



**Amatola**  
Water · Amanzi

**BID DOCUMENT**

**BID NO. AW2021/22/03**

**BID DESCRIPTION**

**PROVISION OF INTERNAL AUDIT SERVICES TO AMATOLA WATER FOR THE PERIOD OF THREE YEARS.**

**CLOSING DATE**

**DAY: TUESDAY**  
**DATE: 22 FEBRUARY 2022**  
**TIME: 11H00am**

**BIDDER TO COMPLETE**

<b>COMPANY NAME</b>	
<b>TRADING AS</b> (if different from above)	

ISSUED AND PREPARED BY: AMATOLA WATER

PRIVATE BAG X3

VINCENT

5217

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## **SECTION A**

# **TENDERING INVITATION, CONDITIONS OF TENDER AND SPECIFICATION**

SBD1

**INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR THE PROVISION OF THE INTERNAL AUDIT DERVICCES TO AMATOLA WATER FOR THE PERIOD OF THREE (3) YEARS**

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

**BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX LISTED BELOW**

**Reception area of Amatola House**

**6 Lancaster Road**

**Vincent**

**East London**

**THE BID BOX IS AVAILABLE FOR BIDS TO BE DEPOSITED BETWEEN 08:00AM – 16:00PM FROM MONDAY TO FRIDAY.**

**SUPPLIER INFORMATION**

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER

CODE

NUMBER

CELLPHONE NUMBER

FACSIMILE NUMBER

CODE

NUMBER

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

TCS PIN:

**OR**

CSD No:

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]

Yes

No

B-BBEE STATUS LEVEL SWORN AFFIDAVIT

Yes

No

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

NAME:

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA

Yes

No

ARE YOU A FOREIGN BASED SUPPLIER FOR

Yes

No

<b>FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	[IF YES ENCLOSE PROOF]	<b>THE GOODS /SERVICES /WORKS OFFERED?</b>	[IF YES ANSWER PART B:3 BELOW]
<b>SIGNATURE OF BIDDER</b>	.....	<b>DATE</b>	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)</b>			
<b>TOTAL NUMBER OF ITEMS OFFERED</b>			
<b>TOTAL BID PRICE (ALL INCLUSIVE)</b>			
<b>BIDDING PROCEDURE AND SCM ENQUIRIES MAY BE DIRECTED TO: Mandisa Matshikwe</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO: Lunga Mvandedwa</b>	
<b>ONLY WRITTEN QUERIES VIA EMAIL WILL BE ATTENDED TO</b>			
<b>PUBLIC ENTITY</b>	AMATOLA WATER		
<b>CONTACT PERSON</b>	Mandisa Matshikwe - Supply Chain Management	<b>CONTACT PERSON</b>	Lunga Mvandedwa- Office of the CE: Internal Audit:
<b>E-MAIL ADDRESS</b>		<b>E-MAIL ADDRESS</b>	
	<a href="mailto:mmatshikwe@amatolawater.co.za">mmatshikwe@amatolawater.co.za</a>		<a href="mailto:lmvandedwa@amatolawater.co.za">lmvandedwa@amatolawater.co.za</a>

**Total rates must be transferred to SBD1, failure to do so will lead to the bid being disqualified**

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. **BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.**
- 1.4. **WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.**
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

**2. TAX COMPLIANCE REQUIREMENTS**

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

### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

YES  NO

3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?

YES  NO

3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

YES  NO

3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?

YES  NO

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

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

## **TENDER CONDITIONS**

### **1. DEFINITIONS**

The word "Bidder/Tenderer" in these conditions shall mean and include any firm of Contractors, Suppliers, Service Providers or any company or body incorporated or unincorporated.

### **2. BID PUBLICATION**

Bid document will be available from 10:00am, **19 January 2022** at Amatola Water website at [www.amatolawater.co.za](http://www.amatolawater.co.za).

### **3. CLARIFICATION MEETING**

On **Tuesday, 01 February 2022 @ 11:00am**, a compulsory clarification meeting will be held at Nahoon Dam Boat House, East London, Eastern Cape. Any changes on the document will be uploaded onto Amatola Water Website. Due to COVID 19 pandemic regulations, attendance will be limited to one representative per entity. No tender documents will be shared at the clarification meeting.

