



UMZIMVUBU LOCAL MUNICIPALITY

BID NO: UMZ/2022-23/MMO/IA/002

**PROVISION OF AUDIT MANAGEMENT SOFTWARE
(3 YEAR CONTRACT)**

NAME OF BIDDER: _____

BID AMOUNT: _____

BID CLOSING DATE: 16 March 2023

BID CHECK LIST

Umzimvubu Local Municipality Individual bid documents will have the typical bid check list as an attachment. This list is to assist all bidders to submit complete bids.

Tick

Bidders are to check the following points before the submission of their bid:

☐

1. All pages of the bid document have been read and initialed by the bidder.

2. All pages requiring information have been completed in black ink.

☐

3. The Pricing Schedule has been checked for arithmetic correctness.

☐

4. All sections requiring information have been completed.

☐

5. The bidder has submitted the following documentation:

☐

- valid tax clearance (with SARS PIN printout)

☐

- municipal billing clearance certificate (with the list of Municipal Accounts)

☐

- company registration / CK document (certified copy)

☐

- B-BBEEE certified (original or certified)

☐

- Certified ID Copies (not more than 3 months old)

6. All documents required to support functionality points have been attached.

☐

BID ADVERTISEMENT

Date Re-Advertised: 27 February 2023

Umzimvubu Local Municipality hereby invites the Service Provider for the provision of Audit Management Software (3-year contract).

BID NO: UMZ/2022-23/MMO/IA/002

MANDATORY DOCUMENTS TO BE SUBMITTED, FAILURE TO DO SO WILL RESULT IN THE BID BEING DEMEED TO BE NON-RESPONSIVE.

Umzimvubu Local Municipality Supply Chain Management policy will apply. A confirmation from SARS with a verification pin, copy of company Registration/Founding Statement/CIPC Document. Certified BBBEE or sworn affidavits, exempt certificate and a combined BBBEE for a joint venture (non-elimination item). JV Agreement for Joint venture. 80/20 evaluation criteria. Prices quoted must be firm and must be inclusive of VAT for vat vendors. Certified ID Copies of Managing Directors/ Owners. Compulsory submission MBD forms 4, 8 and 9 and Billing Clearance certificate or Statement of Municipal Accounts. Tender documents will be sold at a non-refundable fee of **R451.00**. Compulsory submission of audited Annual Financial statements. **No couriered, faxed, e-mailed and late tenders will be accepted. Certification of documents must be within a period of 90 days. Bidders must be registered on CSD and provide confirmation of registration.** Umzimvubu Local Municipality reserves the right not to appoint and value for money will be the key determinant of appointment. All tenders must be deposited in the tender box situated at **Umzimvubu Local Municipality Offices at Dabula Street, Sophia Park, Mt Frere** not later than **12h00 noon on 16 March 2023**, where they will be opened to the public. All tenders must be clearly marked "Name of the project indicated above. **The municipality will not make any award to a person or persons working for the state.**

PRE-QUALIFICATION

All bids will be subjected to a pre-qualification and will be required to achieve a minimum of 60% in order to be evaluated further.

Maximum Points to be scored	Criteria
40	Company experience.
30	Experience of team
30	Methodology

67 Church Street, Mt Ayliff, 4735
Tel: +27 (0)39 254 6000
Fax: +27 (0) 39 255 0167
Web : www.umzimvubu.gov.za



813 Main Street , Mount Frere
P/ Bag 9020, M t Frere , 5090
Tel: +27 (0)39 255 8500 /166
Fax: +27 (0) 39 255 0167

ENQUIRIES:

All SCM related enquiries can be directed to Mr. T. Mbukushe at: (039) 255 8500 and Technical Enquiries to: Ms. T Novukela Tel: 039 255 8500 Fax: 039 255 0167, other enquiries regarding this Bid may be directed to the office of the Municipal Manager:

GPT NOTA
MUNICIPAL MANAGER

TABLE OF CONTENTS

BID CHECK LIST	ii
BID ADVERTISEMENT	iii
INVITATION TO BID – MBD 1	1
PART 1 - CONDITIONS OF BID	3
PART 2 – TENDER SPECIFICATIONS	9
PART 3 – PREFERENCE POINTS CLAIM FORM	16
PART 4 - AGREEMENTS AND CONTRACT DATA - SCHEDULE A & B	25
SCHEDULE A- FORM OF OFFER	Error! Bookmark not defined.
SCHEDULE B- ACCEPTANCE	26
PART 5 - PRICING SCHEDULE - SCHEDULE C & D	28
SCHEDULE C – FIRM PRICES (PURCHASES) (MBD 3.1)	28
SCHEDULE D- BILL OF QUANTITIES	28
PART 6 - PARTICULARS OF BUSINESS - SCHEDULE F & F	29
SCHEDULE E – PARTICULARS OF BUSINESS	29
SCHEDULE F - DETAILS OF BIDDER'S NEAREST OFFICE	30
PART 7 – BID DECLARATIONS- SCHEDULE G- I	32
SCHEDULE G- DECLARATION OF INTEREST (MBD 4)	32
SCHEDULE H - DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)	36
SCHEDULE I - CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)	39
PART 8 - TAX COMPLIANCE STATUS REQUIREMENTS	42
PART 9- CONTRACT FORMS – SCHEDULE J- N	Error! Bookmark not defined.
SCHEDULE J - RENDERING OF SERVICES (MBD 7.2)	Error! Bookmark not defined.
SCHEDULE K - FINANCIAL PARTICULARS	Error! Bookmark not defined.
SCHEDULE L - LETTER OF CONSENT	44
SCHEDULE M - FORM OF BID AND DECLARATION	46
SCHEDULE N - GENERAL CONDITIONS OF CONTRACT	47

INVITATION TO BID – MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (UMZIMVUBU LOCAL MUNICIPALITY)					
BID NUMBER:	UMZ/2022-23/MMO/IA/002	CLOSING DATE:	16 March 2022	CLOSING TIME:	12:00
DESCRIPTION	Provision of Audit Management Software				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS TO BE DEPOSITED IN THE BID BOX
SITUATED AT :

