NEWCASTLE MUNICIPALITY

BUDGET AND TREASURY – DEBT COLLECTION

BID NO.: A069 - 2023/24

PANEL OF SERVICE PROVIDERS FOR DEBT COLLECTION AGENCIES WITH SPECIALIST ATTORNEYS WITH REVENUE MANAGEMENT, DEBT COLLECTION INFRASTRUCTURE FOR NEWCASTLE MUNICIPALITY FOR A PERIOD OF 36 MONTHS.

SUBMISSION OF BID DOCUMENT DEADLINE

Date: Wednesday, 03 July 2024
Time: 12h00
Venue: Municipal Civic Centre Offices (Rates Hall)
Tower Block Building, 37 Murchison Street, 1st Floor
Newcastle, 2940

Name of Bidder	
CSD Master Registration Number	
Physical Address	
Contact Person(s)	
Phone Number(s)	
E-Mail Address	

Sealed bid document must be deposited in the Tender Box provided at the Municipal Civic Centre (Rates hall), 37 Murchison Street, Newcastle by no later than **12h00** on **03 July 2024** where bids will be opened in public. Please be advised that the name, address and contact details should be written at the back of the envelope.

CONTENTS

PART A–ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY

1. CHECKLIST

PLEASE E NSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE BID DOCUMENT:

Description	Yes/No			
MBD 1 – Invitation to Bid Is the form duly completed and signed?	Yes		No	
Authority to Sign a Bid Is the form duly completed and is a certified copy of the resolution attached?	Yes		No	
MBD 3.1 - Pricing Schedule – Firm Prices (Purchases) Is the form duly completed and signed?	Yes		No	
MBD 3.2 - Pricing Schedule – Non-Firm Prices (Purchases) Is the form duly completed and signed?	Yes		No	
MBD 4 Declaration of Interest Is the form duly completed and signed?	Yes		No	
MBD 6.1 Preference Points Claim Form Is the form duly completed and signed?	Yes		No	
MBD 8 Declaration of Past Supply Chain Practices Is the form duly completed and signed?	Yes		No	
MBD 9 Certificate of Independent Bid Determination Is the form duly completed and signed?	Yes		No	
Declaration for Municipal Accounts Is the form duly completed and signed?	Yes		No	
Experience of Bidder Is the form duly completed with relevant experience detailed and signed?	Yes		No	
Pricing schedule Is the form duly completed and signed?	Yes		No	

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

2. BID NOTICE & INVITATION TO BID

BID NO: A069 - 2023/24

PANEL OF SERVICE PROVIDERS FOR DEBT COLLECTION AGENCIES WITH SPECIALIST ATTORNEYS WITH REVENUE MANAGEMENT, DEBT COLLECTION INFRASTRUCTURE FOR NEWCASTLE MUNICIPALITY FOR A PERIOD OF 36 MONTHS.

The Newcastle Municipality seeks service providers for panel of service providers for debt collection agencies with specialist attorneys with revenue management, debt collection infrastructure for Newcastle Municipality for a period of 36 months.

Bid documents are obtainable from **14 May 2024,** at the office of the Strategic Executive Director: Budget and Treasury Office, Municipal Civic Centre Tower Block – Office B218 2nd Floor, 37 Murchison Street, Newcastle, 2940 during office hours between 08h00 to 15h00 upon a payment of a **non-refundable document fee of R 300.00**.

Banking Details - Banking Details - Newcastle Local Municipality, ABSA - Account No: 4110354947, Br Code: 632 005 (the proof of payment must reflect the bid number and bidder's name as reference).

Procurement enquiries: Mr. Siyabonga Zwane **Telephone no.:** 034 328 7625
Technical enquiries: Ms Nonhlanhla Ndebele **Telephone no.:** 034 – 328 7657

Multiple service providers would be appointed to a panel agreement, therefore below indicated preferential scoring system will only be apply when sourcing quotations on rotational basis from the existing panel of qualifying professional service providers and thereon the acceptable/successful bidder will be required to execute the contract.

