



CLUSTER

FINANCE

UNIT

FINANCE AND MAJOR PROJECTS

DEPARTMENT

INSURANCE

PROCUREMENT DOCUMENT: GOODS / SERVICES

Documents can be obtained either in hard copy or electronic format, issued by the eThekweni Municipality:

- a) Electronically downloaded documentation is obtainable from the National Treasury's eTenders website or the eThekweni Municipality's Vendor Portal. The entire document should be printed and suitably bound by the tenderer.
- b) Hard copy versions can be obtained from the Employer upon payment of the non-refundable tender charge.

Tender No: 1F-21444

Title: MOTOR VEHICLE CLAIMS ASSESSMENT, ADMINISTRATION AND ACCIDENT INVESTIGATION FOR A PERIOD OF 36 MONTHS

CLARIFICATION MEETING AND QUERIES

Clarification Meeting:

Bidders are requested to submit email queries related to the bid. All email queries are to be submitted by 02 March 2023. Email questions and answers will be consolidated and posted on eTenders/Municipal website for the benefit of all tenderers by 09 March 2023

Queries can be addressed to:

General / Contractual: Senzo Ngesi; Tel: 031-322-8243; eMail: senzo.ngesi@durban.gov.za

Moga Naidoo; Tel: 031-311-1541; eMail:

Technical: moga.naidoo@durban.gov.za or Thulani Ntuli; Tel: 031-311-1540; eMail: Thulani.ntuli@durban.gov.za

DELIVERY OF TENDERS

Sealed Tenders, addressed to the City Manager and marked with the Tender Number, are to be placed in the Tender Box **located in the ground floor foyer of the Municipal Buildings, 166 KE Masinga Road (Old Fort Rd), Durban** (and not any other municipal department), no later than:

Closing Date: Friday, 17 March 2023

Time: 11:00am

FACSIMILE, eMAIL or POSTED TENDERS WILL NOT BE ACCEPTED

Issued by:

ETHEKWINI MUNICIPALITY

Deputy Head: **INSURANCE**

Issued: **December 2022**

Document Version: **02/03/2022**

NAME OF TENDERER:

Tender Price: R

VAT Registered: YES / NO
(circle applicable)

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**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(Failure to do so may result in your tender being disqualified)**

Name of Tenderer:

Postal Address:

Street Address:

E-Mail Address:

Telephone Number:

-

-

Cell phone Number:

Facsimile Number:

**Circle / Tick
Applicable**

Is your entity registered on the eThekweni Municipality's supplier database? YES / NO

If YES insert your PR Number: PR

Is your entity registered on the National Treasury Central Supplier Database (CSD)? YES / NO

If YES insert your MAAA Number: MAAA

Is your entity VAT registered? YES / NO

• If YES insert Vat Registration Number:

Has an original and valid **Tax Clearance Certificate** (MBD 2) been attached? YES / NOHas a **Declaration of Interest** (MBD 4) been submitted? YES / NOHas a **Declaration for Procurement Above R10 Million** (MBD 5) been submitted? YES / NOHas a **B-BBEE Status Level Verification Certificate** (MBD 6.1) been submitted? YES / NO

If YES, who was the certificate issued by?

- An accounting officer as contemplated in the Close Corporation Act.
- A verification agency accredited by the South African National Accreditation System (SANAS).
- A registered auditor.
- Sworn Affidavit.

Has a **Declaration Certificate for Local Production and Content for Designated Sectors** (MBD 6.2) been submitted? YES / NOHas a **Declaration of Bidder's Past SCM Practices** (MBD 8) been submitted? YES / NOHas a **Certificate of Independent Bid Determination** (MBD 9) been submitted? YES / NO**Are you the accredited representative** in South Africa for the goods / services / works offered? If YES, enclose proof. YES / NO

Signature of Tenderer: Date:

Name / Surname: (in block capitals)

Capacity under which this tender is signed:

SECTION 2 : CONDITIONS OF TENDER – (Goods / Services : June 2019)

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SPECIAL / ADDITIONAL CONDITIONS OF TENDER

STANDARD CONDITIONS OF TENDER (Goods / Services)

1. DEFINITIONS

General:

- (1) Defined words / phrases are printed in *Italic font*.
- (2) Definitions apply to the singular as well as the plural.
- (3) Any reference to the masculine gender shall be taken to include the feminine and any reference to the feminine gender shall be taken to include the masculine.
- (4) The words “bid” and “tender”, and “bidder” and “tenderer” can be used interchangeably.
- (5) All definitions as defined in the **General Conditions of Contract** are applicable to these **Standard Conditions of Tender**. These definitions include:
 - “Closing time”
 - “Contract”
 - “Contract Price”
 - “Corrupt practice”
 - “Countervailing duties”
 - “Country of origin”
 - “Day”
 - “Delivery”
 - “Delivery ex stock”
 - “Delivery into consignees store or to his site”
 - “Dumping”
 - “Force majeure”
 - “Fraudulent practice”
 - “GCC”
 - “Goods”
 - “Imported content”
 - “Local content”
 - “Manufacture”
 - “Order”
 - “Project site”
 - “Purchaser”
 - “Republic”
 - “SCC”
 - “Services”
 - “Supplier”
 - “Tort”
 - “Turnkey”
 - “Written” or “in writing”
- (6) **Bid or Tender:** The offer submitted in respect of an invitation to submit such an offer.
- (7) **Bidder or Tenderer:** An entity (company, close corporation, partnership, joint venture, sole proprietor) which submits a *bid/tender*.
- (8) **Municipality:** The eThekweni Municipality, as represented by the duly authorised delegate, official or committee.
- (9) **SCT:** Special Conditions of Tender (found in Section 3).
- (10) **Week:** A period of seven (7) consecutive *days*.
- (11) **Material Deviation:** A material deviation or qualification is one which, in the *Municipality’s* opinion, would:
 - (a) Detrimentially affect the scope, quality, or performance of the services or supply identified in the Scope;
 - (b) Significantly change the *Municipality’s* or the *Tenderer’s* risks and responsibilities under the contract; or
 - (c) Affect the competitive position of other *Tenderers* presenting responsive *tenders*, if it were to be rectified.

2. CONDITIONS OF TENDER & CONTRACT

The specification will be governed by the **Standard Conditions of Tender** (Goods and Services), **Special Conditions of Tender (SCT)**, **General Conditions of Contract (GCC)** (Government Procurement General Conditions (July 2010), as amended by National Treasury Circular 52 dated 30 July 2010), the **Special Conditions of Contract (SCC)**, the **Occupational Health and Safety Act** (Act No. 85 of 1993), and the **eThekweni Code of Conduct**.

Complete Acceptance of Conditions

Unless otherwise expressly stipulated in a letter covering the *tender*, every *Tenderer* shall be deemed to have waived, renounced, and abandoned any conditions printed or written upon any stationery used for the purpose of, or in connection with, the submission of their *tender*, which are in conflict with the **General Conditions of Contract** and **Special Conditions of Contract**. *Tenderers* are advised that any *material divergences / qualifications* from the official Conditions or Specification will render their *tenders* liable to disqualification.

3. TENDER INFORMATION

(1) General

- (a) *Tenders* will be liable for rejection unless made out on the official tendering documentation.
- (b) Any alterations effected upon any of the tendering documents must be clearly shown by means of a hand written (black, non-erasable ink), or typed, entry and must be signed in full by the *Tenderer*. **The use of correction fluid is not permitted.**
- (c) *Tenderers* may submit alternative solutions that, in the *Tenderer’s* opinion, are to the *Municipality’s* advantage economically and technically. Full technical details of the alternative *tender(s)* shall be submitted with the tender documents. Alternative *tender(s)* shall be submitted separately.

(2) Obtaining Tender Documentation

All tenders must be submitted on official tender documentation issued (either in hard copy or in electronic format) by the eThekweni Municipality. Electronically downloaded documentation (obtainable free of charge) should be printed and bound by tenderer. Hard copy versions are available as indicated on the tender notice, for the non-refundable tender charge as indicated in the **SCT** (payment by Bank Cheques (where the Drawer of the Cheque is the Bank) OR cash). Tender documents must be collected no later than 3 days prior to close of tender.

(3) Queries Relating to this Tender

Queries can be directed to the person / Department as stated in the **SCT**.

(4) Briefing Session (Clarification Meeting)

Details of the briefing session are stated in the **SCT**. Failure to attend a compulsory briefing session will invalidate the *tender*. *Tenderers* must sign the attendance list in the name of the tendering entity. Tenders will only be evaluated from those tendering entities appearing on the attendance list.

(5) Closing Date and Delivery of Tender Submissions

Sealed *tenders* made out on the enclosed Official Tender Form, which shall be signed by or on behalf of the *Tenderer*, and addressed to the Head: Supply Chain Management Unit, marked with the appropriate Tender number, must be placed in the **Tender Box** as stated in the *SCT* not later than the **date and time** as stated in the *SCT*, where after they will be opened publicly.

All tender documents **must** be placed directly into the Tender Box and should not be delivered to any other Municipal Department. *Bidders* are advised that *tenders* submitted by post, fax or email **will not** be considered. All couriered documents must be placed directly into the Tender Box and should not be delivered to any other Municipal Department.

Any *tender* received after the closing date and time stated for the receipt thereof **shall not** be accepted for consideration and shall be returned to the *Tenderer*.

(6) Tender Validity and Withdrawal of Tenders

Tenders must hold good until 16:00 of the 5th week following the date on which *tenders* are opened, or during such other period as may be specified in the *SCT*. The *Municipality* may, during the period for which *tenders* are to remain open for acceptance, authorize a *Tenderer* to withdraw their *tender* in whole or in part on condition that the *Tenderer* pays to the *Municipality* on demand, a sum of one thousand Rand (R1,000.00). The *Municipality* may, if it thinks fit, waive payment of such sum in whole or in part.