The Reception Area				
Umzimvubu Local Municipality				
Dabula Street, Sophia Park				
Mount Frere				
5090				
SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:

MBD 1

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No
---	---	-------------------------------------	---

[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 FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	Budget and Treasury-SCM	CONTACT PERSON	Ms. T. Novukela
CONTACT PERSON	Mr T Mbukushe	TELEPHONE NUMBER	039 255 8558
TELEPHONE NUMBER	039 255 8555	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	Novukela.Thabisile@Umzimvubu.gov.za
E-MAIL ADDRESS	Mbukushe.themba@Umzimvubu.gov.za		

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:															
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>															
2. TAX COMPLIANCE REQUIREMENTS															
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>															
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS															
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</td> <td style="width: 10%; text-align: center;">YES</td> <td style="width: 20%; text-align: center;">NO</td> </tr> <tr> <td>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</td> <td style="text-align: center;">YES</td> <td style="text-align: center;">NO</td> </tr> </table> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>	3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	YES	NO	3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	YES	NO	3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	YES	NO	3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	YES	NO	3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	YES	NO
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	YES	NO													
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	YES	NO													
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	YES	NO													
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	YES	NO													
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	YES	NO													

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS

SIGNED: DATE

PART 1 - CONDITIONS OF BID

1. GENERAL REQUIREMENTS

- 1.1 The Council wishes to request a bid for the **PROVISION OF AUDIT MANAGEMENT SOFTWARE**
- 1.2 The bidder is required to furnish full details requested on the bid forms. All prices shall be inclusive of Value Added Tax.
- 1.3 The bidder is requested to furnish all relevant information not entertained on the form of bids under separate cover which shall form part of the bid.

2. CONTACT PERSON FOR TECHNICAL QUERIES

Name	:	Ms.T.Novukela
Telephone	:	039 255 8500
Email	:	Novukela. Thabisile@umzimvubu.gov.za

3. TERMS AND CONDITIONS

3.1 Confidentiality

All materials, specifications, service level requirements detailed information and everything else supplied with this request for the bid remains the property of the Umzimvubu LM and may be recalled if deemed necessary.

3.2 Contractual obligations

The request for bid does not constitute a contract nor does it create an obligation on the part of the Umzimvubu LM to purchase services, products or equipment from any vendor submitting a bid.

3.3 Response to Questions

Where appropriate, questions should be answered explicitly by providing specific details requested.

Bidders selecting to omit any of the required information or who do not follow the specified format will be disqualified from the bid process.

Should additional information be required by Umzimvubu LM, bidders may be approached to provide more details, including aspects not specifically covered in this request for bids.

Please ensure that the documentation required is completed in full and signed.

1. General Conditions of Tender

Tenders should be submitted in a sealed envelope clearly marked and written outside **“Provision of Audit Management Software”** must be deposited in the **tender box indicated** at the offices of the Umzimvubu Local Municipality as specified in **MBD 1**.

PLEASE NOTE:

- 4.1. Tenders that are deposited in the tender box.

Initials

4.2. Mailed, telegraphic or faxed tenders will not be accepted.

4.3. Documents may only be completed in black ink.

4.4. The use of correction fluid/tape is not allowed.

1.4.1. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration.

1.4.2. Alterations or deletions not signed by the Tenderer may render the tender invalid.

4.5. All bids must be submitted in writing on the official forms supplied (not to be re-typed)

4.6. All prices shall be quoted in South African currency and be **INCLUSIVE of VAT**.

4.7. Any Tender received after the appointed time for the closing of Tenders shall not be considered but shall be filed unopened with the other Tenders received or may be returned to the Tenderer at his request.

4.8. Tenders may not be telefaxed to the Municipality and therefore any tenders received by fax will not be considered.

4.9. Tenders shall be opened in public at the Umzimvubu Municipality Offices as soon as possible after the closing time for the receipt of tenders.

4.10. The Municipality shall have the right to summarily disqualify any Tenderer who, either at the date of submission of this tender or at the date of its award, is indebted to the Municipality in respect of any rental, levies, rates and/or service charges; **ALTERNATIVELY;**

4.11. That an agreement be signed whereby the Tenderer agrees that a percentage or fixed amount at the discretion of the Municipality, be deducted from payments due to him for this tender, until the debt is paid in full.

4.12. The tenderer shall declare all the Municipal account numbers in the Umzimvubu Local Municipality for which the enterprise or the proprietors or directors in their personal capacity is/ are responsible or co-responsible.

2. This bid will be evaluated and adjudicated according to the following criteria:

4.1. Relevant specifications

4.2. Value for money

4.3. Capability to execute the contract

Bid Form and Important Conditions

1 I/We hereby Bid to supply all of the supplies and/or to render all or any of the services described in the attached documents to the Umzimvubu Local Municipality on the items and conditions and in accordance with the specifications stipulated in the Bid documents (and which shall be taken as part of, and incorporated into, this Bid) at the prices and on the terms regarding time for delivery and/or execution inserted therein.

2 I/We agree that:

(a) the offer herein shall remain binding upon me/us and open for acceptance by the Bid Adjudication Committee during the validity period indicated and calculated from the closing time of the Bid;

(b) this Bid and its acceptance shall be subject to the terms and conditions contained in the General Conditions of contract and Preference Certificate with which I am/we are fully acquainted;