Bids will be adjudicated in terms of the Preferential Procurement Regulations, 2022 pertaining to Preferential Procurement Policy Framework Act, 5/2000 and other applicable legislations and will be based on 80/20 points system. Preference points will be awarded to service providers using their Historically Disadvantaged Individuals (HDI) status. The Council reserves the right to accept all, some, or none of the bids submitted, either wholly or in part and it is not obliged to accept the lowest bid.

Completed bid documents complying with the conditions of bid must be sealed and endorsed **"Bid No.: A069 - 2023/24 Panel of service providers for debt collection agencies with specialist attorneys with revenue management, debt collection infrastructure for Newcastle Municipality for a period of 36 months"** bearing the name and address of the bidder at the back of the envelope to be deposited in the official bid box provided in the foyer of Newcastle Municipality – Municipal Civic Offices (Rates Hall), 37 Murchison Street, 1st floor, Newcastle by no later than **12:00 on Friday, 03 July 2024** where bids will be opened in public. Late quotations or tenders received by way of facsimile or e-Mail will under no circumstances be considered.

Functional Evaluation

Only bids that comply with all administrative requirements (Acceptable Bids) will be considered during the functionality evaluation phase and the allocation of points will be based on functional criterions as indicated in the Terms of Reference or Tender Data.

Minimum functional requirements: Services providers or Contractors that submitted acceptable bids and that scored at least the minimum of **70%** or more on functionality will qualify to serve on the Panel in that category and whereas those who score less than 70% will be regarded as submitting non-responsive bid and will be disqualified. Being enlisted on the panel doesn't guarantees contractors any job opportunities.

Price is not a consideration for the purpose of being accredited to serve on the panel. However, the price will be considered in the evaluation of bids for specific event. The Quotation stage will be subject to an 80/20 Preference Point System; normally where 80 is for the price and 20 for HDI of Contribution and these quotations will only be sourced from the panel of existing service providers.

Only prospective suppliers who are registered on the National Treasury Supplier database are legible to bid. To register on the CSD log onto www.csd.gov.za

Mr Z.W. Mcineka
Municipal Manager

<u>3. BID NOTICE ERRATUM</u>

<u>ON</u>

BID NO: A069 - 2023/24

PANEL OF SERVICE PROVIDERS FOR DEBT COLLECTION AGENCIES WITH SPECIALIST ATTORNEYS WITH REVENUE MANAGEMENT, DEBT COLLECTION INFRASTRUCTURE FOR NEWCASTLE MUNICIPALITY FOR A PERIOD OF 36 MONTHS.

The erratum aims to amend the bid notice, which was publicized on **Friday, 10 May 2024** through Newcastle Municipality`s website, notice boards and Isolezwe newspaper. The amendments to be undertaken from the original bid notice are as follows:

The Newcastle Municipality seeks service providers for panel of service providers for debt collection agencies with specialist attorneys with revenue management, debt collection infrastructure for Newcastle Municipality for a period of 36 months.

Bid documents are obtainable as from **Friday, 17 May 2024** at the office of the Strategic Executive Director: Budget and Treasury Office, Municipal Civic Centre Tower Block – Office no.: B218 2nd Floor, 37 Murchison Street, Newcastle, 2940 during office hours between 08h00 to 15h00 upon a payment of a **non-refundable document fee of R 300.00. Alternatively, the document may be downloaded free of charge from the National Treasury website (www.etenders.gov.za) or Municipal website (www.newcastle.gov.za).**

Banking Details - Banking Details - The Newcastle Municipality, ABSA - account no.: 411 0354 947, branch code: 632 005 (the proof of payment must reflect the bid number and bidder's name as reference).

Procurement enquiries: Mr Siyabonga Zwane — **Telephone no.:** 034 328 7625
Procurement enquiries: Ms Dalene Marias — **Telephone no.:** 034 328 7769

and

Technical enquiries: Ms Asha Haripersad — **Telephone no.:** 034 – 328 7848
Technical enquiries: Ms Nonhlanhla Ndebele — **Telephone no.:** 034 – 328 7657

Compulsory Briefing Session	: Municipal Tower Block Building
	: 37 Murchison Street, Newcastle 2940
Venue	: Technical Services Boardroom – 2nd floor
	: Room no.: B201
Date	: Thursday, 06 June 2024
Time	: 10h00 to 13h00

Multiple service providers would be appointed to a panel agreement, therefore below indicated preferential scoring system will only be apply when sourcing quotations on rotational basis from the existing panel of qualifying professional service providers and thereon the acceptable/successful bidder will be required to execute the contract.