Latitude: 32°54'18.90"S

Longitude: 27°48'51.67"E

### **4. BID SUBMISSION**

The original completed bid documents must be submitted in a sealed envelope endorsed with the Bid Number and Bid Description as detailed in the Tender Data. The sealed envelope must be deposited in the Bid/Tender Box, located in the reception area of Amatola House, 6 Lancaster Road, Vincent, East London, not later than the time and date specified on the cover page and SBD 1 of this bid.

### **5. EVALUATION CRITERIAS-DISQUALIFYING FACTORS**

Bidders must submit all required documents indicated hereunder with the bid documents at the closing date and time of the bid. During this evaluation phase, bidder's responses will be evaluated based on the documents submitted under mandatory requirements. **Any bid that does not meet these requirements will be disqualified and will be considered as non-responsive.**

The received bid proposals will be evaluated in different phases to arrive to the final phase of bid award, and the phases will be as follows:

#### **STAGE 1 – PRE-QUALIFICATION**

Your bid proposal will be deemed as non-responsive if the below table is not completed

<b>Condition</b>	<b>POE</b>	<b>Comply(Y/N)</b>
Proof of registration with a professional body like Institute of Internal Auditors South Africa (IIA SA), Information Systems Audit and Control Association (ISACA), South African Institute of Chartered Accountants (SAICA).	Copy of registration certificate or Letter of good standing	



## **STAGE 2 – COMPLIANCE SCREENING/ADMINISTRATIVE COMPLIANCE**

In this phase All bids received will be verified for **compliance** and **completeness** of the submitted proposal per the below set of requirements. Bidders who fail to comply with the below requirements WILL be eliminated and bidders who comply with the below progresses to the next phase.

- Bid documents must be properly received on the **bid closing date and time** specified on the invitation. (**Bid closing date, 22 February 2022 @11am**)
- Bid documents must be properly fully completed, dated, signed in non-erasable ink.
- Submission of the bid document must be in a sealed envelope clearly marked:  
“AW2021/22/03 - THE PROVISION OF THE INTERNAL AUDIT DERVICCES TO AMATOLA WATER FOR THE PERIOD OF THREE (3) YEARS”
- The bid document must be completed in all respects in non-erasable ink.
- Bids must be submitted on original bid documents.
- Bid documents must remain intact and no portion may be detached

The following declaration forms must be completed and signed in full:

SBD 1: Invitation to Bid

SBD 4: Declaration of Interest

SBD6.1: Preference points claim form in terms of Preferential Procurement Regulations 2017

SBD 8: Declaration of Bidder's Past SCM Practices

SBD 9: Certificate of Independent Bid Determination

### **FORM A: AUTHORITY TO SIGN**

In the case of a Bid being submitted on behalf of a company, close corporation, or partnership, evidence must be submitted to the Amatola Water at the time of submission of the Bid that the Bid has been signed by persons properly authorised thereto by resolution of the directors or under the articles of the entity

The Bidders are encouraged to submit the following documents:

- B-BBEE VERIFICATION CERTIFICATE/SWORN AFFIDAVIT for EMEs and QSEs where applicable
- JOINT VENTURE AGREEMENT (IF APPLICABLE)

## **STAGE 3 – FUNCTIONALITY/TECHNICAL EVALUATION**

### Functionality Evaluation Criteria

No.	Evaluation Criteria	Details	Point Allocation	Documentary Proof to be attached during bid submission
1	<b>Company Experience: Previous similar contracts</b>	<p><b>Company experience in Public Sector, specifically National Government, Provincial Government and State Owned Entities i.e. PFMA:</b></p> <p>5 years' experience in the Public Sector stated above</p> <p>3 - 4 years of experience in the Public Sector stated above</p> <p>1 – 2 years of experience in the Public Sector stated above</p> <p>Less than 1 year in the Public Sector stated above</p>	<p><b>20</b></p> <p>15</p> <p>10</p> <p>5</p>	<p>1. Company profile reflecting relevant experience.</p> <p>2. Maximum of three Reference Letters from the contactable Public Sector Institutions where Internal Audit Services were rendered.</p>
2	<b>Team Leader Technical Expertise</b>	<p><b>Project Director/Team Leader:</b></p> <p>1. Qualified South African Chartered Accountant CA (SA)/Certified Internal Auditor (CIA).</p> <p>2. Minimum of 10 years. experience –</p> <p>3. Public Sector Audit experience.</p> <p><b>Project Director/Team Leader:</b></p> <p>1. Not a Qualified South African Chartered Accountant CA (SA)/Certified Internal Auditor (CIA).</p> <p>2. Less than 10 years. Experience.</p> <p>3. No Public Sector Audit experience.</p>	<p><b>1. 5</b></p> <p><b>2. 5</b></p> <p><b>3. 5</b></p> <p><b>1. 2.5</b></p> <p><b>2. 2.5</b></p> <p><b>3. 2.5</b></p>	<p>1. Detailed CV and certified copy of qualifications. Certified copies must be within 3 three months.</p> <p>2. Proof of registration to relevant professional body e.g. SAICA/IIA SA.</p>