- (c) if I/we withdraw my/our Bid within the period for which I/we have agreed that the Bid should remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Umzimvubu LM may without prejudice to its other rights, agree to the withdrawal of my/or Bid or cancel the contract that may have been entered into between me/us and the Umzimvubu LM and I/we will then pay to the Umzimvubu LM any additional expense incurred either to accept any less favorable Bid or fresh Bidders have to be invited, the additional expenditure incurred by the invitation of fresh Bid and by the subsequent acceptance of any less favorable Bid, the Umzimvubu LM shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become to me/us under this or any other Bid or contract or against any guarantee or deposit that have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other Bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the Umzimvubu LM may sustain by reason of my/our default;
- (d) The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our Bid and that I/we choose Domicilium citandi et executandi in the Republic (full address).
- 3 I/We furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our Bid, that the price(s) and rate(s) quoted cover all the work/items(s) in these documents; and that the price(s) and rate(s) cover all my/our obligations under a resulting contract. I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
- 4 I/we hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of this contract.
- 5 I/We agree that any action from this contract in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me/us as a result of such action.
- 6 I/We declare that I/we have participation / no participation in the submission of any other offer for the supplies/service described in the attached documents. If in the affirmative, state name(s) or Bid (s) involved.
-
-
-
- 7 Are you duly authorized to sign the Bid? ***YES / NO**
- 8 Has the Declaration of Interest been duly completed and included with the other Bid forms? ***YES / NO**

****Delete whichever is not applicable***

SIGNATURE (S) OF BIDDER OR ASSIGNEE(S):

DATE:

Please complete the following in block letters

Initials

Capacity and particulars of the authority under which this Bid is signed:

Name of Bidder:

Postal Address:

Telephone number(s):

Facsimile number(s):

Bid Number:

Name of contact person

PLEASE NOTE

IMPORTANT CONDITIONS

1. Failure on the part of the Bidder to sign this Bid form and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaires and specifications in all respects, may invalidate the Bid.
2. Bids should be submitted on the official forms and should not be qualified by the Bidder's own conditions of Bid. Failures to comply with these requirements or to renounce specifically the Bidders own conditions of Bid, when called upon to do so may invalidate the Bid.
3. If any of the conditions on this Bid form are in conflict with any special conditions, stipulations or provisions incorporated in the Bid, such special conditions, stipulations or provisions shall apply.
4. This Bid is subject to the Bid Adjudication Committee regulations made in terms of section 9 (1) of the Provincial Bid Board Act, 1994 (Act No. 2 of 1994), and the General Conditions and Procedures and subsequent amendments thereto and re-issues thereof.
5. Copies of the regulations and conditions are obtainable from Umzimvubu Local Municipality Office of the Manager SCM, Budget and Treasury Office,

MISCELLANEOUS REQUIREMENTS

1. The Bid forms are drawn up so that certain essential information is to be furnished in a specific manner. Any additional particulars shall be furnished in the enclosed questionnaire or in a separate annexure.
2. The forms attached, shall be completed and submitted with the Bid.
3. Where items are specified in detail, the specifications form an integral part of the Bid document and Bids shall indicate in the space provided whether the items offered are to specification or not.
4. With the exception of basic prices, where required, all prices shall be quoted in South African currency.