4. RETURNABLE SCHEDULES, FORMS, CERTIFICATES

Each *Tenderer* shall complete fully and accurately the following documents and submit these documents with the *tender*:

- (1) **Authority of Signatory:** In terms of Clause 4(10)(c) of the Conditions of Tender.
- (2) **Declaration of Municipal Fees:** Only those *Bidders* whose municipal fees are fully paid, or those that have concluded acknowledgement of debt agreements with the *Municipality*, are eligible to *tender*.
All *Bidders* must sign the Declaration of Municipal Fees returnable form, declaring that their municipal fees are in order or that acknowledgement of debt agreements have been concluded, and include the relevant account numbers in the declaration. Failure to include account numbers or sign will invalidate the *tender*. The completion of the declaration is also applicable to *Bidders* outside of the eThekweni Municipal Area.
- (3) **Declaration with respect to the Occupational Health and Safety Act:** Acceptance of undertaking in terms of the Occupational Health and Safety Act (Act 85 of 1993) and the relevant Regulations.
- (4) **Consolidated Municipal Bidding Documents** (which includes):
 - (a) **MBD 2: Tax Clearance Certificate Requirements:** *Bidders* are to include with their tender submission a valid (at time of tender closing), tax clearance certificate OR Tax Clearance Status PIN, which has sufficient validity to ensure that the tender process is adequately covered. Non-submission, or submission of an expired certificate/ TCS PIN, will preclude *Bidders* from the tender process.
 - (b) **MBD 4: Declaration of Interest:** All *Bidders* are to sign the Declaration of Interest wherein they declare any relationship that may exist with an official of the *Municipality* involved in the evaluation process.

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

- (i) Who is in the service of the state;
- (ii) If that person is not a natural person, of which any Director, Manager, Principal, Shareholder or Stakeholder is a person in the service of the state; or
- (iii) Who is an advisor or consultant contracted with the *Municipality* or *municipal entity*.

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

- (c) **MBD 5: Declaration for Procurement Above R10 Million** (if applicable): For all procurement expected to exceed R10 million (all applicable taxes included), tenderers must complete this questionnaire.
- (d) **MBD 6.1: Preference Points Claim Form:** For the awarding of Preference Points, *Bidders* are required to complete the attached MBD 6.1 form and return it with their tender submission. Failure on the part of a tenderer to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Sworn Affidavit for an EME, or sworn affidavit for a QSE (in line with the revised BBBEE codes of Good Practice), together with the bid will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
The *Municipality* reserves the right to require of a tenderer, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the *Municipality*.
- (e) **MBD 6.2: Declaration Certificate for Local Production and Content for Designated Sector:** If this tender is subject to "Local Content and Production", the tenderer must complete and sign MBD 6.2 and attach Annexure C (of SATS 1286:2011).
- (f) **MBD 8: Declaration of Bidders Past Supply Chain Management Practices Form:** This form 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.
- (g) **MBD 9: Certificate of Independent Bid Determination:** Section 4(1)(b)(iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms if it involves collusive tendering or tender rigging. In order to give effect to this, the Certificate of Bid Determination must be completed and submitted with the tender.

(5) Official Tender Form (see Section 9)**(a) Legal Status of Tenderer**

It is essential for the purpose of entering into a legal contract that *Bidders* state on the Official Tender Form, under "Name and Address of Tenderer ", their full legal status:

- (i) the full registered name of the company making a *tender*; or
- (ii) if the *Tenderer* is a person conducting business under a recognised trading name then:
 - State the name of the person(s);
 - State recognised trading name; and
 - State whether an owner, co-owner, proprietor, etc.

(b) Signing of Official Tender Form

Failure of a *Tenderer* to complete, in its entirety, and sign the Official Tender Form will invalidate the *tender*.

(c) Authority of Signatory

Bidders are to complete and sign the Authority of Signatory returnable document, and attach the required additional documents.

(d) Differences or Discrepancies

Should there be any difference or discrepancy between the prices or price contained in the Official Tender Form and those contained in any covering letter from the *Tenderer*, the prices or price contained in the Official Tender Form shall prevail.

(6) Any additional Schedules, Forms, or Certificates as stated in the SCT.**5. INFORMATION TO BE SUPPLIED REGARDING SUB-CONTRACTORS**

Bidders are to state in their *tenders*, or covering letters, whether, if the contract were to be awarded to them, the whole of the work would be executed by them in their own workshop / factory. If the answer is in the negative, they are required to state which part(s) would be handed to sub-contractors and the name and address of such sub-contractors.

6. SAMPLES

Bidders may be required to state where samples of the full range of products can be inspected or be required to submit samples for inspection prior to the closing date of the *tender*.

7. MANUFACTURERS

The names of the manufacturers of the goods or equipment offered must be stated in the *tender*.

Bidders who are not manufacturers, accredited distributors, or agents must provide a valid agreement / Joint Venture Agreement, entered into with the manufacturer, accredited distributors, or agents, with their submission. This agreement must meet all the requirements as laid down in the *tender* document, and must cover the contract period.

8. CLARIFICATION

The Head: Supply Chain Management Unit, or an authorized representative, may request clarification or further information on any aspect of the *tender*. The *Tenderer* **must** supply the requested information within the time specified. Failure to comply will render the *tender* non-responsive.

9. PRICING

Bidders would be precluded from this *tender* if their pricing structure deviates from the Official Tender Form.

(1) Nett Prices

All prices shall be quoted in South African currency (Rand) after deduction of any brokerage or discount allowed to the Municipality.

(2) Unit Prices

Bidders shall quote only one price in respect of each item. Such price is to hold good for the full duration of the contract period, being subject to variation only in accordance with specified criteria, as stated in the **Conditions of Contract**.

(3) Firm Tenders

Bidders may submit firm prices for each 12 month period. These prices shall be free from all fluctuations, including any statutory increases.

(4) Value Added Tax (V.A.T)

Prices exclusive and inclusive of VAT must be stated separately on the Official Tender Form.

10. ESTIMATED QUANTITIES

The estimated quantities are set out in Section 8 : Bill of Quantities / Schedule of Rates/Activities which forms part of the official tender documents. The quantities are stated purely for the information of the *Bidders* and are in order to ascertain an estimated total contract price. The *Supplier* will, however, be bound to supply whatever quantity or quantities the *Municipality* may actually require, and may be in excess or less than the estimated quantities stated.

11. DELIVERY, RISK, PACKAGES, ETC

(1) Unless otherwise provided, all goods are to be supplied only against the form of order issued by the *Municipality*.

(2) *Bidders* shall quote a unit price which shall include delivery to the specified delivery point, as stated in the **SCT**.

(3) The risk in all goods purchased by the *Municipality* under the contract shall remain with the *Supplier* until such goods shall have been duly delivered.

(4) *Bidders* shall clearly state the period within which delivery will be made after receipt of the official order, as this may be material in the adjudication of the *tender*.

12. RATES OF EXCHANGE

- (1) Where the goods are imported the *Supplier* shall, within seven days of date of official Purchase Order, arrange through their bankers for the foreign commitment to be covered forward down to the Rand in order to fix the rate of exchange. The *Supplier* shall notify the *Municipality* as soon as possible thereafter regarding the rate which has been fixed on such forward exchange.

Any increase or decrease between the basic rate of exchange as at a date seven days prior to the date of closing of *tenders* and that existing at the date of establishment of the forward exchange cover within the period stipulated above shall be paid or deducted by the *Municipality*. Upon the failure of the *Supplier* to arrange forward exchange cover, the *Supplier* shall be liable should there be any increase in the basic rate of exchange occurring after the last mentioned date.

The bank charges incurred in obtaining the forward exchange cover shall be for the *Municipality's* account.

- (2) The *Supplier* shall on request:
- Submit documentary proof of the rate of exchange; and
 - When an adjustment is claimed in terms of this sub-clause, whether by the *Supplier* or the *Municipality*, submit documentary proof to the satisfaction of the Deputy City Manager: Treasury in respect of such claim.

13. IMPORT PERMITS

- In order to minimise special importation, *Bidders* should, where possible, have recourse to local suppliers and / or manufacturers.
- Bidders* must state whether their *tender* is dependent upon the issue of a special import permit or whether they are able to supply the goods by making use of the import facilities available to them.
- In the event of a *tender* being dependent upon the issue of a special import permit, application for such special import permit shall be made by the *Tenderer*, unless otherwise provided for in the *SCT*.

14. EVALUATION PROCESS

The procedure for evaluation of responsive Tender Offers will be in accordance with the eThekweni Municipality's current SCM Policy and the Preferential Procurement Policy Framework Act (5 of 2000), and the Preferential Procurement Policy Framework Act Regulations (January 2017).

Details of additional evaluation criteria, if applicable, are stated in the *SCT*.

Evaluation points for price and preference will only be calculated for *Bidders* who comply with the contractual and technical specification, and if applicable, have attained the minimum Functionality Score as stated in the *SCT*.

The evaluation process of responsive *tenders* will be as follows:

- Score each *tender* in respect of the financial offer made and preferences claimed (if any);
- Calculate the total number of evaluation points (T_{EV}) in accordance with the following formula:
 $T_{EV} = N_{FO} + N_P$ where: N_{FO} : is the number of evaluation points awarded for the financial offer; and N_P : is the number of evaluation points awarded for preferences claimed.
- Rank *tenders* from the highest number of evaluation points to the lowest.
- Recommend the *Tenderer* with the highest number of evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.
- Rescore and re-rank all *Bidders* should there be compelling and justifiable reasons not to recommend the *Tenderer* with the highest number of evaluation points, and recommend the *Tenderer* with the highest number of evaluation points, unless there are compelling and justifiable reasons not to do so, and the process set out in this sub-clause is repeated.

(1) Evaluation points awarded for the financial offer:

The financial offer will be scored using the formula:

$$N_{FO} = W \left(1 - \frac{P - P_m}{P_m} \right)$$

Where the value of W is:

- 90** where the financial value inclusive of VAT of all responsive *tenders* received have a value in excess of R 50,000,000; OR
80 where the financial value inclusive of VAT of one or more responsive *tenders* offers have a value that equals or is less than R 50,000,000;
- P_m** is the comparative offer of the most favourable comparative offer; and
- P** is the comparative offer of the *tender* offer under consideration.

(2) Evaluation points awarded for preference:

Up to 100 minus W (see (1) above) tender evaluation points will be awarded for preference to *Bidders* who attain the BBEE status level of contributor in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points where W = 90	Number of Points where W = 80
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-Compliant Contributor	0	0

15. BRIBERY AND COMMUNICATION WITH COUNCILLORS / OFFICIALS**(1) Bribery**

No *Tenderer* shall offer, promise or give to any person or person connected with a *tender* or the awarding of a contract, any gratuity, bonus or discount etc, in connection with the obtaining of a contract.