3	<b>Audit Team Technical Expertise</b>	<b>Audit team –</b> 1. Senior Manager to have a minimum Bachelor’s Degree/B-Tech and qualified CA (SA)/ CIA. 2. Manager to have a minimum Bachelor’s Degree/B-Tech, completed articles and registered with SAICA/IIA SA and studying towards CA (SA) or CIA exams. 3. Senior Internal Auditors to have minimum Bachelor’s Degree/B-Tech, completed articles and registered with either SAICA/ IIA (SA). 4. Internal Auditors to have minimum Bachelor’s Degrees/B-Tech, and registered with either SAICA/IIA (SA).	1. 4 2. 3 3. 2 4. 2	1. Detailed CV and certified copy of qualifications not older than 3 months of audit team members indicating involvement in Internal Audit assignments. 2. Proof of registration to relevant professional body e.g. SAICA/IIA SA.
4	<b>Specialists</b>	<b>Specialists –</b> 1. Qualified IT Audit specialists must be Certified Information Systems Auditor (CISA) and registered with Information Systems Audit and Control Association (ISACA). 2. Forensic specialists must be a Certified Fraud Examiner (CFE) and be registered with Association of Certified Fraud Examiners (ACFE). 3. Registered Engineer with engineering and project management experience and	1. 5 2. 5 3. 5	1. Detailed CV and certified copy of qualifications not older than 3 months of audit team members. 2. Proof of registration to relevant professional body e.g. ISACA, ACFE, The South African Institute of Civil Engineering, The Engineering Council of South Africa (ECSA) etc.

		registered with relevant professional body.		
5.	<b>Methodology</b>	Step by step Plan with clear deliverables, in line with the timelines.	<b>4</b>	Methodology outlining all the relevant phases/stages of the audit.
		Step by step Plan with clear deliverables, but not in line with timelines	2	
		No clear Plan	1	
6	<b>Skills Transfer Plan</b>	Detailed Skills Transfer Plan indicating how a prospective service provider intends transferring skills to the in-house Internal Audit team.	<b>5</b>	<ol style="list-style-type: none"> <li>1. Detailed Skills Transfer Plan.</li> <li>2. Proof of previous implementation of Skills Transfer Plan.</li> </ol>
<b>Maximum Total Score for functionality assessment</b>			<b>100</b>	
<b>Minimum number of total points required for functionality evaluation</b>			<b>70</b>	

**STAGE 4 – PRICE AND PREFERENCE 80/20**

Bidders are required to complete the preference claim form (SBD 6.1) and must submit their valid BBBEE status level verification certificate or certified copy of sworn affidavit at the closing date and time of the bid in order to claim the BBBEE status level points.

Only bidders who have completed and signed the declaration part of the preference claim form and who have submitted a BBBEE status level certificate from an accredited verification agency or affidavit will be considered for preference points, failure on the part of the bidder to comply with the above will be deemed that preference points for BBBEE status level are not claimed and therefore be allocated zero (0)

<b>PRICE AND PREFERENCE (BBEE)</b>	
Price	80%
BBBEE	20%
<b>Total Points for price and BBBEE</b>	<b>100</b>

All forms and declarations must be signed and completed and returned with the Bid Document as a whole.

Failure to sign and / or complete the forms and declarations will result in the bid being disqualified.

***The lowest or any bid will not necessarily be accepted, and your bid may be accepted in part or as a whole.***

## **6. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE**

All Bids must remain valid for a period of 90 (ninety) days from the closing date as stipulated in the Bid document.

**DEFINITION:- “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.

Should a group of companies/firms and/or interested parties wish to enter into a joint venture / consortium agreement the following minimum requirements must be met: -

- a. A properly signed copy of the joint venture/consortium agreement must be attached.
- b. Each member of the joint venture/consortium's taxes must be in order.
- c. After the award of a contract to a joint venture/consortium, the successful joint venture group or consortium must provide a combined joint venture/consortium Tax Clearance Certificate.
- d. After the award of a contract to a joint venture/consortium, the successful joint venture group or consortium must provide the details of the joint venture / consortium banking details.
- e. A trust, consortium or joint venture will qualify for points of their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- f. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate tender.