PART 2 – TENDER SPECIFICATIONS

1. Scope of Work

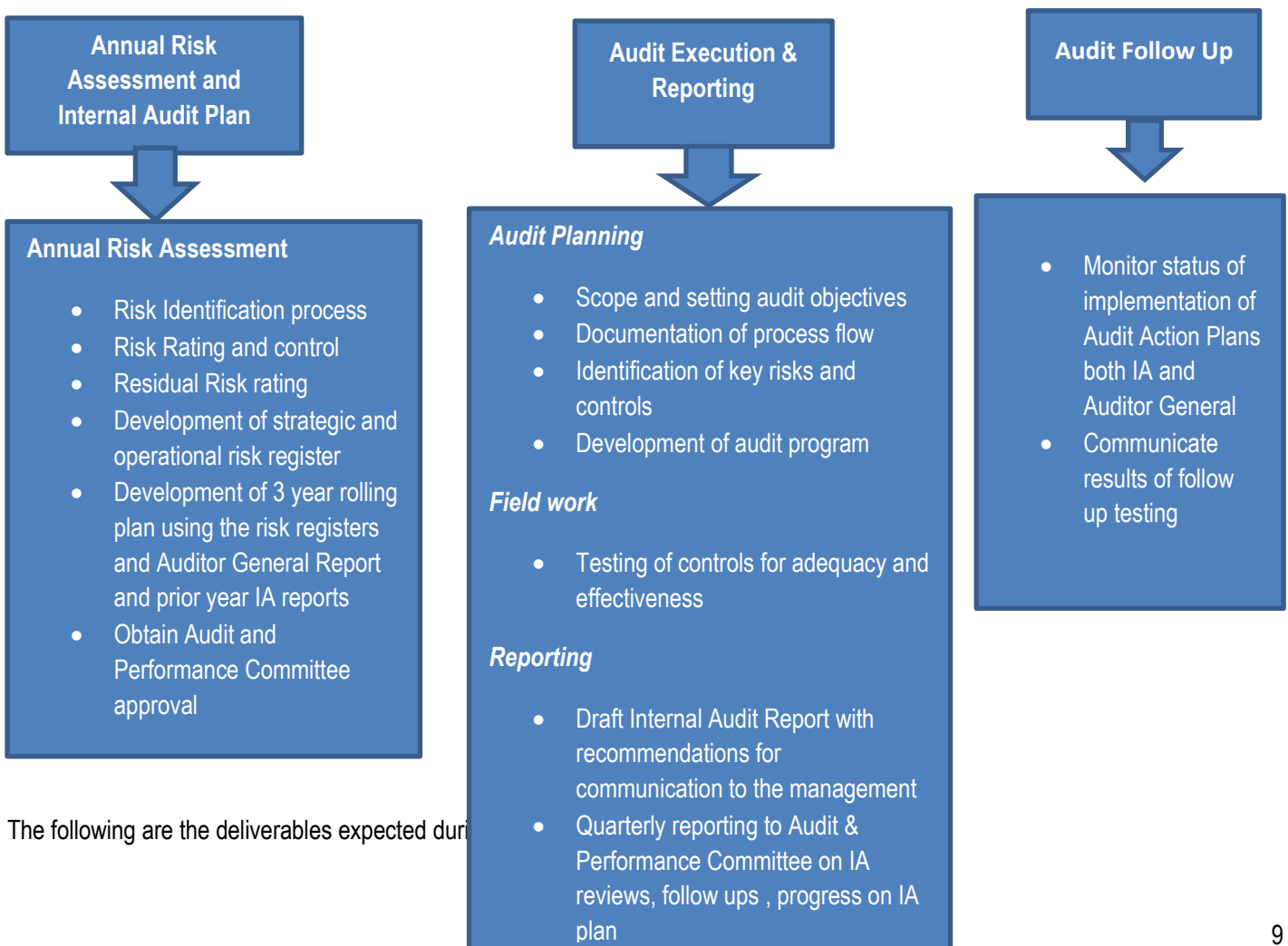
1.1 Background

Umzimvubu Local Municipality Internal Audit function is working under a co-sourced internal audit. Currently the Internal Auditing team is currently using Word and Excel to document their work from planning, execution, quality assurance and reporting. This has resulted in lack of standardization of documentation and efficiency in performing the Internal Audit work.

The current process is not sustainable in the long run because it will negatively impact the quality, efficiency, and effectiveness of the Internal Audit department's work. Therefore, the recommendation is to acquire a proper Internal Auditing tool to address these issues. In addition to closing the current issues, the acquisition of the Internal Auditing Tool will assist the Internal Audit Team to increase their audit coverage and prioritizing audits by using additional capabilities like Data Analytics, etc.

IA Current Process

The diagram below represent the overall internal audit framework that is followed by Umzimvubu Local Municipality Internal Audit Unit.



The following are the deliverables expected during the process:

Initials

SECTION I AUDIT FILE INDEX		SUBMISSION COMMENTS
1	Internal Audit File Index	
2	Draft Findings	
3	Draft Report	
4	Final Report	
5	Relevant Acts and Policies	
6	Quality Assurance Review Planning	
7	Engagement Team Competencies	
10	Independence Declarations	
11	Team Kick-Off Meeting	
12	Notification Letter	
13	Engagement Letter/ Scoping Memorandum	
14	Opening Meeting Agenda and Minutes	
15	Request for Information	
17	Weekly Status Update	
19	Planning Communications	
20	Pre-Audit Questionnaire	
21	Risk and Control Matrix	
22	System Description	
23	Audit program	
24	Working Papers	
25	Evidence	
26	Closing Meeting Agenda and Minutes	
27	Client Feedback Form	
28	Engagement Completion Checklist	

2. SPECIFICATION

The service provider shall deliver supply, customization, testing, training, commissioning, support and maintenance of an audit management software solution as specified in this document onsite and remotely from their premises. all stakeholder engagements and meetings will occur at Umzimvubu Local Municipality Premises at Dabula Street, Sophia Park, Kwa- Bhaca 5090 office facilities will be available at Umzimvubu Local Municipality's premises for bidder only by prior arrangement and for the project duration.

The service provider is required to provide the audit management software as per the specification below:

Requirement	Bidders Response Yes/ No
<i>Risk Assessment & Audit Planning</i>	
The software should provide for capturing of a 3-year rolling plan and annual operational plan, project plans and staff plans	
The solution must be able to capture all audit projects planned in both the 3-year rolling plan and detail annual operational plans and related risks	
The solution must be enable the audit team to develop a truly risk-based audit plan based on scoring methods and criteria for the unit	
The system must be able to maintain skills, proficiency and knowledge profile for the audit team	
The solution must be able to assign resources with the most relevant skills and knowledge	
The system should allow distribution of risk assessment to audit team and/or to business management to complete, able to import results reviewed into current assessment	
The system should allow key elements of previous assessment as a head for new risk assessment.	
<i>Audit Execution & Reporting</i>	
The system must be capable of capturing the nature and profile of the program and the potential needs of users of the audit report.	
The system must be capable of capturing risks and Internal controls as they relate to the specific objectives and scope of the audit.	
The system must be capable of capturing previous audit observations or findings and its ratings	
The system must have ability to tag working-papers and supporting files at various levels of sensitivity/confidentiality	
The solution must be able capture all the audit procedures testing results and automatically building up onto the audit report	
The solution must be able to capture all findings and their ratings and recommendations and automatically updating the audit report	
The system must be able to allow secure communication and collaboration tool for use among individual audit teams and across the entire audit department	

The system set up must enable the team to access the audit file regardless of location and simultaneous access to audit file without interrupting ongoing work.	
The system must be able to interface and integrate with Microsoft® Word and Excel, and provide simple navigation through any audit file.	
The solution must be able to carry forward the and controls identified during the planning to facilitate testing and reporting	
The solution must be able to hyperlink the substantive evidence of the issue raised on the working paper	
The system must enable audit leader/ to raise coaching or review notes on the work performed, notify the preparer in order to address the review notes and sign off process	
The solution must have the ability to easily customize the standard audit report and other ad-hoc reports	
The solution must be able to produce monthly, quarterly and annual status update report for planned audits	
Audit Follow UP	
The solution must allow for creation and use visual techniques to track open, closed, in progress audit findings, etc. (Dashboard functionality) 6. The solution m	
The solution must be able to capture and monitor audit findings not raised only by the internal audit team but external parties e.g. Auditor General	
Audit Monitoring and Team Scheduling	
The system should allow the user to be able to see unscheduled time and projects that are not assigned.	
The system should be able to generate automated emails to propel the implementation tracking workflow, reducing time needed to monitor outstanding audit issues	
The system should enable the user to monitor the results of surveys sent out during pre- audit scoping, post-audit assessment, or any other survey need	
System Security Requirement	
The system must have role-based security. It must provide multiple security levels in the application that allow for a separation of duties	
The system must allow a system administrator to set permissions for licensed users	
The system must allow users with the appropriate permission level to update or add/delete data	
The system should allow the audit team to work remotely and offline. The system must provide the capability to work offline and sync once connected to a network	
The system should be able to operate on Microsoft office 365 on AZURE cloud.	