(2) Communication, Councillors and Officials

A *Tenderer* shall not in any way communicate with a member of the *Municipality* or with any official of the *Municipality* on a question affecting any contract for the supply of goods or for any work, undertaking or services which is the subject of a *tender* during the period between the closing date for receipt of *tenders* and the dispatch of the written notification of the *Municipality's* decision on the award of the contract; provided that a *Tenderer* shall not hereby be precluded:

- (a) At the request of the Head: SCM Unit, or an authorized representative, from furnishing him with additional information or with a sample or specimen for testing purposes or otherwise from giving a demonstration so as to enable the recommendation to the Bid Committee on the award of the contract to be formulated;
- (b) From obtaining from the Head : SCM Unit, or an authorised representative, information as to the date upon which the award of the contract is likely to be made, or, after the decision upon the award has been made by the *Municipality* or any Committee to which the *Municipality* has delegated its powers, information as to the nature of the decision or such information as was publicly disclosed at the opening of *tenders* or from submitting to the Accounting Officer in writing any communication relating to their *tender* or the award of the contract or a request for leave to withdraw their *tender*; and
- (c) Provided further that nothing contained herein shall be construed so as to prevent information being sought and obtained from an Official in regard to any decision taken at an open Municipal meeting, or any Committee to which the *Municipality* has delegated its powers.

A contravention of subsection (1) and / or (2), or an attempt to contravene such subsection, shall be reported to the Accounting Officer, who may on receipt of such report disqualify the *tender* of the *Tenderer* concerned.

16. NEGOTIATIONS WITH PREFERRED BIDDERS

The *Municipality* reserves the right to invoke Regulation 24 of Municipal Finance Management Act if required.

- (1) The Accounting Officer may negotiate the final terms of a contract with *Bidders* identified through a competitive tendering process as preferred *Bidders*, provided that such negotiation:
 - Does not allow any preferred *Tenderer* a second or unfair opportunity;
 - Is not to the detriment of any other *Tenderer* ; and
 - Does not lead to a higher price than the *tender* as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.
- (3) Such negotiation may be delegated by the Accounting Officer.

17. CANCELLATION OF TENDER PROCESS

The municipality is entitled to cancel the tender at any time before the award of a tender and the decision to cancel the tender shall be published in the same manner in which the original tender invitation was advertised. The Municipality shall, in no way, be liable for any damages whatsoever, including, without limitation, damages for loss of profit, in any way connected with the cancellation of this bid.

18. ACCEPTANCE OF BID

- (1) The *Municipality* does not bind itself to accept the lowest or any *tender*, and reserves the right to accept the whole or any part of a *tender* to place orders.
- (2) The *Municipality* reserves the right to accept more than one technically and contractually compliant *tender* for part or the whole of the contract and to place orders on the price and availability.
- (3) *Bidders* shall not bind the *Municipality* to any minimum quantity per order.
- (4) The successful *Tenderer (s)* shall be bound to provide any quantities stipulated in the specification.
- (5) Tenders will only be accepted on condition that:
 - (a) The *tender* is signed by a person authorised to sign on behalf of the *Tenderer* .
 - (b) A valid (at time of close of tenders), original, Tax Clearance Certificate is included with the *tender* submission, which has sufficient validity to ensure the process is adequately covered;
 - (c) A *Tenderer* who submitted their *tender* as a Joint Venture has included an acceptable Joint Venture Agreement and a B-BBEE Certificate pertaining to the Joint Venture with their *tender*.
- (6) Financial Standing: The Head: Supply Chain Management reserves the right to require *Bidders* to submit evidence that their financial standing is adequate to meet their obligations under the contract should they be successful.
- (7) Change of Ownership or Major Policy: Where it is known to a *Tenderer* that a change in ownership or major policy (of the tendering entity) will occur, or is likely to occur, during a specified contract period, the scope and effect thereof must be fully defined in a covering letter to be submitted with the *tender*.
- (8) Purchase of Goods From Other Sources: Nothing contained in this contract shall be held to restrain the *Municipality* from purchasing from persons other than the *Supplier*, any of the goods described or referred to in this contract, if it shall in its discretion think fit to do so.
- (9) Capability and Breach of Contract: Tenderers that do not have the capability of undertaking this enquiry in terms of the requirements of the contract or have been in breach of contract previously will not be considered.

19. PAYMENT and FACTORING

Payment will be as per the **Conditions of Contract**.

Payment will be made only to the *Supplier(s)*. Factoring arrangements will not be accepted.

20. APPEALS

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

Ms. S. Pillay, P.O. Box 1394, Durban, 4000;
eMail: Simone.Pillay@durban.gov.za.

SECTION 3: SPECIAL / ADDITIONAL CONDITIONS OF TENDER

3.1 SPECIAL CONDITIONS OF TENDER (SCT)

The **Standard Conditions of Tender** (Goods / Services) make several references to the **Special Conditions of Tender** (SCT) for details that apply specifically to this tender. The **Special Conditions of Tender** shall have precedence in the interpretation of any ambiguity or inconsistency between it and the **Standard Conditions of Tender**.

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

SCT 3(1) TENDER INFORMATION: General

The tender document comprises of a cover page and 61 pages. If an electronic version is downloaded from the internet the entire document is to be printed on A4 sized paper and appropriately bound.

SCT 3(2) TENDER INFORMATION: Obtaining Tender Documentation

Documents can be obtained either in hard copy or electronic format, issued by the eThekweni Municipality:

- Electronically downloaded documentation is obtainable from the National Treasury's eTenders website or the eThekweni Municipality's Vendor Portal. The entire document should be printed and suitably bound by the tenderer.
- Tender documents together with one soft copy (either a disk or memory stick to be submitted on or before 11:00am on the closing date.

SCT 3(3) TENDER INFORMATION: Queries Relating to this Tender

General and Contractual Queries are to be directed to:

Senzo Ngesi; Tel: 031-322-8243; eMail: senzo.ngesi@durban.gov.za

Technical Queries are to be directed to:

Moga Naidoo; Tel: 031-311-1541; eMail: moga.naidoo@durban.gov.za or Thulani Ntuli; Tel: 031-311-1540; eMail: Thulani.ntuli@durban.gov.za

SCT 3(4) TENDER INFORMATION: Briefing Session

Bidders are requested to submit email queries related to the bid. All email queries are to be submitted by 02 March 2023. Email questions and answers will be consolidated and posted on eTenders/Municipal website for the benefit of all tenderers by 09 March 2023

SCT 3(5) TENDER INFORMATION: Closing Date and Delivery of Tender Submissions

Sealed Tenders, addressed to the City Manager and marked with the Tender Number, are to be placed in the Tender Box **located in the ground floor foyer of the Municipal Buildings, 166 KE Masinga Road (Old Fort Rd), Durban** (and not any other municipal department), no later than: **Friday, 17 March 2023 at 11:00am**.

SCT 3(6) TENDER INFORMATION: Tender Validity and Withdrawal of Tenders

Tenders must hold good until 16:00 of the **12th week** following the date on which tenders are opened.

SCT 4(6) RETURNABLE SCHEDULES, FORMS, CERTIFICATES

Bidders must submit the following mandatory returnable with the tender submission:

- Company Profile
- CV's of all resources allocated to this project
- Organogram for the dedicated team aligned to the proposed project plan

SCT 14 EVALUATION PROCESS

The procedure for evaluation of responsive Tender Offers will be in accordance with the eThekweni Municipality's current SCM Policy, the Preferential Procurement Policy Framework Act No 5 of 2000, and the Preferential Procurement Policy Framework Act Regulations.

The procedure for the evaluation of responsive tenders is **(1) Mandatory Requirements (2) Functionality and (3) Price and Preference.**

14.1 MANDATORY CRITERIA

The tenderers will be checked if they meet the mandatory requirements. Any tenderer that does not meet any of the mandatory requirement will be deemed non-responsive, therefore they will not be considered.

The following, in the Table, are mandatory / essential minimum requirements:

Numbering	Mandatory / Essential Minimum Requirements
(a)	<p>Main Partner:</p> <p>(i) Minimum of two (2) years verifiable and relevant experience in motor vehicle claims assessing, administration and accident investigations.</p> <p>(ii) Professional indemnity insurance cover of not less than R1 million, including policy number, the name of the insurer through which the cover is held, (or a letter of intent)</p>
(b)	<p>Experience of Key Personnel:</p> <p>(i) Loss Adjuster/Assessor: 2 years' experience in motor vehicle claims assessment.</p> <p>(ii) Legal Adviser: 3 years' experience in motor vehicle claims legal advisory services, with law degree qualification (if services are outsourced, a letter of commitment from the legal adviser to be provided).</p> <p>(iii) Accident Investigator: 2 years' experience in motor vehicle accident investigation.</p> <p>(iv) Administrative Assistant: 1-year experience in insurance claims administration.</p>

14.2 Functionality

- The minimum number of evaluation points for Functionality is **70**.
- The Functionality Criteria / Sub-Criteria and maximum score in respect of each of the Criteria are as follows:

Criteria	Sub-Criteria	Maximum Points
Company Experience	Relevant years' experience in projects of a similar nature	50
Key Personnel: Experience and Competency	Relevant Experience and ability to effectively perform duties in the relevant operations areas: motor vehicle claims assessments, insurance claims legal advisory services, claims administration and accident investigations.	50
Maximum possible score for FUNCTIONALITY (M_s)		100

(A) KEY PERSONNEL AND COMPETENCY TABLE

No.	Staff	Other requirements
1	Loss Adjuster/Assessor	-
2	Legal advisor	Post admission; LLB qualification, or equivalent.
3	Administrative Assistant	-
4	Investigator	-

Table: A

- Each Criteria will be assessed in terms of five indicators – no response, poor, satisfactory, good and very good. Weighted Scores will be allocated to against the five indicators.
- The prompts for judgment and the associated scores used in the evaluation of Functionality shall be as per the following schedules:

STAGE 1: FUNCTIONALITY EVALUATION and PROMPTS FOR JUDGEMENT

Criteria	Sub-Criteria	Nil (0)	Poor (Weighted Score: 40% of Total Score)	Satisfactory (Weighted Score: 70% of Total Score)	Good (Weighted Score: 90% of Total Score)	Very Good (Weighted Score: 100% of Total Score)
Company Experience (50)	Relevant years' experience in projects of a similar nature	No submission	The tenderer has limited years' experience in projects of similar nature in motor vehicle claims assessments, claims administration and accident investigations = Less than 2 years' experience with relevant evidence provided.	The tenderer has relevant years' experience in projects of similar nature in motor vehicle claims assessments, claims administration and accident investigations = 2 to 5 years' experience with relevant evidence provided.	The tenderer has good years' experience in projects of similar nature in motor vehicle claims assessments, claims administration and accident investigations = more than 5 years up to 10 years' experience with relevant evidence provided.	The tenderer has extensive years' experience in projects of similar nature in motor vehicle claims assessments, claims administration and accident investigations = more than 10 years' experience with relevant evidence provided.
	<ol style="list-style-type: none"> 1. Submit Letter of Award. 2. Reference Letter must be signed and stamped by client. 					