### **THE JOINT VENTURE/CONSORTIUM AGREEMENT MUST CONTAIN THE FOLLOWING: -**

- a. Who the managing member will be.
- b. Who the signatory of authority will be.
- c. How the joint venture/consortium share of profit will be split.
- d. The bank account details where payments will be deposited into.
- e. The agreement must be signed by all parties.
- f. The agreement must be certified by a Commissioner of Oaths.
- g. The postal and physical address where all correspondence will be sent to

## **7. CONDITIONS OF TENDER/POST AWARD NEGOTIATION**

- (a) Submission of this proposal signifies the applicant's acceptance of the conditions as laid down in this document, unless clearly stated otherwise.
- (b) Any expense incurred by the applicant in preparing and submitting this proposal will be for the applicant's account.
- (c) Amatola Water reserves the right not to accept any proposal and cancel the bid as and when the need arises
- (d) No provision in a contract shall be deemed to prohibit the sourcing of services from other service providers should there be delays from the service provider in contract.
- (e) The right is reserved not to accept any of the bids submitted
- (f) Amatola Water reserves the right not to award, to award in part or in full
- (g) The right is also reserved to withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing date of the bid and post award
- (h) Amatola Water reserves the right to negotiate the standard rate with the shortlisted bidders prior to award and with the successful bidder's post award
- (i) The intention of Amatola Water is to appoint a pool of a maximum of three (3) service providers, should there be need to negotiate the rate provided by the bidder, a meeting will be arranged, and the bidder will be given 7 days prior the meeting
- (j) The methodology to be applied to utilize the service providers on the pool from time to time, will be as follows:
- (i) Ranking on rotation basis
  - (ii) Availability/readiness
  - (iii) Capacity
  - (iv) Tax compliance
- (k) The service provider must report to Amatola Water should encounter conditions beyond their reasonable control which impact the timely delivery of the goods/service the supplier should notify Amatola Water immediately having become aware of these conditions.
- (l) No provision in a contract shall be deemed to prohibit the sourcing of goods/service from other service providers should there be delays from the supplier in contract.
- (m) The right is reserved not to accept any of the bids submitted
- (n) Amatola Water reserves the right not to award, to award in part or in full
- (o) The right is also reserved to withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing date of the bid and post award
- (p) In the event that an incorrect award has been made, Amatola Water reserves the right to remedy the matter in any manner it may deem fit
- (q) Amatola Water reserves the right to negotiate the standard rate with the shortlisted bidders prior to award and with the successful bidder's post award

## BID SPECIFICATION

### **SCOPE OF WORK**

The objective of the tender process is to appoint three suitably experienced and professional service providers to submit proposals to serve in the Panel for provision of Internal Audit Services to Amatola Water for a period of three years.

- The scope of internal audit work entails evaluating the adequacy and effectiveness of the organization systems of internal control.
- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.
- Reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations that could have a significant impact on operations and determine whether the organization is in compliance.
- Reviewing the means of safeguarding assets and verifying the existence of assets.
- Appraising the economy and efficiency with which resources are employed and identifying opportunities to improve operating performance.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Reviewing the planning, design, development, implementation, and operation of major computer-based systems.
- To determine adequate controls are incorporated in systems.
- To determine thorough systems testing is performed at appropriate stages.
- To determine system documentation is complete and accurate.
- Reporting to the Audit & Risk Committee in writing annually on the scope of reviews of good governance and any significant findings.
- Compile an implementation plan with recommendations for audit findings (Internal & External).
- Oversee the implementation plan.
- Reports to the different stakeholders on the findings.
- Ad-hoc work, special request from Management or Audit & Risk Committee for professional services and/or advice.



Three Year Rolling Strategic Internal Audit Plans: 2022, 2023 and 2024 approved by the ARC.