Desktop Requirements: <ul style="list-style-type: none"> • The system should be to operate on Windows server 2012 and windows server 2016, and the latest versions. • The system should be able to function on x64 Xeon Processor: 2.0 GHz or higher (4 cores) • The system software requirement should be compactible to Micro SQL Server 2017, 2019, 2016 and or 2012. • The system should be able to function on web browsers such as chrome, internet explorer, Microsoft Edge Chromium & iPad (Safari – iOS9 and later) 	
Third Party Requirements: <ul style="list-style-type: none"> • NET Framework 4.7.2 (installed via the EXE) (.NET Framework 4.8 is also supported) • Microsoft Visual C++ 2015-2019 Redistributable (x64) (installed via the EXE, supports Offline package creation on the server). • Microsoft .NET Core 3.1.3 – Windows Server Hosting Bundle (installed via the EXE, includes .NET Core 3.1.12 runtimes, supports response tracking system). 	
Data Base Server Requirements: <ul style="list-style-type: none"> • Processor requirement is x64 Xeon Processor: 2.0 GHz or higher (4 cores) • Memory of 8 GB or greater • Hard drive of 150 GB or greater • And should require non dedicated server 	

3. SYSTEM BASED DELIVERABLES

DESCRIPTION OF ACTIVITIES	OUTPUT
<ul style="list-style-type: none"> • Implementation, configuration and/or customization of proposed audit management solution based on requirements as stated in the specifications above (section 2) 	Audit Management Software
<ul style="list-style-type: none"> • Project Initiation • Project Closure (to include all final sign-off/acceptance) 	Project Close out Report
<ul style="list-style-type: none"> • Provide project planning and support documentation with accountable resources. • Project Management Plan • Project Schedule Implementation Plan 	Project Supporting Project Documents
<ul style="list-style-type: none"> • Provide a Test Plan documenting detailed objectives, and processes for testing the proposed solution. • Develop Go Live Acceptance Criteria and coordinating Go Live Acceptance Testing 	Testing
Knowledge Transfer is achieved but not limited to the following: <ul style="list-style-type: none"> • Transition Plan documentation and System Administrative training. 	Training

<ul style="list-style-type: none"> • Test knowledge transfer for transition planning. • Provide Administrative and end-user training for selected personnel identified by the municipality. • Provide customized user documentation that describes core functions and user interactions of the proposed solution product. • End-user training should consist of computer-based training or software that provides interactive, self-paced training at the desktop, workstation, or laptop computer level. 	
<ul style="list-style-type: none"> • Operational Manual o to include Application Configuration Information, Network/System Design Document, How to support the application, common start of day tasks, Scheduled tasks, Report Definition, unique characteristics of the application. • System Administration Documentation – design specification detailing system functionality, as well as the design of the central database, to include entity relationship diagrams and table definitions. • Service Level Agreement (SLA) 	Support Services

4. FUNCTIONALITY

The proposals will be evaluated in two stages, namely:

- Stage 1- Functionality
- Stage 2- Price and BBBEE Points

Only Bidders who score 60% or more on stage 1 would be evaluated further and therefore eligible for the award.

EVALUATION CRITERIA

Criteria	Points
Company experience	40
3 and above Municipality(s) and /or public/private sector. (Attach letter of reference confirming that the job has been successfully done, failure to do so no points will	40 points

be awarded)	
1 to 2 Municipalities and /or public/private sector (Attach letter of reference confirming that the job has been successfully done, failure to do so no points will be awarded)	20 points
Experience of the System	30
Experience of project leader in provision of audit software management system 5 years and above, and more and Bachelor's Degree or B Tech (Attach CV and certified copies of qualification)	30 points
Experience of project leader in provision of audit software management system 1-4 years (Attach CV and certified copies of qualifications)	20 points
Methodology	30
Clear and concise Methodology, and system demo provided in line with Project deliverables, methodology includes the timelines for the execution of the project as per deliverables	30 points
Methodology and demo provided however incomplete or not relevant to services required to be delivered, methodology does not include the timelines for the execution of the project as per deliverables.	20 points

PART 3 – PREFERENCE POINTS CLAIM FORM

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

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, 2022

1. GENERAL CONDITIONS

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

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

1.2 The value of this Bid is estimated **not to exceed R50 000 000** (all applicable taxes included) and therefore the **80/20** system shall be applicable.

1.3 Preference points for this Bid shall be awarded for:

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

1.3.1 The maximum points for this Bid are allocated as follows:
POINTS

1.3.1.1	PRICE	80
---------	--------------	----

1.3.1.2	SPECIFIC GOAL	20
---------	----------------------	----

Total points for Price and Specific goals	100
--	------------

1.4 Failure on the part of a Bidders to fill in and/or to sign this form and submit a B-BBEE Verification Certificate (Certified Copy or Original) from a Verification Agency accredited by the South African Accreditation System (SANAS or sworn affidavit by a Commissioner of Oaths, together with the Bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5. 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

2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

“B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;

2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- 2.4 “**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 services, works or goods, through price quotations, advertised competitive Bid processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” 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;
- 2.8 “**contract**” means the agreement that results from the acceptance of a Bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less.
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the Bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a Bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of Bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**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;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The Bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.

- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more Bids have scored equal total points, the successful Bidder must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more Bids have scored equal points including equal preference points for B-BBEE, the successful Bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more Bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

- P_s = Points scored for comparative price of Bid under consideration
- P_t = Comparative price of Bid under consideration
- P_{\min} = Comparative price of lowest acceptable Bid

5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (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 following table:

100% Black Owned	10
Female Owned	5
Youth Owned	5

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate (Original or Certified copy) issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a sworn affidavit by a Commissioner of Oaths.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a sworn affidavit by a commissioner of oaths or a Verification Agency accredited by SANAS.

- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 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 Bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the Bid documents that such a Bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a Bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

- 7.1 B-BBEE Status Level of Contribution: =
(maximum of 10 or 20 points)

8 SUB-CONTRACTING

- 8.1 Will any portion of the contract be sub-contracted? **YES / NO** (delete which is not applicable)

8.1.1 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? **YES/ NO** (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

- 9.1 Name of firm :

Initials

9.2 VAT registration number :

9.3 Company registration number :

9.4 TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium

☐ One person business/sole propriety

☐ Close corporation

☐ Company

☐ (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

9.6 COMPANY CLASSIFICATION

☐ Manufacturer

☐ Supplier

☐ Professional service provider

☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:

Initials

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?

.....

9.9 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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 Bid 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;

restrict the Bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audit alteram partem (hear the other side) rule has been applied; and
 - (d) forward the matter for criminal prosecution

WITNESSES:

1.

2.

DATE:

ADDRESS:

.....

<div style="border-top: 1px solid black; height: 20px; margin-bottom: 10px;"></div> <div>SIGNATURE OF BIDDER (S)</div> <div>DATE:</div>

Initials

.....

10 DECLARATION WITH REGARD TO EQUITY

10.1 Name of firm :

10.2 VAT registration number :

10.3 Company registration number

10.4 TYPE OF FIRM

- ☐ Partnership
- ☐ One person business/sole trader
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

10.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

10.6 COMPANY CLASSIFICATION (Tick applicable box)

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

10.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account No:

Stand No:

10.8 TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS?

.....

10.9 Current Contract and Obligations

Description	Value (R)	Start date	Duration	Expected Completion date

10.10 I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm certify that points claimed, based on the equity ownership, indicated in paragraph 8 of the foregoing certificate, qualifies the firm for the preference(s) shown and I / we acknowledge that:

(i) The information furnished is true and correct.

Initials

- (ii) The Equity ownership claimed is 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 paragraph 8, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- (iv) If the claims are found to be incorrect, the purchaser may, in addition to any other remedy it may have -
 - (a) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct; and
 - (b) 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;

WITNESSES:

1.

2.

DATE

ADDRESS:

.....

.....

<hr/> <p>SIGNATURE OF BIDDER (S)</p> <p>DATE:</p>

PART 4 - AGREEMENTS AND CONTRACT DATA - SCHEDULE A & B

FORM OF OFFER AND ACCEPTANCE

A. OFFER

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

UMZ/2021-22/MMO/IA/002: PROVISION OF AUDIT MANAGEMENT SOFTWARE

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

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

The offered total of the prices inclusive of Value Added Tax is:

Amount in Words:

.....

R..... (in figures)

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

Signature: (of person authorized to sign the tender):

Name: (of signatory in capitals):

Capacity: (of Signatory):

Name of Tenderer: (organization):

Address:

.....

Telephone number:Fax number:

Witness:

Signature:

Name: (in capitals):

Date:

[Failure of a Tenderer to sign this form will invalidate the tender]

Initials

SCHEDULE B- ACCEPTANCE

B. ACCEPTANCE

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

The terms of the contract are contained in

Part 1 Agreements and Contract Data (which includes this Agreement)

Part 2 Pricing Data, including the Schedule of Quantities

Part 3 Scope of Work

Part 4 Site Information

and the schedules, forms, drawings and documents or parts thereof, which may be incorporated by reference into Parts 1 to 4 above.

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

The Tenderer shall deliver the Guarantee in terms of Clause 7 of the General Conditions of Contract 2015 within the period stated in the Contract Data, and he shall, immediately after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any other bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data, within 14 days of the date on which this Agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this Agreement.

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

Signature:

Name: (in capitals)

Capacity:

Name of Employer (organisation)

Address:

.....

Witness: Signature: **Name:**

Date:

Initials

NOW THEREFORE the parties agree as follows:

1. The SERVICE PROVIDER undertakes to acquaint the appropriate officials and employees of the SERVICE PROVIDER with all relevant provisions of the ACT and the regulations promulgated in terms thereof.
2. The SERVICE PROVIDER undertakes to fully comply with all relevant duties, obligations and prohibitions imposed in terms of the ACT and Regulations: Provided that should the EMPLOYER have prescribed certain arrangements and procedures that same shall be observed and adhered to by the SERVICE PROVIDER, his officials and employees. The SERVICE PROVIDER shall bear the onus of acquainting himself/herself/itself with such arrangements and procedures.
3. The SERVICE PROVIDER hereby accepts sole liability for such due compliance with the relevant duties, obligations, prohibitions, arrangements and procedures, if any, imposed by the ACT and Regulations, and the SERVICE PROVIDER expressly absolves the EMPLOYER from being obliged to comply with any of the aforesaid duties, obligations, prohibitions, arrangements and procedures in respect of the work included in the contract.
4. The SERVICE PROVIDER agrees that any duly authorised officials of the EMPLOYER shall be entitled, although not obliged, to take such steps as may be necessary to ensure that the SERVICE PROVIDER has complied with his undertakings as more fully set out in paragraphs 1 and 2 above, which steps may include, but shall not be limited to, the right to inspect any appropriate site or premises occupied by the SERVICE PROVIDER, or to take such steps the EMPLOYER may deem necessary to remedy the default of the SERVICE PROVIDER at the cost of the SERVICE PROVIDER.
5. The SERVICE PROVIDER shall be obliged to report forthwith to the EMPLOYER any investigation, complaint or criminal charge which may arise as a consequence of the provisions of the ACT and Regulations, pursuant to work performed in terms of this agreement, and shall, on written demand, provide full details in writing of such investigation, complaint or criminal charge.

Thus signed at: for: and on behalf of the SERVICE PROVIDER

On this theday of: 20.....

SIGNATURE:

NAME AND SURNAME:

CAPACITY:

WITNESSES:

1.

2.

Thus signed at for and on behalf of the EMPLOYER on this

the day of 20.....

SIGNATURE:

NAME AND SURNAME:

CAPACITY:

WITNESSES: 1

2.....