		SCORE 0%	SCORE 40%	SCORE 70%	SCORE 90%	SCORE 100%	WEIGHT 50
Key Personnel: Experience and Competency (50)	Relevant Experience and ability to effectively perform duties in the relevant operation areas: motor vehicle claims assessments, insurance claims legal advisory services, claims administration and accident investigations. (Number of years of experience and qualifications are at least equal to the preferred specified in the weighting Scores)	No submission	Loss Adjuster/Assessor: Less than 2 years motor vehicle claims assessments.	Loss Adjuster/Assessor has 2 years' experience in, or more motor vehicle claims assessments.	Loss Adjuster/Assessor: 8 years or more motor vehicle claims assessments.	Loss Adjuster/Assessor: 10 years or more motor vehicle claims assessments. With heavy duty vehicles assessments.	25
		No submission	Legal Adviser: Less than 3 years insurance claims legal advisory services.	Legal Adviser: has 3 years' experience or more insurance claims legal advisory services.	Legal Adviser: 8 years or more insurance claims legal advisory services.	Legal Adviser: 10 years or more insurance claims legal advisory services.	10
		No submission	Accident Investigator: Less than 2 years or more motor vehicle accident investigations	Accident Investigator: has 2 years' experience or more motor vehicle accident investigations.	Accident Investigator: 8 years or more motor vehicle accident investigations.	Accident Investigator: 10 years or more motor vehicle accident investigations.	10
		No submission	Administrative Assistant: Less than 1 year insurance claims administration.	Administrative Assistant: has 1 year experience or more insurance claims administration.	Administrative Assistant: 8 years or more insurance claims administration.	Administrative Assistant: 10 years or more insurance claims administration.	05

Price and Preference

- The **80/20** preference points system will be used where the financial value (incl. VAT) of all responsive tenders received have a value in excess of R 50,000,000. The **Price Points** formula and allocated **Preference Points** will be according to the above specified PPPFA Regulations.

3.2 ADDITIONAL CONDITIONS OF TENDER (ACT)**ACT 1 ELIGIBILITY – CSD REGISTRATION**

Tenderers are required to be registered on the National Treasury Central Supplier Database (CSD) as a service provider. In the case of a Joint Venture, this requirement will apply individually to each party in the Joint Venture. Tenderers not so registered, at time of closing of tenders, will not be eligible to submit tenders.

The Tenderer's CSD Supplier Number (starting with "MAAA") is to be provided in the relevant portions of the tender submission.

Tenderers who wish to register on the CSD may do so via web address <https://secure.csd.gov.za>.

ACT 2. PRICING INSTRUCTION

Tenderers who deviate from the prescribed pricing schedule will be disqualified.

ACT 3. CONSTITUTIONAL COURT JUDGEMENT

Pursuant to the Constitutional Court Judgement which declared Preferential Procurement Regulation 2017 (Regulations) invalid and of no force and effect, this procurement document abides by the court order and any reference made to the said Regulations is hereby revoked and replaced by Preferential Procurement Policy Framework Act 2000.

SECTION 4: RETURNABLE TENDER DOCUMENTS

The required returnable documents are as detailed in [Section 2 \(Clause 4\)](#): “Returnable Schedules, Forms, Certificates” of the Conditions of Tender / Special Conditions of Tender.

The Tender Form can be found in [Section 9](#): “Official Tender Form”, and any additional schedules, forms, certificates can be found in [Section 10](#): “Annexures”.

a) AUTHORITY OF SIGNATORY

Reference is made to the Conditions of Tender: [Clause 4\(5\)\(c\)](#).

Indicate the status of the tenderer by ticking the appropriate box hereunder.

COMPANY		CLOSE CORPORATION		PARTNERSHIP		JOINT VENTURE		SOLE PROPRIETOR	
Refer to Notes at the bottom of the page									

I / We, the undersigned, being the Chairperson (Company), Member(s) (Close Corporation), Partners (Partnership), Sole Owner (Sole Proprietor), Lead Partner (JV), in the company / business trading as:

.....

hereby authorise Mr/Mrs/Ms

acting in the capacity of

to sign all documents in connection with the tender for Contract No. [1F-21444](#) and any contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

Notes

The following documents must be attached to the back inside cover to this procurement document:

If a Company : a "Resolution of the Board" in this regard.

If a Joint Venture : a "Power of Attorney" signed by the legally authorised signatories of all the partners to the Joint venture.

b) DECLARATION OF MUNICIPAL FEES

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

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

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

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

<u>Account</u>	<u>Account Number:</u> to be completed by tenderer.
Consolidated Account No.	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Electricity	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Water	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Rates	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Other	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Other	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Other	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

I acknowledge that should the aforesaid Municipal charges fall into arrears, the Municipality may take such remedial action as is required, including termination of any contract, and any payments due to the Contractor by the Municipality shall be first set off against such arrears. **ATTACHED, to the back inside cover of this document, please find copies of the above account's and or agreements signed with the Municipality.**

- Where the TENDERER'S place of business or business interests are outside the jurisdiction of eThekweni Municipality, a copy of the accounts/agreements from the relevant municipality must be attached (to the back inside cover of this document).
- **Where the tenderer's Municipal Accounts are part of their lease agreement, then a copy of the agreement, or official letter to that effect is to be attached (to the back inside cover of this document).**

NAME : (Block Capitals)

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

c) DECLARATION WITH RESPECT TO THE OCCUPATIONAL HEALTH AND SAFETY ACT
Definitions

The Act: The Occupational Health and Safety Act No 85 of 1993 (as amended by the Occupational Health and Safety Amendment Act No 181 of 1993), and any associated / applicable Regulations.

Declaration by Tenderer

1. I, the undersigned, hereby declare and confirm that I am fully conversant with the Act.
2. I hereby declare that my company has the competence and the necessary resources to safely carry out the work / supply / services under this contract in compliance with the Act, and the Employer's / Purchaser's / Client's Health and Safety Specifications.
3. I hereby undertake, if my tender is accepted, to provide on request a suitable and sufficiently documented Health and Safety Plan which plan shall be subject to approval by the Employer / Purchaser / Client.
4. I hereby confirm that adequate provision has been made in my tendered rates to cover the cost of all resources, actions, training and all health and safety measures envisaged in the Act, and that I will be liable for any penalties that may be applied by the Employer / Purchaser / Client for failure to comply with the provisions of the Act.
5. I agree that my failure to complete and execute this declaration to the satisfaction of the Employer / Purchaser / Client will mean that I am unable to comply with the requirements of the Act and accept that my tender will be prejudiced and may be rejected at the discretion of the Employer / Purchaser / Client.

NAME : (Block Capitals)

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

d) CONSOLIDATED MUNICIPAL BIDDING DOCUMENTS

The following SECTIONS are required to be completed as part of this procurement document

<u>Section</u>	<u>Description</u>	<u>Required?</u>
A	General Enterprise Information	Yes
B	MBD2: Tax Clearance Certificate Requirements	Yes
C	MBD4: Declaration of Interest	Yes
D	MBD5: Declaration for Procurement Above R10 Million	Yes
E	MBD6.1: Preference Points Claim Form ITO the Preferential Regulations	Yes
F	MBD6.2: Declaration Certificate for Local Production and Content for Designated Sectors.....	No
G	MBD8: Declaration of Bidder's Past SCM Practices	Yes
H	MBD9: Certificate of Independent Bid Determination	Yes
I	Confirmations, Authorities, Certifications, Acknowledgements and Signatures	Yes

NOTES

1. MSCM Regulations: "in the service of the state" means to be:
 - (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
 - (b) a member of the board of directors of any municipal enterprise;
 - (c) an official of any municipality or municipal enterprise;
 - (d) an employee of any national or provincial department, national or provincial public enterprise or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
 - (e) a member of the accounting authority of any national or provincial public enterprise; or
 - (f) an employee of Parliament or a provincial legislature.
2. "Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.
3. Includes price quotations, advertised competitive bids, limited bids and proposals.
4. 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.

Ref	Description	Complete or Circle Applicable
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SECTION B : MBD 2 : TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

- 1.0 In order to meet this requirement bidders are required to complete the TCC 001 : "Application for a Tax Clearance Certificate" form and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2.0 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3.0 The original Tax Clearance Certificate must be submitted together with the bid (attached to the inside back cover of this procurement document). Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4.0 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5.0 Copies of the TCC 001 : "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za .
- 6.0 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za .
- 7.0 Notwithstanding Clauses 1.0 to 6.0 above: Since 18 April 2016, SARS has introduced a new Tax Compliance Status System (TCS). As part of this enhanced system, tenderers can now submit a Tax Compliance Status PIN instead of an original Tax Clearance Certificate (TCC). This TCS PIN can be used by third parties to certify the taxpayer's real-time compliance status. This number, if available, is to be entered in Item 2.7 of Section A of these consolidated Municipal Bidding Documents.
For further particulars please contact your nearest SARS branch, or call the SARS Contact Centre on 0800 00 7277, or log onto SARS eFiling.

Attach a valid Tax Clearance Certificate OR Tax Compliance Status PIN, issued by the TCS System of the South African Revenue Service, to the inside back cover of this procurement document

SECTION C : MBD 4 : DECLARATION OF INTEREST

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

1.0 Are you presently in the service of the state? If yes, furnish particulars :	YES	NO
2.0 Have you been in the service of the state for the past twelve months? If yes, furnish particulars :	YES	NO
3.0 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? If yes, furnish particulars :	YES	NO
4.0 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? If yes, furnish particulars :	YES	NO
5.0 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? If yes, furnish particulars:	YES	NO
6.0 Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? If yes, furnish particulars:	YES	NO
7.0 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? If yes, furnish particulars:	YES	NO
8.0 The names of all directors / trustees / shareholders / members / sole proprietors / partners in partnerships, their individual identity numbers and state employee numbers are indicated in SECTION A .		

Ref	Description	Complete or Circle Applicable
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SECTION D : MBD 5 : DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

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

1.0	Are you by law required to prepare annual financial statements for auditing? If YES, you will be required to submit audited annual financial statements (on request during the tender evaluation period) for the past three years or since the date of establishment if established during the past three years.	YES	NO
2.0	Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days? If NO, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days. If YES, provide particulars on a letterhead. (Attach this letter to the back inside cover of this procurement document).	YES	NO
3.0	Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? If YES, provide particulars on a letterhead. (Attach this letter to the back inside cover of this procurement document).	YES	NO
4.0	Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? If YES, provide particulars on a letterhead. (Attach this letter to the back inside cover of this procurement document).	YES	NO

SECTION E : MBD 6.1 : PREFERENCE POINTS CLAIM ITO THE PREFERENTIAL REGULATIONS

Preference points for this tender shall be awarded as per the Tender Data and the Preferential Procurement Regulations (2017). Failure on the part of a tenderer to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Sworn Affidavit for an EME, or sworn affidavit for a QSE (in line with the revised BBBEE codes of Good Practice), together with the bid will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed. The Employer reserves the right to require of a tenderer, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the Employer.