Bids will be adjudicated in terms of the Preferential Procurement Regulations, 2022 pertaining to Preferential Procurement Policy Framework Act, 5/2000 and other applicable legislations and will be based on 80/20 points system. Preference points will be awarded to service providers using their Historically Disadvantaged Individuals (HDI) status. The Council reserves the right to accept all, some, or none of the bids submitted, either wholly or in part and it is not obliged to accept the lowest bid.

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Only prospective suppliers who are registered on the National Treasury Supplier database are legible to bid. To register on the CSD log onto www.csd.gov.za

Mr. Z.W Mcineka
Municipal Manager
Newcastle Municipality
Municipal Civic Centre
37 Hardwick Street
Private Bag X6621
Newcastle
2940

MBD 1: INVITATION TO BID

PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NEWCASTLE MUNICIPALITY					
Bid Number	A069 - 2023/24	**Closing Date**	03 July 2024	**Closing Time**	**12h00**
Description	**Panel of service providers for debt collection agencies with specialist attorneys with revenue management, debt collection infrastructure for Newcastle Municipality for a period of 36 months.**				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

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

FIRST (1st) FLOOR OF THE NEWCASTLE MUNICIPALITY
MUNICIPAL CIVIC CENTRE OFFICES (RATES HALL)
37 MURCHISON STREET
NEWCASTLE
2940

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:
Preferential points (80/20) or (90/10)	Price = 80 / 90	Preferent points = 20 / 10		Total = 100

Specific Contract Participation Goals	**20**	**10**	**Tick for claim**
Black people (With no franchise in national elections before the 1983 and 1993 Constitution / HDI)	**8**	**4**	
Women / female (HDI)	**2**	**1**	
People with disability (HDI)	**2**	**1**	
Youth (HDI)	**4**	**2**	
Locality (within Amajuba district)	**4**	**2**	
TOTAL HDI SCORE	**20**	**10**	

Total Number of Items Offered		**Total Bid Price: Not to be consider at these stage, but will only be applicable when sourcing quotes.**
Signature of Bidder		**Date:**
Capacity under which this bid is signed:		

ENQUIRIES MAY BE DIRECTED TO:		
Bidding Procedure Enquiries		**Technical enquiries**
Contact person	Mr. Siyabonga Zwane	Ms Nonhlanhla Ndebele
Telephone number	034 328 7625	034 328 7657
E-mail address	Siyabonga.Zwane@newcastle.gov.za	Nonhlanhla.Ndebele@newcastle.gov.za

PART B
Terms and Conditions for Bidding

1. BID SUBMISSION:

1.1. Bids must be delivered by the stipulated time to the correct address. Late bids will not be accepted for consideration.

1.2. **All bids must be submitted on the official forms provided– (not to be re-typed) or online.**

1.3. This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2022, the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract.

2. TAX COMPLIANCE REQUIREMENTS

2.1 Bidders must ensure compliance with their tax obligations.

2.2 Bidders are required to submit their unique Personal Identification Number (Pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.

2.3 Application for the Tax Compliance Status (TCS) certificate or Pin may also be made via e-filing. To use this provision, taxpayers will need to register with SARS as e-filers through the **website** www.sars.gov.za.

2.4 Foreign suppliers must complete the Pre-Award Questionnaire in part B:3.

2.5 Bidders may also submit a printed TCS certificate together with the bid.

2.6 In bids where consortia / joint ventures / sub-contractors are involved; each party must submit a separate TCS certificate / Pin / CSD number.