Initials

PART 5 - PRICING SCHEDULE - SCHEDULE C & D

SCHEDULE C – FIRM PRICES (PURCHASES) (MBD 3.1)

Name of Bidder:

Bid Number: UMZ/2022-23/MMO/IA/002:

Closing Time: 12:00 (NOON)

Closing Date: XXXXX

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

I, the undersigned, do hereby declare that the above is a properly priced schedule forming part of this contract document upon which my/our tender for Bid No. **UMZ/2022-23/MMO/IA/002: PROVISION OF AUDIT SOFTWARE** has been based.

SIGNED ON BEHALF OF THE TENDERER:

SCHEDULE D- BILL OF QUANTITIES

#	Description of services	Unit	Quantity	Rate	Amount
1.	Software License Cost (5 users) <ul style="list-style-type: none">• Year 1• Year 2• Year 3	3 years			
2.	Annual Hosting fees <ul style="list-style-type: none">• Year 1• Year 2• Year 3	3 Years			
3.	Implementation services (including configuration, training of champions & end- user , project admin & going live support <ul style="list-style-type: none">• Year 1• Year 2• Year 3	3 Years			
4.	Training Costs	Lump sum			
5.	Support and Maintenance	Monthly			
6.	Disbursements	Lump sum			
7.	Sub Total excluding VAT				
	VAT @15%				
	Total Cost *(This should be carried over to form of offer in PART 4 above)				

PART 6 - PARTICULARS OF BUSINESS - SCHEDULE F & F

SCHEDULE E – PARTICULARS OF BUSINESS

PARTNERSHIP/JOINT VENTURE/CLOSED CORPORATION/COMPANY/SOLE PROPRIETOR

Business Name: _____

Trading Name: _____

SIRA Reg. No.: _____

CK 1. No.: _____

CK 2. No.: _____

VAT Reg. No.: _____

UIF No.: _____

Workman's Compensation No. : _____

Directorship

Name	Identity No.	Gender	% Ownership

Company's Fixed telephone Line : _____

Company's Fixed Fax Line : _____

Initials

Mobile phone : _____

Street Addresses of the registered offices

Head Office: _____

E-Mail : _____

Branches

1 _____

2 _____

3 _____

Postal Address of the Head Office

.....
SIGNATURE OF (ON BEHALF OF) BIDDER

.....
NAME IN CAPITALS

WITNESSES:

1.

2.

SCHEDULE F - DETAILS OF BIDDER'S NEAREST OFFICE

1. Physical address of Bidder:

Initials

1 Telephone No of nearest office: _____

3 Time period for which such office has been used by Bidder: _____

.....
SIGNATURE OF (ON BEHALF OF) BIDDER

.....
NAME IN CAPITALS

WITNESSES:

1.

2.

PART 7 – BID DECLARATIONS- SCHEDULE G- I

SCHEDULE G- DECLARATION OF INTEREST (MBD 4)

DECLARATION OF INTEREST**MBD 4**

1. No Bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to Bid. In view of possible allegations of favouritism, should the resulting Bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the Bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the Bid.**
 - 3.1. Full Name of Bidder or his or her representative:
 - 3.2. Identity Number:
 - 3.3. Position occupied in the Company (director, trustee, shareholder²):
 - 3.4. Company Registration Number:
 - 3.5. Tax Reference Number:
 - 3.6. VAT Registration Number:
 - 3.7. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
 - 3.8. Are you presently in the service of the state? **YES / NO**
 - 3.8.1. If yes, furnish particulars.

MBD 4

¹MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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.

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

3.9.1 If yes, furnish particulars.....

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

3.10.1 If yes, furnish particulars.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between
any other Bidder and any persons in the service of the state who
may be involved with the evaluation and or adjudication of this Bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....

3.12 Are any of the company’s directors, trustees, managers,
principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.....

.....

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

in service of the state?

YES / NO

3.13.1 If yes, furnish particulars.....

.....

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

YES / NO

3.14.1 If yes, furnish particulars.....

.....

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

Full Name	Identity Number	State Employee Number

CERTIFICATION OF CORRECTNESS

I, THE UNDERSIGNED (NAME)

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

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

Signature.....

Date.....

.....

Position

.....

Name of Bidder

SCHEDULE H - DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)

MBD 8

- 1 This Municipal Bid Document must form part of all Bid invited.

- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

- 3 The Bid of any Bidder may be rejected if that Bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

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

MBD 8

Item	Question	Yes	No
4.1	<p>Is the Bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>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>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>

4.1.1	If so, furnish particulars:		
4.2	Is the Bidder or any of its directors listed on the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Bid 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.	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 of law outside 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:		

MBD 8

Question		Yes	No
4.4	Does the Bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the Bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION OF CORRECTNESS

I, THE UNDERSIGNED (FULL NAME):

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

SCHEDULE I - CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)

CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)

MBD 9

1. This Municipal Bid Document (MBD) must form part of all Bids¹ 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 Bid (or Bid rigging).² Collusive Bid is a *pe se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a) take all reasonable steps to prevent such abuse;
 - b) reject the Bid of any Bidder if that Bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c) Cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the Bid process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when Bids are considered, reasonable steps are taken to prevent any form of Bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the Bid:

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 Includes price quotations, advertised competitive Bids, limited Bids and proposals.
2 Bid rigging (or collusive Bid) 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 Bid process. Bid rigging is, therefore, an agreement between competitors not to compete

I, the undersigned, in submitting the accompanying Bid:

UMZ/2021-22/MMO/IA/002: PROVISION OF AUDIT MANAGEMENT SOFTWARE

In response to the invitation for the Bid made by:

UMZIMVUBU LOCAL MUNICIPALITY

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

I certify, on behalf of:that:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying Bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the Bidder to sign this Certificate, and to submit the accompanying Bid, on behalf of the Bidder;
4. Each person whose signature appears on the accompanying Bid has been authorized by the Bidder to determine the terms of, and to sign, the Bid, on behalf of the Bidder;
5. For the purposes of this Certificate and the accompanying Bid, I understand that the word "competitor" shall include any individual or organization, other than the Bidder, whether or not affiliated with the Bidder, who:
 - (a) has been requested to submit a Bid in response to this Bid invitation;
 - (b) could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; 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 consortium³ will not be construed as collusive Bid.
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) Bid with the intention not to win the Bid.