No.	Audit Project and Scope	Risk Identified/Possible Risk	2021/22– Year 1	2022/23 – Year 2	2023/24 Year 3
1	Risk Management Reviews	Continuous/Compliance Audit	✓	✓	✓ □
2	Annual Financial Statements (AFS)	Compliance Audit	✓	✓	✓ □
3	Annual Performance Report (APR)	Compliance Audit	✓	✓	✓ □
4	Review Payroll Management Systems	Operational risks/cyclical audit		✓	
5	Leave Management Systems	Operational risks/cyclical audit		✓	
6	Performance Management Systems (performance evaluations and monitoring)	Operational risks/cyclical audit		✓	
7	Supply Chain Management	<b>Strategic Risk No. 10: Non-compliance with SCM Legislation and Regulations</b>	✓	✓	✓ □
8	Assets Management Review	<b>Strategic Risk No. 9: Inadequate Security;</b> Cyclical audit		✓	
9	Audit of Predetermined Objectives (Performance Information Reviews)	<b>Strategic Risk No. 4: Inability to meet the bulk water supply demand</b> Cyclical audit	✓	✓	✓ □
10	Follow-up on prior year Internal Audit Reports	Continuous/Compliance Audit	✓	✓	✓ □
11	Follow-up on Audit Intervention Plan (Follow-up on AGSA Report)	Continuous/Compliance Audit	✓	✓	✓ □
12	Review of IT General and Application Controls	<b>Strategic Risk No. 8: Ineffective ICT Governance</b>	□	✓ □	□
13	Review of the effectiveness of the Corporate Governance	<b>Strategic Risk No. 6: Unsustainable Corporate Governance</b>	✓ □	□	□
14	Review of Revenue Management	<b>Strategic Risk No. 1: Financial Viability</b> <b>Strategic Risk No. 4: Inability to meet the bulk water supply demand</b>	✓ □	□	□
15	Review of appointments, retentions and terminations	Cyclical audit and operational risks	□	✓ □	□
16	Project Management Review	<b>Strategic Risk No. 1: Financial Viability</b> <b>Strategic Risk No. 10: Non-compliance with SCM Legislation and Regulations</b>	□	□	✓ □
17	Stakeholder Management	<b>Strategic Risk No. 2: Fraud, corruption and collusion</b> <b>Strategic Risk No. 3: Poor relations between management and labour-</b>	✓ □	□	□

No.	Audit Project and Scope	Risk Identified/Possible Risk	2021/22– Year 1	2022/23 – Year 2	2023/24 Year 3
		<i>consolidated</i> <b>Strategic Risk No. 6: Unsustainable</b> <i>Corporate Governance</i>			
18	Fraud Prevention Plans	<b>Strategic Risk No. 2: Fraud, corruption and collusion</b>	✓	✓	✓
19	Organisational Ethics	<b>Strategic Risk No. 2: Fraud, corruption and collusion</b> <b>Strategic Risk No. 6: Unsustainable</b> <i>Corporate Governance</i>	✓ □	□	□
20	Management of cash and cash equivalents	<b>Strategic Risk No. 1: Financial Viability</b>	□	✓ □	□
21	Management of investments/investment policy	<b>Strategic Risk No. 1: Financial Viability</b>	□	□	✓ □
22	Strategic Management: a) Review of Strategic Plan b) Review of Business Plan	<b>Strategic Risk No. 6: Unsustainable</b> <i>Corporate Governance</i> Compliance Audits	✓ □	✓ □	✓ □
23	Compliance with Environmental Laws and Regulations	<b>Strategic Risk No. 7: Environmental unsustainability</b>	□	□	✓ □
24	Investigation of Irregular, Fruitless and Wasteful Expenditure for condonement or disciplinary action	<b>Strategic Risk No. 2: Fraud, corruption and collusion</b>	✓ □	✓ □	✓ □
25	Records Management Review	Operational risks/cyclical audit	✓ □	□	□
26	Review of Overtime Management	Operational risks/cyclical audit	✓ □	□	□
27	Review of Repairs and Maintenance of AW Plants	<b>Strategic Risk No. 4: Inability to meet the bulk water supply demand</b>	✓ □	□	□
28	Review of AW Plant upgrades	<b>Strategic Risk No. 4: Inability to meet the bulk water supply demand</b> <b>Strategic Risk No. 5: Non-compliance with National standard of water quality and waste water effluent</b>	□	✓ □	□
29	Review of Occupational Health and Safety Processes	<b>Strategic No. 11: Inadequate CoVID-19 Strategy</b>	□	✓ □	□
30	Review of Inventory Management/attendance of annual stock count	Operational risks/cyclical audit	✓ □	✓ □	✓ □
31	Review of Integrated Annual Report	Compliance audit	✓ □	✓ □	✓ □
32	Ad hoc Requests (Management and ARC requests)/ Other services not yet defined	N/A	✓ □	✓ □	✓ □
33	Review of Security Services	<b>Strategic Risk No. 9: Inadequate Security</b>	✓ □	□	□
34	Fleet Management Review	Cyclical audit and operational risks	□	✓ □	□