DECLARATION

1.0	B-BBEE Status Level of Contribution claimed: Will any portion of the contract be sub-contracted? If YES, indicate: (i) what percentage of the contract will be subcontracted? (ii) the name of the sub-contractor? Name :	YES	NO
(iii)	the B-BBEE status level of the sub-contractor?	[]	
(iv)	whether the sub-contractor is an EME?	YES	NO

The undersigned, certify that the B-BBEE status level of contribution indicated in paragraph 1.0 above qualifies the company / firm for preference points and acknowledges that the remedies as per Clause 14 of the Preferential Procurement Regulations (2017) shall apply.

Attach a B-BBEE Verification Certificate to the inside back cover of this procurement document

Ref	Description	Complete or Circle Applicable
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SECTION F : MBD 6.2 : DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1.0 General Conditions

- 1.1 Preferential Procurement Regulations, 2017 (Regulation 8) makes provision for the promotion of local production and content.
- 1.2 Regulation 8.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3 Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4 A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$
Where : x is the imported content in Rand
y is the bid price in Rand excluding value added tax (VAT).
Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as required in paragraph 4.1 below.
The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.
- 1.6 A bid may be disqualified if –
(a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
(b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2.0 Definitions

- 2.1 "bid" includes written price quotations, advertised competitive bids or proposals;
- 2.2 "bid price" price offered by the bidder, excluding value added tax (VAT);
- 2.3 "contract" means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4 "designated sector" means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5 "duly sign" means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6 "imported content" means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour and intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7 "local content" means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8 "stipulated minimum threshold" means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9 "sub-contract" means the primary contractor's assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

- 3.0 The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

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

Ref	Description	Complete or Circle Applicable
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4.0 Does any portion of the services, works or goods offered have any imported content? YES NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement of the bid. The relevant rates of exchange information is accessible on www.reservebank.co.za. Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

US Dollar : Pound Sterling : Euro : Yen : Other :

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

5.0 Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct? YES NO

5.1 If yes, provide the following particulars:

(a) Full name of auditor:

(b) Practice number: (c) Telephone number:
Cell number:

(d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6.0 Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (Close Corporation, Partnership or Individual)

.....
IN RESPECT OF BID No:

.....
ISSUED BY: (Procurement Authority / Name of Municipality / Municipal Entity)

NB 1 - The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

NB 2 - Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below. Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned in Section H of these Consolidated MBD returnable questionnaires (comprising 8 pages), do hereby declare the following:

- (a) The facts contained herein fall within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
 - (ii) the declaration templates have been audited and certified to be correct.
- (c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

(a) Bid price, excluding VAT (y)	R
(b) Imported content (x), as calculated in terms of SATS 1286:2011	R
(c) Stipulated minimum threshold for local content (paragraph 3 above).....	%
(d) Local content %, as calculated in terms of SATS 1286:2011	%

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

Ref	Description	Complete or Circle Applicable
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SECTION G : MBD8 : DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

This Municipal Bidding Document must form part of all bids invited. 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.

The bid of any bidder may be rejected if that bidder, or any of its directors have:

- a) abused the municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- b) been convicted for fraud or corruption during the past five years;
- c) wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; 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).

In order to give effect to the above, the following questions must be answered.

<p>1.0 Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer / Authority of the institution that imposed the restriction after the audi alteram partem rule was applied. The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p> <p>If yes, furnish particulars :</p>	YES	NO
<p>2.0 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>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p> <p>If yes, furnish particulars :</p>	YES	NO
<p>3.0 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> <p>If yes, furnish particulars :</p>	YES	NO
<p>4.0 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?</p> <p>If yes, furnish particulars :</p>	YES	NO
<p>5.0 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?</p> <p>If yes, furnish particulars :</p>	YES	NO

SECTION H : MBD9 : CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

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.

The following 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.

In order to give effect to the above, the following Certificate of Bid Determination must be completed and submitted with the bid. The undersigned, in submitting the accompanying bid, in response to the invitation for the bid do hereby make the following statements that I certify to be true and complete in every respect:

- 1.0 I have read and I understand the contents of this Certificate;
- 2.0 I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

Ref	Description	Complete or Circle Applicable
3.0	I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;	
4.0	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;	
5.0	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: <ul style="list-style-type: none"> • has been requested to submit a bid in response to this bid invitation; • could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and • provides the same goods and services as the bidder and/or is in the same line of business as the bidder. 	
6.0	The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium ³ will not be construed as collusive bidding. (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.	
7.0	In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding: <ul style="list-style-type: none"> • prices; • geographical area where product or service will be rendered (market allocation); • methods, factors or formulas used to calculate prices; • the intention or decision to submit or not to submit, a bid; • the submission of a bid which does not meet the specifications and conditions of the bid; • bidding with the intention not to win the bid. 	
8.0	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.	
9.0	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.	
10.0	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.	

SECTION I : CONFIRMATIONS, AUTHORITIES, CERTIFICATIONS, ACKNOWLEDGEMENTS and SIGNATURES

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

- 1.0 Confirms that the contents of these Consolidated MBD returnable questionnaires (comprising 8 pages) are within my personal knowledge and are to the best of my belief both true and correct;
- 2.0 Confirms that neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercise, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- 3.0 Confirms that no partner, member, director or other person, who wholly or partly exercise control over the enterprise, has within the last five years been convicted of fraud or corruption;
- 4.0 Confirms that I/we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the bidders or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest;
- 5.0 Certify that the B-BBEE status level of contribution indicated in Section E : Item 1.0 qualifies the enterprise for preference points and acknowledges that the remedies as per Clause 13 of the Preferential Procurement Regulations (2011) shall apply. In the event of a contract being awarded as a result of points claimed, the enterprise may be required to furnish documentary proof to the satisfaction of the employer that the claims are correct;
- 6.0 Accept that, in addition to cancellation of a contract, action may be taken against me should these declarations prove to be false.

Signed Date

Name Position

SECTION 5: CONDITIONS OF CONTRACT**GOVERNMENT PROCUREMENT: CONDITIONS OF CONTRACT (July 2010)**

The **Conditions of Contract** are the **General Conditions of Contract** as published by the National Treasury titled "Government Procurement: General Conditions of Contract (July 2010), as amended by National Treasury Circular 52 dated 30 July 2010, hereinafter referred to as **GCC**.

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

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1. Definitions

The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignee store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information inspection

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

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

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

6. Patent Rights

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

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

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

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

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

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

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, [unless otherwise specified](#).

8. Inspections, tests and analyses

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

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

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

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

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

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

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

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

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

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, [this shall be specified](#).

13. Incidental Services

- 13.1 The supplier may be required to provide any or all of the following services, [including additional services](#), if any:
- performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - 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
 - training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

- 14.1 [As specified](#), the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- 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;
 - in the event of termination of production of the spare parts:
 - advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract [shall be specified](#).
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand [unless otherwise stipulated](#).

17. Prices

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

18. Variation orders

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the [time schedule prescribed](#) by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.
- 22. Penalties**
- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.
- 23. Termination for default**
- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- 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;
 - if the supplier fails to perform any other obligation(s) under the contract; or
 - 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:
- the name and address of the supplier and / or person restricted by the purchaser;
 - the date of commencement of the restriction
 - the period of restriction; and
 - 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. Antidumping and countervailing duties and rights**
- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.
- 25. Force Majeure**
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for insolvency**
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31. Notices

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

32. Taxes and duties

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of Contracts

- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser.

34. Amendment of contracts

- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

SECTION 6: SPECIAL / ADDITIONAL CONDITIONS OF CONTRACT

The **Conditions of Contract** make reference to the **Special Conditions of Contract (SSC)** for details that apply specifically to this bid. The **Special Conditions of Contract** shall have precedence in the interpretation of any ambiguity or inconsistency between it and the **Conditions of Contract**.

Each item below is cross-referenced to the clause in the **Conditions of Contract** to which it mainly applies.

SCC 1.2 **CONTRACT**

This contract is for a period of 36 months.

SCC 7.1 **PERFORMANCE SECURITY**

The liability of the Performance Security shall be equal to one (1) month service fee at the end of the contract period.

SCC 11.1 **INSURANCE**

The professional indemnity Insurance cover of:

(A) Main Partner: Professional indemnity insurance cover of not less than R1 million, including policy number, the name of the insurer through which the cover is held.

Any acts or omissions that are to eThekweni Municipality's detriment will be solely for the account of the tenderer providing such professional service. The relevant Professional Indemnity cover will be applicable for professional negligence.

SCC 16.1 **PAYMENT**

The Contractor shall submit to the Department concerned a detailed account which shall reflect the identifying number of each item / service. Payment will be made on this account when checked and substantiated by the authorised official.

Payment for goods received and accepted by the Municipality shall be made no later than 30 days after submission of invoice or claim, provided however that all the terms of the contract are duly complied with.

Payment will be made only to the supplier. Factoring arrangements will not be accepted.

SCC 17 **PRICES**

Prices are fixed for the duration of the contract of 36 months. Prices are per insurance claim.

SCC 21.1 **DELAYS IN THE SUPPLIER'S PERFORMANCE**

- (a) Scoping and assessments within 24 hours of being instructed.
- (b) Attending to towing of vehicles, within 45 minutes at the most from the time of receiving instruction.
- (c) Accident Investigation reports, ten (10) working days from date of instruction.
- (d) Accident Investigation: a major accident must be able to attend the scene of incident/accident within 45 minutes at the most and remain on the scene until the necessary recovery has been completed. Be able to render a 24-hour service.
- (e) Comprehensive Insurance Report or Interim / Preliminary Insurance Report: the time to provide the report is 60 working days.

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- (f) Monthly Statistics Reports: time to report is by the 15th of every month. All specified statistical information in the tender shall be presented.