MBD 9

Initials

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.

³ **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

PART 8 - TAX COMPLIANCE STATUS 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. In order to meet this requirement Bidders are required to complete in full the form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Compliance Status Requirements are also applicable to foreign Bidders / individuals who wish to submit Bids.
2. SARS will then furnish the Bidder with a Tax Compliance Status Verification PIN that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Compliance Status verification PIN must be submitted together with the Bid. Failure to submit a valid Tax Compliance Status verification PIN will result in the invalidation of the Bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In Bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Compliance Status verification PIN.
5. 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. 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 eFiling through the website www.sars.gov.za.

	<p align="center"><u>FINANCIAL POSITION OF BIDDER</u></p> <p>I/we hereby certify that I/we have the necessary financial capacity and resources to execute the above contract successfully for the Bid amount as indicated in the completed Pricing Schedule</p> <p><u>(SCHEDULE C)</u></p> <p>I / we attach a letter from the financial Institution confirming the availability of financial resources or a letter confirming that I / we have applied for financial assistance and the financial Institution is willing to favourably consider our application.</p> <p>I / we hereby give the Umzimvubu Local Municipality permission to contact the financial institution stated below to verify the information given above.</p>
NAME OF FINANCIAL INSTITUTION	
ADDRESS	
TEL.NO	
FAX NO	
CONTACT PERSON	

.....
SIGNATURE OF (ON BEHALF OF) BIDDER

.....
NAME IN CAPITALS

WITNESSES:

1.

2.

SCHEDULE L - LETTER OF CONSENT

**The Municipal Manager
Umzimvubu Local Municipality
Private Bag X 9020
Mount Frere
5090**

Sir/Madam

Granting of authority to request information from any legal entity relevant to this Bid

1. I/we acknowledge that the information herein contained shall constitute the basis on which my/our Bid is to be considered. I/we grant approval that any source regarding this Bid may be fully investigated and that all such information shall be of material Umzimvubu LM and directly relevant to the consideration of our Bid. I /we Umzimvubu LM grant my/our consent to such source to provide confidential information.

2. I/we warrant that all the information herein contained is to the best of my/our knowledge and belief true and correct in all material respects and I/we am /are not aware of any information which, should it become known to the Umzimvubu LM, would affect the consideration of my/our Bid in any way.

3. The Umzimvubu LM wishes to inform you that all information regarding your personal matters is treated as strictly as confidential.

Please tick the appropriate box.

	I/We hereby consent to the above
	I/We hereby withhold consent and fully understand the implications and ramifications of my/our decision and will not hold the Umzimvubu LM responsible for not considering my/our Bid.

Signature Bidder:

Date:

Witness:

Date:

SCHEDULE M - FORM OF BID AND DECLARATION

DECLARATION:

To:
The Municipal Manager
Umzimvubu Local Municipality
813 Main Street
Mount Frere
5090

Sir/Madam,

I/We, the undersigned:

- a) Bid to supply and delivery to the Umzimvubu Local Municipality all of the services described both in this and the other forms and schedules to this Bid.
- b) Agree that we will be bound by the specifications, prices, terms, conditions and proposals stipulated in the schedules attached to this Bid document, regarding delivery and execution.
- c) Further agree to be bound by the conditions, set out in Bid document, should this Bid be accepted.
- d) Confirm that this Bid may only be accepted by the **Umzimvubu Local Municipality** by way of a duly authorized Letter of Acceptance.
- e) Declare that we are fully acquainted with the schedules and the contents thereof and that we have signed the schedules, attached hereto.
- f) Declare that, each page of the Bid document and amendments thereto will be initialled by the relevant authorized person in order for the document to constitute a proper contract between the **Umzimvubu Local Municipality** and the undersigned, on acceptance of the Bid by the **Umzimvubu Local Municipality**.

Signed at on this day of20....

Signature of Bidder.....

Name of Bidder

Domicilium address:

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

Initials

As witnesses:

1. Signature.....Name in Full.....

I.D. No.....

2. Signature.....Name in full.....

I.D. No.....

Where the Bidder is a Company, Corporation or Firm a duly authorised resolution must accompany the Bid.

PLEASE NOTE:

- *Each page of the Bid document and schedules thereto must be initialled by the relevant authorised person in order for the document to constitute a proper contract between the municipality and the Bidder.*
- *On acceptance of the Bid by the municipality, the forms and schedules attached hereto shall be deemed to be the Conditions of Contract between the parties.*

SCHEDULE N - GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
7. Performance security
8. Inspections, tests and analyses
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental Services
14. Spare parts

Initials

15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-dumping and countervailing duties and rights
25. Force Majeure
26. Termination for insolvency
27. Settlement of Disputes
28. Limitation of Liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. Transfer of contracts
34. Amendments of contracts
35. Prohibition of restrictive practices

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY: Republic of South Africa

General Conditions of Contract

1. Definitions 1. The following terms shall be interpreted as indicated:

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

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY: Republic of South Africa

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the to, acts of the purchaser in its sovereign capacity, wars or evolutions, 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.
- 1.16 "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 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 Bid 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 Bid 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 **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** 5 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 Bid 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 Bid 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 Bid 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 **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** 6 extends 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 Bid 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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa 7**

8. Inspections, tests and analyses

- 8.1 All pre-Bid 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 Bid 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 **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental Services

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

14. Spare parts

- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier: **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** 9 (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve

the supplier of any warranty obligations under the contract; and; (b) in the event of termination of production of the spare parts: (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa** 10
- 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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa 11**
- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and
- up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**

- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

(i) the name and address of the supplier and / or person restricted by the purchaser;

(ii) the date of commencement of the restriction

(iii) the period of restriction; and

(iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

- 23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Bid 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 **THE NATIONAL TREASURY: Republic of South Africa**

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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT
THE NATIONAL TREASURY: Republic of South Africa**

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. **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa**
- 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

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of **restrictive practices** 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 Bid.
- 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.

Revised July 2010