b>TOTAL</b></p>	<p><b>100</b></p>	

Only Bids who pass the second stage with a minimum of 70 points for functionality will then be evaluated further in the third stage.

**STAGE 3: PREFERENTIAL POINTS SYSTEM**

(80/20); 80 for price and 20 for specific goals.

**Specific Goals 1: RDP Goals (maximum points 20)**

The specific goals allocated in terms of this tender	points allocated	Verification document(s)
Promotion of business that falls within South African enterprise	20	CSD

**THE TENDER OFFER**

The Municipal Manager  
 Nkandla Municipality  
 Private Bag X161  
 Nkandla  
 3855

Sir,

I/We \_\_\_\_\_ offer to manage and maintain in accordance with the contract requirements and specifications for an amount of:-

	Total Bidding Price Inclusive of VAT
<b>PROVISION OF PAYROLL SYSTEM</b>	R _____
	In words _____

Until such time that a formal agreement is compiled and accepted, these tenders will be in conjunction with your acceptance or the persons acting on your behalf and will be a binding contract between both parties.

I/We hereby acknowledge:-

1. that I/We have read and acquainted myself/ourselves with the terms and conditions of proposal and understand the purpose thereof and agree that all such conditions shall form part of this tender;
2. that this offer is irrevocable for a period of 3 (three) months from the date fixed for the opening of tenders and may be accepted in writing by the Nkandla Municipality, at any time during that period, which acceptance, together with this tender shall constitute a binding agreement of purchase and sale between the Nkandla Municipality and myself/ourselves.

THE CONDITIONS OF TENDER: I/WE READ AND ACCEPT

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

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

**Name of Tenderer: (organization) :** \_\_\_\_\_

**Witness Signature :** \_\_\_\_\_

**Witness Name (in Capitals) :** \_\_\_\_\_

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

FAILURE OF A TENDERER TO SIGN AND COMPLETE THIS FORM IN FULL WILL INVALIDATE THE PROPOSAL.

**ACCEPTANCE**

By signing this part of the form of offer and acceptance, the employer identified below accepts the supplier's offer. In consideration thereof, the employer shall pay the supplier the amount due in accordance with the conditions identified in the tender data. Acceptance of the supplier's offer shall form an agreement between the employer and the supplier upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the supplier receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the supplier within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

For the Employer:                    **NKANDLA MUNICIPALITY**

Name: Miss N.P Dlamini

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

Capacity:        **MUNICIPAL MANAGER**

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

**MBD 4**

**DECLARATION OF INTEREST**

- 1. No bid will be accepted from persons in the service of the state\*.
- 2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the 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 / her representative:

\_\_\_\_\_

3.2 Identity number: \_\_\_\_\_

3.3 Position occupied in the Company (director, trustee, shareholder<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 (where applicable) 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.

.....  
.....

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

3.9.1 If so, 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 so, state particulars.

.....  
.....

3.11 Are you aware of any relationship (family, friend, other) between the bidder and any person 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 so, state particulars.

.....  
.....

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

3.12.1 If so, state 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 so, 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 so, furnish particulars.

.....  
.....

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

**THE FOLLOWING INFORMATION IS COMPULSORY TO COMPLETE:**

Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number (Where applicable)

.....  
Signature

.....  
Date

.....  
Capacity

.....  
Name of Bidder

**MBD 6.1**

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

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

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

**1. GENERAL CONDITIONS**

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

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

1.2 **To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
<b>PRICE</b>	
<b>SPECIFIC GOALS</b>	
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer 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.

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

**2. DEFINITIONS**

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“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 auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

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

**3.1. POINTS AWARDED FOR PRICE**

**3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

<b>80/20</b>	or	<b>90/10</b>
$Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$

Where

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

**3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT**

**3.2.1. POINTS AWARDED FOR PRICE**

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

$$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right) \quad \text{or} \quad Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

- Ps = Points scored for price of tender under consideration  
 Pt = Price of tender under consideration  
 Pmax = Price of highest acceptable tender

#### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the 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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Specific Goals 1: RDP Goals (maximum points 20)	20	
<b>LOCATION</b>		
Promotion of business that falls within South African enterprise	20	

**DECLARATION WITH REGARD TO COMPANY/FIRM**

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. 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)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....  
.....  
.....  
.....

**MBD 8**

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

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person 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 National Treasury 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 Question</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"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.5.1	If so, furnish particulars:		

**CERTIFICATION**

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

**MBD 9****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 (MBD9) must be completed and submitted with the bid:

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

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

**NKA/COR04/25/26- PROVISION OF PAYROLL SYSTEM**

in response to the invitation for the bid made by:

**NKANDLA MUNICIPALITY**

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

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

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

<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.**

**PAST EXPERIENCE**

COMPULSORY TO COMPLETE

Tenderers must furnish hereunder details of similar works/services, which they have satisfactorily completed in the past. The information shall include a description of the Works, the Contract value and name of Employer.

NAME OF THE EMPLOYER	DURATION AND COMPLETION DATE OF WORKS / SERVICES	EMPLOYER CONTACT PERSON NAME AND NUMBER	EMPLOYER CONTACT PERSON E-MAIL ADDRESS

\_\_\_\_\_

**DATE**

\_\_\_\_\_

**SIGNATURE OF TENDERER**

**GENERAL CONDITIONS OF CONTRACT****NKANDLA MUNICIPALITY PROCUREMENT****TABLE OF CLAUSES**

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-Dumping and countervailing duties and rights
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
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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 anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the 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 supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General:

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 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 provider 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 provider'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 provider 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 or municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality or 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 provider 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, test and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an 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 23 of GCC.

9. Packing:

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, 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 provider 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 provider 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 exceed 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 these contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
21. Delays in the Supplier's Performance:
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 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 supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.
22. Penalties:
- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default:

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - (b) if the supplier fails to perform any other obligation(s) under the contract; or
  - (c) if the supplier, in the 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 such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the 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 Counter-Vailing duties and rights:
- 24.1 When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such antidumping 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 supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.
25. Force Majeure:
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
26. Termination for insolvency:
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
27. Settlement of disputes:
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 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 to 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 are 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.

**CERTIFICATE FOR MUNICIPAL SERVICES**

Information required in terms of the Nkandla Municipality's Supply Chain Management Policy.

<b>Tender Number: NKA/COR04/25/26</b>  <b>Name of the Tenderer:</b> _____
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**FURTHER DETAILS OF THE BIDDER/S: Proprietor / Director(s) / Partners, etc:**

Physical Business address of the Bidder	Municipal Account Number(s)

If there is not enough space for all the names, please attach the additional details to the Tender document.

Name of Director / Member / Partner	Identity Number	Physical <b>residential</b> address of Director / Member / Partner	Municipal Account number(s)

I, \_\_\_\_\_, the undersigned,  
 (full name in block letters)

certify that the information furnished on this declaration form is correct and that I/we have no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

\_\_\_\_\_ Signature

THUS DONE AND SIGNED for and on behalf of the Bidder / Contractor

at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 2026

**Please note:**

Even if the requested information is not applicable to the Bidder, the table above should be endorsed NOT APPLICABLE and THIS DECLARATION MUST STILL BE SIGNED.

**ANNEXURES**