SCC 22.1 **PENALTIES**

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 5% of each professional service as reflected in the schedule of rates:

- (a) Scoping and assessments within 24 hours of being instructed.
> Penalty applicable in the event of a delay is 5% of the fees.
- (b) Attending to towing of vehicles, within 45 minutes at the most from the time of receiving instruction.
> Penalty applicable in the event of a delay is 5% of the fees.
- (c) Accident Investigation reports, ten (10) working days from date of instruction.
> Penalty applicable in the event of a delay is 5% of the fees.
- (d) Accident Investigation: a major accident must be able to attend the scene of incident/accident within 45 minutes at the most and remain on the scene until the necessary recovery has been completed. Be able to render a 24-hour service.
> Penalty applicable in the event of a delay is 5% of the fees.
- (e) Comprehensive Insurance Report or Interim / Preliminary Insurance Report: the time to provide the report is 60 working days.
> Penalty applicable in the event of a delay is 5% of the claim fees.
- (f) Monthly Statistics Reports: time to report is by the 15th of every month. All specified statistical information in the tender shall be presented.
> Penalty applicable in the event of a delay and failure to present specified statistical information is 5% of the fees.

ADDITIONAL CONDITIONS OF CONTRACT**ACC1 PERFORMANCE MONITORING & ASSESSMENT OF SERVICE PROVIDERS**

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

ACC2 QUALITY OF PRODUCTS

No inferior products will be accepted under this enquiry.

Should there be any cause for complaint against the standard of service or quality of products offered which is not resolved within a period of 10 working days, the Municipality reserves the right to cancel the contract after serving one month's notice, in writing, to the supplier involved. Should such notice be given, the supplier shall nevertheless be obliged to perform the duties covered by the contract up to the date of expiration of the period of notice.

ACC3 SATISFACTORY PERFORMANCE

The supplier shall employ for the purpose of this contract only such personnel as are careful and competent and the Municipality shall be at liberty to object to and require the supplier to remove from the job forthwith any person, including supervisory staff, employed by the supplier who, in the opinion of the Municipality, misconducts himself/herself or is incompetent or negligent in the proper performance of his/her duties and such person shall not again be employed upon this contract without the permission of the Municipality.

ACC4 OCCUPATIONAL INJURIES AND DISEASES ACT

This act replaces the Workmen's Compensation Act:

The supplier shall, before commencement of work, produce documentary proof to the Deputy Municipal Manager, Treasury: Finance that he has complied in all respects with the provisions of the Occupational Injuries and Diseases Act. The supplier undertakes that he/she will perform and comply with all provisions of the Occupational Injuries and Diseases Act and more particularly that he/she will render all returns and pay all assessments for which he/she is liable in terms of such Act.

ACC5 DAMAGE TO PERSONS AND PROPERTY

- (1) The supplier **shall** indemnify and keep indemnified the Council against any claim for death, injury, damage or loss to any person or property whatsoever in respect thereof or in relation thereto.
- (2) The supplier enters into this contract as an independent contractor and shall be solely liable in respect of any claim for death, injury, damage or loss to any person or property whatsoever in respect thereof or in relation thereto.

ACC6 ESTIMATED QUANTITIES

The quantities stated in Section 8 are applicable for evaluation purposes only. The final quantity of goods and services required shall vary, depending on the total number of actual instances a service/goods will be required over the Contract Period. The rates tendered shall be applicable, irrespective of the total quantity of goods and services procured over the contract duration.

ACC7 SERVICE PROVIDER OFFICE REQUIREMENTS

Service Providers to have an office within the Jurisdiction of eThekweni Municipality.

SECTION 7: SCOPE AND SPECIFICATION OF REQUIRED SERVICES

TECHNICAL SPECIFICATION

1. DEFINITIONS

1.1 Clause headings are for convenience and shall not be used in its interpretation;

1.2 Unless the context clearly indicates a contrary intention:

1.2.1 an expression which denotes –

1.2.1.1 any gender includes the other gender;

1.2.1.2 a natural person includes an artificial person and vice versa;

1.2.1.3 the singular includes the plural and vice versa;

1.2.2 the following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings:-

1.2.2.1 “vehicle” – any vehicle, motor vehicle, plant or equipment utilised for private or commercial purposes in order to carry an eThekweni Municipality service or function, as well as any vehicle, motor vehicle, plant or equipment in which the eThekweni Municipality has a vested interest in; by virtue of a hire contract.

1.2.2.2 “major accident” – write off of a vehicle, death or serious injury of a person.

1.2.2.3 “The contractor” – the person and/or business entity which renders goods and/or services to eThekweni Municipality under the terms specified in this tender.

1.2.2.4 “Commencement date” – notwithstanding the execution.

1.2.2.5 “Termination date” – last day of the 36 month contract.

1.2 Any reference to any legislation is to such legislation as at the signature date as well as any new laws, amendments or re-enactments from time to time;

2. **BACKGROUND**

2.1 eThekweni Municipality was established in December 2000. The erstwhile Durban City Council decided to undertake its own insurance risks as from 1st August 1962, under a self-insurance scheme and established its internal self-insurance reserve fund.

2.2 The eThekweni Municipality's Self Insurance Reserve fund provides a scheme of self-insurance for a variety of risks including, amongst others, Motor Vehicle Comprehensive insurance for the Municipality.

2.3 The eThekweni Municipality's Insurance Department intends awarding a contract to tenderers that meets the requirements to be appointed on a rotational basis to provide the various services as detailed in this tender for the vehicles and liabilities arising from the comprehensive self-insurance in respect of the vehicle fleet, however, including vehicles hired or leased to the municipality.

3. **SCOPE OF CONTRACT**

The contractors will be required to provide the following services as well as other services that are implied or expressly stated in this tender document.

3.1 **MOTOR VEHICLE ASSESSMENTS**

3.1.1 Carry out claim validation as per the Self Insurance Reserve Policy.

3.1.2 Scope the own damage repair as per the claim form, including stating the items to be repaired and those parts to be replaced in terms of the council's repair standards and related policy within 24 hours of request by SCM at the various work sites.

3.1.3 Recommend the repairer by physical verification of the quotations received against the scoping report and vehicle.

3.1.4 Assessment of the damages after stripping of vehicle at repairers premises.

3.1.5 Work in progress inspection.

3.1.6 Final sign off and validation of repair costs.

3.1.7 Record all damages on vehicle and plant that may not relate to the incident/accident. Maintenance, old damage and wear & tear items to be listed on the scoping as an observation.

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- 3.1.8 Taking out photos onsite of the entire vehicle using a digital camera with a standard lens which can be integrated utilizing any accident reconstruction program (not a zoom lens or variable lens).
- 3.1.9 Record the tacho reading, odometer, hour meter and tread depth as well as any other relevant details and vehicle accessories fitted.
- 3.1.10 Provide an assessor's report and assessed quotation together with the vehicle market value taking into consideration all vehicle accessories, equipment and bodies and condition of the vehicle.
- 3.1.11 Provide comprehensive insurance report and/or interim / preliminary insurance reports for each claim on all aspects of the vehicle accident including, but not limited to Introduction, Circumstances/cause of the accident, Findings & merits, Extent of loss or damage, Claim composition & estimates, Traced third party for recoveries, Insurance policy response, Future risk pre-cautions, Recommendations, Attachments. Interim or preliminary reports also required.
- 3.1.12 Assisting the SCM buying staff by checking all the panel beaters/repairers quotation against the scoping report, recording any deviations and incompleteness and recommending the panel beater /repairer to be used as per the eThekweni Municipality's Preferential Points System within 24 hours of request by S.C.M.
- 3.1.13 Assessment of vehicle at the panel beater's/repairer's premises within 24 hours of the vehicle being moved, after the vehicle has been stripped , and record any additional hidden damages as well as any reduction in scope of repair , including any and all parts that are no longer required to undergo repair. Reducing the labour times as per the industry standard. Agreeing the number of days for repairs with the appointed panel beater.
- 3.1.14 Provide a written assessment report, including the recommended repair costs as per the eThekweni Municipality's agreed rates with the panel beater/repairer within 24 hours of referral.
- 3.1.15 Forward assessed quotations to the SCM buyer for order number to be allocated to the repairer.
- 3.1.16 Forward assessed quotes with the endorsed order number received from SCM to the panel beater/repairer.

- 3.1.17 Follow up with repairer to ensure that the panelbeater/repairer receives the order number within agreed time frames.
- 3.1.18 Undertakes and records work in progress inspection for each vehicle and submit the same to eThekweni Municipality (minimum of 1 work in progress inspection but not limited to that depending on the extent of the damages/complexity of work/duration of the delays experienced)
- 3.1.19 Provide a daily updated register of all accident/incident damaged vehicles being repaired with the relevant information.
- 3.1.20 Undertakes post repair inspection within 24 hours of being informed by repairer of completion and sign off clearance of completed vehicle at the repairer's premises alternatively rejects the repair, records the reasons and ensures that repairer acknowledges the same in writing.
- 3.1.21 Inform S.C.M. timeously of the delays experienced in respect of the repairs being carried out ie backorder on parts, poor supplier performance standards.
- 3.1.22 Carry out road test of vehicles whereby major repairs were carried.
- 3.1.23 Audits the panelbeaters/repairer's invoices as per the agreed rates and deliver the original signed documents together with the supplier invoices to the relevant user departments.
- 3.1.24 Collection of claim forms, panelbeater/repairer payment documents from various departments to be forwarded to contractors administration offices .
- 3.1.25 Attending to departmental rejections and queries in respect of vehicles under repair and facilitate the rectification of rejection and /or queries with the panelbeater/repairer.
Maintain a schedule of rejections with the acknowledgement from the panel beater/service provider.
- 3.1.26 Arrange for towing of all major accident damaged vehicles by contacting the internal departments alternatively arranging for external towing service providers to tow/recover vehicle to the accident yard of the eThekweni Municipality. Maintain a tow register for weekly submission to SCM.

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- 3.1.27 In the instance of a major accident, must be able attend to the scene of incident/accident and remain on the scene until the necessary recovery has been completed. Be able to render a 24 hour service. Record third party details, photos of the scene that may assist in the investigation. A preliminary report to be provided to the principal within 24 hours regarding the incident/accident ie circumstances of loss, damages sustained and estimated costs.
- 3.1.28 Ensure that the repair cost does not exceed 70% of the market value of vehicle including any and all accessories, equipment and bodies alternatively recommending on technical write off.
- 3.1.29 Provide interim / preliminary reports on write-offs and additional that may arise once the vehicle has been moved to the repairer and stripped for assessment.
- 3.1.30 Investigate all third party claims made against the Self Insurance Reserve and provide a report to the Insurance Department, recommending the acceptance, partial acceptance or repudiation of the claim and the recommended settlement amount and the reasons in support thereof.
- 3.1.31 Compile reports.
- 3.1.32 The inspection and assessment of third party damages alternatively if such repairs have already been carried out to request any and all documents, photographs and information.
- 3.1.33 Request and obtain copies of all relevant and related documents and/or reports including but not limited the vehicle tracking report, official collision/loss reports.
- 3.1.34 Conduct interviews with the driver, supervisor and other persons relevant to the claim.
- 3.1.35 Obtain statements from driver, supervisor, witnesses and other persons relevant to the claim and/or persons who would be able to provide information relevant to the claim.
- 3.1.36 Analyse and/or verify all information especially the validity and authenticity of drivers license.
- 3.1.37 Conduct interviews with the driver, supervisor and other persons relevant to the claim.
- 3.1.38 Negotiate without prejudice any claims and obtain prior written approval from Insurance Department for the settlement of any claim.
- 3.1.39 Investigate and report on injuries where the estimated claim amount is likely to exceed the Road Accident Fund statutory limit.
- 3.1.40 Collate information from third parties which will assist with eThekweni Municipality payment requirements and provide a comprehensive insurance report when recommending / submitting for payment.
- 3.1.41 Carry out that the necessary verification and checks to ensure that there are no duplication of claims.