## **SECTION B**

### **RETURNABLE DOCUMENTS**

**THE FOLLOWING DOCUMENTS MUST BE COMPLETED IN FULL AND SUBMITTED WITH THIS BID:**

**SBD 1: INVITATION TO BID**

**SBD 3.1: PRICING SCHEDULE**

**SBD 4: DECLARATION OF INTEREST**

**SBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

**SBD 8: DECLARATION OF BIDDER'S PAST SCM PRACTICES**

**SBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION**

**THE FOLLOWING DOCUMENTS MUST BE SUBMITTED WITH THIS BID:**

**FORM A: AUTHORITY TO SIGN**

**B-BBEE VERIFICATION CERTIFICATE**

**JOINT VENTURE AGREEMENT (IF APPLICABLE)**

## FORM A: AUTHORITY TO SIGN DOCUMENTS

The person listed below are duly authorised/ delegated to sign all documents in connection with the tender offer and any contract resulting from it on our behalf by virtue of the Articles of Association/Resolution of the Board of Directors. This form must be duly completed and signed. Both authorised person and witnesses must sign the form as failure to sign this form is a disqualifying factor.

### Details of authorised/ delegated person

**NAME**

**SIGNATURE**

**DATE**

### WITNESSES:

1.

**NAME**

**SIGNATURE**

**DATE**

2.

**NAME**

**SIGNATURE**

**DATE**

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

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

2.2 Identity Number: .....

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

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>" State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed: .....

Position occupied in the state institution: .....

Any other particulars:

.....  
.....

.....  
2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:  
.....  
.....  
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:  
.....  
.....  
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.  
.....  
.....  
.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.  
.....  
.....  
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:  
.....  
.....  
.....

**3. FULL DETAILS OF DIRECTORS / TRUSTEES / MEMBERS / SHAREHOLDERS.**

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Persal Number

**4 DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

- 1.
2. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

## SBD 6.1

# PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

## 1. GENERAL CONDITIONS

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

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

1.2 a) The value of this bid is estimated to be below R50 000 000 (all applicable taxes included) and therefore the .....**80/20**..... preference point system shall be applicable; or

b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

- (a) “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) “**B-BBEE status level of contributor**” means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an



organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

#### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

**80/20**                      **or**                      **90/10**

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

- P<sub>s</sub> = Points scored for price of bid under consideration
- P<sub>t</sub> = Price of bid under consideration
- P<sub>min</sub> = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
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

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: = ..... (maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

**8.1** Name of company/firm: .....

**8.2** VAT registration number: .....

**8.3** Company registration number: .....

**8.4** TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

**8.5** DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

**8.6** COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

**8.7** Total number of years the company/firm has been in business: .....

**8.8** I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

- 1. ....
- 2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)  
DATE: .....  
.....  
ADDRESS .....  
.....

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

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging)<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.



8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> **Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**SECTION C:**

**PRICING INSTRUCTIONS, PRICING  
SCHEDULE AND CONTRACT**

## **PRICE INSTRUCTIONS AND ESCALATION**

The following pricing schedules must be completed in full:

**SBD 3.1: Pricing Schedule: Firm prices**

**SBD 3.2: Pricing Schedule: Non- firm prices**

**NB: If there are any unconditional discount offers, kindly attach a schedule that will indicate where those discounts are applied from.**

**Failure to fully complete the pricing instructions will invalidate your bid. All line items should be completed.**

**No claim in respect of any price escalation will be considered by the Amatola Water unless it is specifically stated in the Pricing Annexure that the Bid is subject to price escalation. When escalation is claimed for during the contract period, proof of such escalation must be furnished and the calculation itself must be submitted to corroborate such proof. Escalation will only be calculated on the official index figures supplied by the Department of Statistics or the Price Controller, whichever ever may be applicable. All orders placed will be based on the current Bid prices. It is the responsibility of the Bidder to inform Amatola Water of any escalation prior to implementation of the escalated price. Failure to do so will negate any such claims.**

### **VALUE ADDED TAX**

**In calculating the cost of the supply and delivery of services and / or material, the supplier will issue a "Tax Invoice" for all services rendered and / or materials supplied, which will reflect the exclusive cost of such services, goods or materials with the relevant Value Added Tax being added to the total.**

**VAT must be included in the Bid price but must be shown separately.**

**Non-VAT vendors must not include VAT in the bid price.**

**All prices shall be tendered in accordance with the units specified in this schedule**

**All prices tendered must include all expenses, disbursements and costs, e.g. transport that may be required for the execution of tenderer's obligation in terms of the Contract, all prices tendered will be final and binding.**

**The pricing structure is to remain firm for the first year of the contract if it is a contract, and if it is once off delivery the prices must remain firm for the full first year. Thereafter the pricing structure would be subject to an annual adjustment for each remaining year/s of the contract. Price increases would be based on the CPI allowable per annum and shall be done on the anniversary from the date of acceptance of the award of the contract.**

**The pricing schedule lists all items that are required under this contract and service providers are required to complete the pricing schedule contained in the pricing instruction to evaluate suppliers on price.**

**The suppliers shall provide total prices (VAT exclusive) but including customs or excise duty and any other duty, levy, or other applicable tax, for items listed in the table.**

**A rate, sum, or price as applicable, is to be entered against each item in the Pricing Schedule, failure to do so will lead to the service provider being disqualified.**

**The rates, sums, and prices in the Pricing Schedule are to be fully inclusive prices for the services. Such prices and rates cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Terms of Reference, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied , as well as overhead charges and profit. All prices tendered will be final and binding.**

**Amatola Water reserves the rights to include the requirements of additional Amatola Water sites as part of its contracts. Amatola Water reserves the right to either increase or decrease the quantities ordered. Amatola Water reserves the right to decrease quantities estimated in its request, or to revise the supply points in the event that certain installations are transferred to other organs of state or sold, or secondary business contracts are not renewed by Amatola Water's clients.**

**The Three Year Rolling Strategic Internal Audit Plan attached under Bid Specification, page 13 to 16 of this document shall be used for pricing i.e. rates based only.**

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: ..... BID NO.: ...AW2021/22/03.....

CLOSING TIME 11:00am

CLOSING DATE...22 February 2022.....

OFFER TO BE VALID FOR ...90...DAYS FROM THE CLOSING DATE OF BID.

Line No	Description Hourly Rate	Total Price (Excl. Vat)
1	Internal Audit Plan Year 1	
2	Internal Audit Plan Year 2	
3	Internal Audit Plan Year 3	
4	Rate per km Travelled	
5	Hourly rate for Attendance of Audit and Risk Committee meetings	
	Sub Total	
	Vat	
	Total Carried forward to SBD1	

Any enquiries regarding bidding procedures may be directed to the –

AMATOLA WATER BOARD

Ms. M. Matshikwe – mmatshikwe@amatolawater.co.za

Or for technical information –

Mr. L. Mvandedwa – lmvandedwa@amatolawater.co.za

**Total rates must be transferred to SBD1, failure to do so will lead to the bid being disqualified**

-----  
Required by: Amatola Water

-At..... Head Office .....

- Brand and model.....N/A.....

- Country of origin .....N/A.....

- Does the offer comply with the specification(s)? \*YES/NO

- If not to specification, indicate deviation(s) .....

- Period required for delivery .....

- Delivery: \*Firm/not firm

**PRICE ADJUSTMENTS**

**A NON-FIRM PRICES SUBJECT TO ESCALATION**

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1-V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Where:

- Pa = The new escalated price to be calculated.
- (1-V) Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
- D1, D2.. = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
- R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).
- R1o, R2o = Index figure at time of bidding.
- VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index..... Dated.....      Index..... Dated.....      Index..... Dated.....  
 Index..... Dated.....      Index..... Dated.....      Index..... Dated.....

2. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. e.g. Labour, transport etc.)	PERCENTAGE OF BID PRICE

**B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE



## CONTRACT FORM - RENDERING OF SERVICES

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

### PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
  
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
  
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
  
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
  
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
  
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	..... .....
2	.....

**GENERAL CONDITIONS OF CONTRACT**

The form of Contract to be utilized is the General Conditions of Contract issued by National Treasury.

The Special Conditions of Contract (SCC) supplement and must be read with the corresponding provisions of the General Conditions of Contract. Whenever there is a conflict between the SCC and the GCC, the provisions of the SCC shall prevail.