3.2 ACCIDENT INVESTIGATIONS

- 3.2.1 Conduct accident/collision and loss investigation at the request of the Head: City Fleet or his nominee in terms of any agreed instruction.
- 3.2.2 On request by the motor vehicle assessor and/or eThekweni Official immediately proceed to the scene of any serious accident/incident, to take photographs of scene, interview witnesses and take any written statements as well to obtain other evidence or information. It is expected of the investigator to report to the accident scene within an hour of being called out/informed of the accident/incident.
- 3.2.3 On receipt of an instruction the investigator will be required to :
- 3.2.3.1 Request and obtain copies of all relevant and related documents and/or reports including but not limited the vehicle tracking report, official collision/loss reports.
- 3.2.3.2 Conduct interviews with the driver, supervisor and other persons relevant to the accident/loss
- 3.2.3.3 Obtain statements from driver, supervisor , witnesses and other persons relevant to the loss accident/loss and/or persons who would be able to provide information relevant to the accident/loss
- 3.2.3.4 Analyze and/or verify all information especially the validity and authenticity of drivers license in conjunction with the circumstances of the loss as described in the driver's and witnesses statement/accident report and the physical damages observed.
- 3.2.3.5 Conduct and inspection in loco and take photographs and obtain and/or verify any information and/or statement.
- 3.2.3.6 Compile and formulate all reports and forward same by e-mail to the Chair and members of the Accident Investigation Committee.
- 3.2.3.7 Attend the Accident Committee meetings as and when requested.
- 3.2.3.8 Respond to any clarification and/or queries requested/raised by the Accident Committee.

3.2.3.9 Attend to any internal disciplinary hearings when requested to and give evidence as well as court of law proceeding.

3.3 ADMINISTRATION AND REPORTING

3.3.1 Prepare the agreement of loss for all write off , technical write off and stolen vehicles as per market value of the value of the vehicle at time of incident less the salvage amount which is currently 28% of the market value of the vehicle, less value of equipment ,bodies and parts transferred to another vehicle.

3.3.2 The agreement of loss to include the following:

3.3.2.1 Assessors report.

3.3.2.2 Copy of de-registration certificate.

3.3.2.3 Copy of relevant pages of Auto Dealers Guide.

3.3.2.4 Photographs of the damage.

3.3.2.5 Approval signatures from the delegated SCM official.

3.3.2.6 Approval signatures from the delegated Insurance Division.

3.3.2.7 Obtain signature from the relevant department's delegated official, once all of above has been complied with.

3.3.2.8 Attending to departmental queries in respect of agreement of loss.

3.3.2.9 Comprehensive insurance report including third party contact details and any other supporting documents like statements, etc.

3.3.3 Compile and present a monthly report which must be updated on an going basis and such report must include :

3.3.3.1 Claims vs premium per month per financial year/s , updated on an ongoing basis to the monthly period in which the incident occurred per Service Unit/Department, current Service

Units/Departments are City Fleet, Durban Transport, Cleansing and Solid Waste ,
Electricity , Water , Fire and People Mover.

- 3.3.3.2 The statistical claims information to be presented in a pie and bar chart representing month
by month comparison; as well as a yearly comparison.
- 3.3.3.3 Provide a loss ratio, per department.
- 3.3.3.4 List of all vehicles rejected in the prior month with the reasons and repairer.
- 3.3.3.5 List of vehicles all vehicles written off in the month.
- 3.3.3.6 List of all vehicles at various locations including the panelbeaters/repairers as at the 25th of
each month , such list to include all relevant details as per process flow from time the
vehicle was brought in for repair including timelines for each process and status as of the
25th , as well as the completion dates.
- 3.3.3.7 Maintain files for eThekwini's panel beaters recording the various performance standards
such reasons for delays, quality defects, rejections and overdue vehicles.
- 3.3.3.8 Report on all overdue vehicles as at the 25th of each month, as well as the reasons thereof.
- 3.3.3.9 Detailed claim analysis per claim number including and excluding excess, including fault.
- 3.3.3.10 Detailed list of potential recoveries in a spreadsheet.
- 3.3.3.11 Accident and cost ratio for eThekwini Municipality compared to insurers provincial and
national standards.
- 3.3.3.12 Schedule of claims repudiation and the reasons thereof.
- 3.3.3.13 Maintain an updated schedule of all matters referred for investigation .The schedule
needs to include, date of loss, date that the matter was referred and the status of the
investigation and reasons for the delay.
- 3.3.3.14 Maintain a schedule of all own damaged vehicles written off in the following three
categories ie (1.) accident damage write off (2.) total burn non protest action (3.) total burn
out protest action.

3.3.3.15 Update of estimates per claim number.

3.3.3.16 Updates actual costs per claim number.

3.3.3.17 Compulsory attendance at monthly meetings.

3.3.3.18 Produce monthly minutes of meetings.

3.3.4 In addition to the monthly meetings and minutes, the following forms part of the scope:

3.3.5 Weekly meetings to monitor the progress of repairs and to account for timelines of vehicles from time of referral, such report to be compiled by contractor.

3.3.6 Weekly meetings and update status report schedule to deal with third party claims and recoveries.

3.8 SCHEDULE OF ESTIMATED QUANTITIES

3.9.1 These are the current estimated monthly averages:

ITEMS	ESTIMATED QUANTITIES
3.8.1.1 EThekwini Municipality Fleet third party assessments (in-house)	30
3.8.1.2 EThekwini Municipality Fleet own damage assessments (outsourced)	100
3.8.1.3 Durban Transport own damage assessments (outsourced)	20
3.8.1.4 Durban Transport own damage assessments (in-house)	70
3.8.1.5 Current staffing level for this contract	10
3.8.1.6 EThekwini Municipality Fleet accidents investigations	10
3.8.1.7 Durban Transport accidents investigations	2
3.8.1.8 EThekwini Municipality Fleet average callout for serious accidents	15/20
3.8.1.9 Durban Transport average call out for serious accidents	5
3.8.1.10 EThekwini Municipality Fleet average	35

towing cases dealt with	
3.8.1.11 Durban Transport average towing cases dealt with	10
3.8.1.12 EThekwini Municipality Fleet average write – offs	5
3.8.1.13 Durban Transport average write-offs	1
3.8.1.14 EThekwini Municipality Fleet average third party claims	35
3.8.1.15 Durban Transport average third party claims	45

3.8.2 The quantities as indicated above is monthly averages, the contractor however is required to carry out the functions for all quantities in excess or under that stated.

3.8.3 The number of EThekwini Municipality insured Fleet vehicles and plant is estimated as follows:

- Plant: 251
- Vehicles: 6 420
- Trailers: 680

3.8.4 The number of Durban Transport buses is estimated as follows:

- Buses: 774

SECTION 8: BILL OF QUANTITIES / SCHEDULE OF RATES / ACTIVITIES

Item	Description	Estimated Quantity (Claims) Required	* Assessment fee per claim (Year 1 Excl.)		* Assessment fee per claim Price (Year 2 Excl.)		* Assessment fee per claim (Year 3 Excl.)	
			R	c	R	c	R	c
1	Own Damage Claims Scoping and Assessments. (Including Administration and Reporting fees)	200						
2	Third Party Claims Assessments. (Including Administration and Reporting fees)	110						
3	Accident Investigations and Callout and Towing (Including Administration and Reporting fees)	75						
4	Tracing for Recoveries (Including Administration and Reporting fees)	10						
5	Legal Advisory Services. (Including Administration and Reporting fees)	5						
....								

SECTION 9 : OFFICIAL TENDER FORM

Part A: OFFER BY TENDERER - In response to **Tender Number : 1F-21444** I / we hereby offer to supply the goods / services detailed hereunder in accordance with the Technical Specification, and subject to the Standard and Special Conditions of Tender (Goods/Services), and General and Special Conditions of Contract, which accompanied your Tender (with which I / we acknowledge myself / ourselves to be fully acquainted) at the price stated below, or in the case of individual rates are indicated in Section 8 : Bill Of Quantities / Schedule of Rates / Activities.

I / We hereby agree that this tender will hold good and remain open for acceptance as specified in the Conditions of Tender or during such other period as may be specified in the Special Conditions of Tender.

eThekwini Vendor Portal Registration Number:

PR

C.S.D Registration Number:

MAAA

S.A.R.S Pin Number:

Completion of the following is compulsory. Failure to declare the following will invalidate your offer.

Declaration of Interest

Are any of the entity's directors, managers, principle shareholder or stakeholders currently in the service of the state or have been in the service of the state in the past twelve (12) months?					<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Is any spouse, child or parent of the entity's directors, managers, principle shareholder or stakeholder currently in the service of the state or have been in the service of the state in the past twelve (12) months?					<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Name of entity's member	Position in Entity	Name of Relative (if applicable)	Name of State Institution	Nature of Relationship				
Do you or any other directors, managers, principle shareholder or stakeholder of your entity have any relationship (spouse, family, friend, associate) with persons in the service of the state and/or who may be involved with the evaluation of this quotation? If yes please furnish particulars below					<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Name of entity's member	Position in Entity	Name of Relative (if applicable)	Name of State Institution	Nature of Relationship				

Refer to the Consolidated MBD Documents in Section 4(d) for the definition of "in service of the State"

* Signature :

* Name (*capitals*):

Date:

Capacity:

* Name of Business:

Tel:

Address:

Fax:

* Denotes Mandatory Information

Failure to complete the Mandatory Information and sign this Tender Form will invalidate the tender

Part B: ACCEPTANCE BY PURCHASER - The Purchaser, as represented by the following Official, hereby accepts the Tenderer's offer in terms of the Conditions of Tender, Specifications, and Conditions of Contract.

Signature:

Name (*capitals*):

Date:

Capacity:

SECTION 10: ANNEXURES (if applicable)

In addition to returnable schedules, forms and certificates, tenderers must provide and submit with the tender document, the following information/documentation:

ANNEXURE 1

TENDERERS EXPERIENCE: LETTER FROM A CLIENT

(Attach letter(s) from a client(s) confirming that you have relevant experience and expertise in motor vehicle claims assessments, claims administration and accident investigations and indicating the number of years of relevant experience. Submit Letters of Award and Reference Letter must be signed and stamped).

ANNEXURE 2

EXPERIENCE OF KEY PERSONNEL

Please provide details of the key personnel that will be responsible for the services to be provided in this Tender. Attach dedicated service team organogram and their brief CVs.

ANNEXURE 3

PROOF OF PROFESSIONAL INDEMNITY INSURANCE

EXAMPLE OF COMPREHENSIVE INSURANCE REPORT

11 February 2022

EThekwini Municipality
c/o Insurance Department,
Attention: Thobani Mnyandu
6th Floor
Florence Mkhize Building

COMPREHENSIVE INSURANCE REPORT

CLAIM NUMBER : 20200294
REGISTRATION No. : NDM8525
VEHICLE TYPE : Isuzu Truck
D.O.L : 14 July 2020
NATURE OF CLAIM : Truck capsized and damaged third party property
PLACE OF INCIDENT : Johannes Nkosi Road in Bonella, Durban
INSURED DEPARTMENT : City Fleet

1. INTRODUCTION

We acted on instructions dated 28 July 2020 received from Thobani Mnyandu of eThekwini Municipality Insurance Department to assess the claim. On receipt of the claim documentation we had already been notified by City Fleet about the incident. The scoping session was done on 15 July 2020. We have now completed our assessment enabling us to file this insurance report.

2. CIRCUMSTANCES/CAUSE OF ACCIDENT

On 14 July 2016 around 13h15 a municipal driver, Mr Musawenkosi Siboniso Kweyama, parked an unloaded NDM8525 ISUZU truck at Johannes Nkosi Road in Bonella which is a job site. The truck was left with ignition on which resulted to it to move, eventually rolled and collided into a house. No evidence of lack of the vehicle service or maintenance has been observed.

3. ACCIDENT INVESTIGATION

The Accident Investigation was conducted on 14 July 2020, at 13h45. The report has already been submitted to yourselves.

4. FINDINGS / MERITS

We called at the scene of the accident and noted NDM8525 capsized to the right hand side in the property of 2412 SPCA Access Road, Bonella, Durban.

The driver parked the truck on the verge of the left hand side of the road surface to the right hand side of the road, facing downhill. He switched the engine off but left in the ignition in the on position. The gear was left in the neutral position and the handbrake was engaged. After approximately 5-7 minutes a staff member on site told him that the truck was moving. He began to run after the truck. The truck moved across the road to the right hand side and climbed the pavement straight into a house below road level. The truck rolled for 39, 4 meters from where it was parked on the side of the road before hitting the house. The driver was not in the truck at the time of the accident. The municipal driver does not have any witness evidence to corroborate his version of the accident. None of the staff members at the scene stated that they witnessed the accident.

There were extensive structural damages to the house. As such the house was inhabitable. No personal injuries were reported. The ward Councilor was in attendance who contacted Disaster Management of the eThekweni Municipality. Mr Mbuso Ngubane (081 4948 512) from Disaster Management attended the scene and liaised with Ms Mzimela regarding possible assistance. Eventually no assistance was given as the incident was not classified as a disaster. Westwood Insurance Brokers had to arrange temporal accommodation for the family of six members from 18 to 20 June 2016. The total cost of R4 506.30 in favour of Road Lodge Umhlanga Ridge was paid by Westwood (**Annexure A**).

The weather on the day was a sunny; the surface of the side of the road was dry. The presence of the driver on the site at the time of the accident was in the course of duty and he was permitted to drive the vehicle according to his Supervisor Mr Moses Doyisa who was informed of the incident immediately by the driver.

The accident was reported at the SAPS Cato Manor station. It was registered as OB541/07/16. No accident report was completed as per the attending SAPS member, Constable Brain Du Plessis. The driver has a EC valid driver's license with no restrictions.

The C-Track report was available at the time of finalizing this report. According to the information contained therein, the truck that the speed was on at the time of the incident. Furthermore, it was noted on the C-Track reported that NDM8525 arrived at the job site at 12h52 and no recording of ignition off on the report. It would therefore appear that the engine was on until it was switched off after the accident at 13h18. During the interview, the driver stated he parked the truck on a decline of the road which was sloping downwards and that he left the key in the ignition with the gear in the neutral position. Undoubtedly, the driver did not switch off the engine of the truck after he parked it on the side of the road and exited the truck.

We have inspected vehicle maintenance/service records which indicated the vehicle is regularly well maintained or serviced; the last service record was on 05 April 2016 which is approximately two months before the accident. As such there is no reason to doubt that the handbrake was not in a proper working order at the time of accident.

During the interview with the owner of the property, Ms Philile Mzimela, she advised that there were severe damages to the structure and household goods. She has provided an inventory list of the damaged household goods. At the time of the accident she advised that she has no private insurance for her goods and/or property. She also submitted a statement from a witness Mr Cyril Kobus (**Annexure B**) whose version clearly corroborates with that of her. As such, there is no third party insurance covering the same risk which is a subject matter of this claims; therefore, there no conflict of interest that can be disclosed in anyway.

The technical motor vehicle assessment report has been completed (**Annexure C**). The Accident Investigation was also conducted and has already been submitted to Insurance Department.

In view of the above, the municipal driver was solely at fault for the accident.

5. EXTENT OF LOSS/DAMAGE

OWN DAMAGE : The municipal truck damaged at the front bumper and left hand side wheel and will need repairs. The bumper needs to be replaced and the wheel to be repaired.

THIRTD PARTY : The truck caused extensive damage to the house. The whole roof needs to be replaced. It is for these reasons that the house was inhabitable.

6. CLAIM COMPOSITION & ESTIMATES

The claim is for the following;

- (a) **Own Damage** - which is the damage to the front bumper and left hand side wheel, to be repaired, estimated at R75 631.11.
The final adjusted costs is R45 000 as per the Release Form.
- (b) **Third Party** - Damage to third party house, which is the damage to the house roof and other structural damages, the whole roof to be replaced and the walls to be repaired to the same position it was in before the accident, estimated at R200 000.
The final adjusted costs is R150 000.
- (c) **Consequential Losses** - this is a financial loss for temporal accommodation for the family including meals, actual total cost R4 506.33.
The final cost is R4 506.33.

- (d) **Damage to goods** –

Item	Claimed Amount	Quote/Invoice	Adjusted	Reason	To pay
1.TV54cm Samsung	R20 000	Nil	Nil - Declined	Damaged TV not seen	Nil
2. TV 32cm LG	R5 000	R4 000 (Makro quote)	10%	For wear & tear, TV 5 years old.	R3 600
TOTAL	R25 000				R3 600

- (e) **Towing fees** for municipal driver from the scene of the accident to Mobeni Workshop, R1 200
The final cost is R1 200.
- (f) **Tracing fees** – none.

We are not aware of any other aspect of the claim.

7. SAVINGS

A quote was received form ABC Panelbeaters for the sum of R75 631.11 VAT inclusive and the vehicle was assessed and costs agreed upon for the sum of R45 000.00 VAT inclusive with savings for the sum of R30 631.11 VAT inclusive.

7.1 OLD DAMAGES

At the time of scoping it was noted that the bonnet was jammed, this will not form part of the claim.

8. RECOVERY & THIRD PARTY DETAILS

The third party is Ms. Phindile Mzimela (30), a professional nurse, residing at the address 2412 SPCA Access Road, Bonella, Durban. Contact number 071 5707 469. The total number of people residing at the address is six. She resides with her husband (35), a son (15 years old) who is at grade 10, sister (18 years) who is doing grade 12, daughter (13) who is doing grade 7 and niece (7) who is doing grade 2.

No recoveries against the third party. Instead, the third party has lodged a liability claim against the municipality for both damage to property and consequential losses due to inhabitable house. In her letter of demand, the third party recorded an intention to claim compensation in the total amount of R210 000, refer to the letter of demand for a breakdown (**Annexure D**).

There is no salvage value for the damaged goods.

9. POLICY RESPONSE

9.1 VEHICLE INSURED?: The municipal vehicle involved is indeed covered by Insurance Department. It is noted that the sum insured reflects as R600 000 which is the purchase price instead of the market value.

In view of the findings and the evidence available also judging from the extensive nature of the damage sustained to the third-party property, the municipal driver could have exercised precautions by completely switching off the vehicle whilst parked but he failed to do that.

The total estimated costs is undoubtedly above the applicable excess of R5 000 for this type of a vehicle, i.e., a truck, in terms of the policy.

9.2 MAINTENANCE: There are no damages to both the vehicle or to the property that cannot be attributable to this accident. All claims costs submitted and adjusted are admissible.

9.3 BETTERMENT: Betterment relating to damaged goods has been noted and adjusted accordingly.

9.4 CONTRIBUTORY NEGLIGENCE: No contributory negligence, the municipality is solely to be blamed for the incident.

The own damage, towing fees, third party liability and consequential losses is a valid claim and therefore is covered in terms of the insurance policy.

We have considered all terms, conditions and exclusion of the Self Insurance Reserve Policy for eThekweni Municipality and Claims Procedures in relation to the claim.

10. FUTURE RISKS PRECAUTIONS

Any reasonable person under the circumstances of sloping area/terrain would have switched off the engine, the driver failed to do that.

The driver needs to be cautioned to exercise due care by not leaving a parked vehicle with ignition on.

11. RECOMMENDATIONS

We are satisfied that all claims costs relating to this claim are fair and reasonable. We recommend claim settlement as follows:

- (a) Own Damage - R45 000 as per the Release Form, in favour of ABC Panelbeaters.
- (b) Damage to third party's house - R150 000, in favour of Ms Mzimela.
- (c) Consequential Losses - R4 506.33, in favour of Westwood Insurance Brokers, that is, reimbursement.
- (d) Damage to goods – R3 600, in favour of Ms Mzimela
- (e) Towing fees - R1 200, in favour of ABC Towing Services

We are done with our involvement in this claim. In the absence of any enquiries, our claim file is to be closed. You may close your file.

12. ATTACHMENTS

- GRN
- Invoice & Supporting Documents
- Assessment Report / Quantum Documents
- Technical Motor Vehicle Assessment Report
- Photographs

PREPARED BY:

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eTM Assessing Services

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11 February 2022

CHECKED BY:

T. Ntuli

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12 February 2022