2.7 Where no TCS is available, but the bidder is registered on the Central Supplier Database (CSD), a CSD number must be provided.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. Is the entity a resident of the Republic of South Africa (RSA)?	☐ Yes ☐ No
3.2. Does the entity have a branch in the RSA?	☐ Yes ☐ No
3.3. Does the entity have a permanent establishment in the RSA?	☐ Yes ☐ No
3.4. Does the entity have any source of income in the RSA?	☐ Yes ☐ No
3.5. Is the entity liable in the RSA for any form of taxation?	☐ Yes ☐ No

If the answer is "no" to all the above, then it is not a requirement to register for a Tax Compliance Status System Pin Code from the South African Revenue Service (SARS) and if not register as per 2.3 above.

NB: Failure to provide any of the above particulars may render the bid invalid.
No bids will be considered from persons in the service of the state.

SIGNATURE OF BIDDER: ……………………………………………………

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

DATE: ……………………………………………………

3. GENERAL CONDITIONS OF BID

1. General conditions of Contract

1.1. This Bid is subject to the General Conditions of Contract (GCC) 2010 and, if applicable, any other Special Conditions of Contract. Whenever there is a conflict between the GCC and SCC, the provisions in the SCC shall prevail.

2. Pricing

2.1. Rates and prices offered by the bidder must be written onto the pricing schedule or form of offer of this document by hand, completed in full and signed by the duly authorised signatory.

2.2. All prices shall be quoted in South African currency and be **INCLUSIVE of VAT.** Bid prices that do not include VAT shall not be considered.

2.3. Bid prices must include all expenses, disbursements and costs (e.g. transport, accommodation etc.) which may be required for the execution of the bidder's obligations in terms of the Contract. Bid prices shall cover the cost of all general risks, liabilities and obligations set forth or implied in the Contract, as well as overhead charges and profit (in the event that the bid is successful), unless otherwise specified.

2.4. All bid prices will be final and binding.

2.4.1. A bid will not be invalidated if the amount in words and the amount in figures do not correspond,

2.4.2. in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount; therefore, where there is a discrepancy between the amount in figures and the amount in words, the amount in words shall apply.

3. Forward Exchange Rate Cover

3.1. In the event of price(s) based on the exchange rate, the successful bidder(s) will be required to obtain exchange rate cover in order to protect the Municipality against exchange rate variations.

3.2. The bidder must provide proof of forward exchange rate cover within 14 days after an order was placed.

3.3. If proof that forward exchange rate cover was taken out within 14 days after the order was placed but is not submitted to the Municipality along with the invoice, the contract price adjustment will not be accepted, and the contract may be cancelled.

4. Submission of Bids

4.1. Sealed bids, with the **"Bid Number and Title"** clearly endorsed on the envelope and must be deposited in the bid box on or before the closing date and time of the bid.

4.2. The bid box is in Municipal Civic Offices, 37 Murchison Street, Rates Hall, 1st Floor, Newcastle.

4.3. All literature must be securely attached to the bid. The Council shall not be held liable for any loss or damages sustained due to the service provider's failure to comply with this condition.

4.4. If a courier service company is being used for delivery of the bid document, the bidder description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the bid box. The Newcastle Municipality will not be held responsible for any bid document which is not timeously delivered, mislaid, or incorrectly delivered due to the negligence of the courier company or any other party involved in the delivery of the bid document.

Please note:

- Bids that are deposited in the incorrect box will not be considered.
- Mailed, telegraphic or faxed tenders will not be accepted.
- Documents may only be completed in **black ink.**
- The use of correction fluid/tape on the bid documents is not allowed. If there is an error, draw a line through it, initial next to it and make the correction directly above /below/next to it.
- All bids must be submitted in writing on the official forms supplied (not to be re-typed).

5. Opening, Recording and Publications of Bids Received

5.1. Bids will be opened on the closing date immediately after the closing time specified in the bid documents. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.

5.2. Details of bids received in time will be recorded in a register which is open to public inspection.

5.3. Any bid received after the appointed time for the closing of bids **will not be considered** but shall be filed unopened with the other bids received, which bid(s) can be returned to the bidder at his request and cost.

6. Validity Period

Bids shall remain valid for **one hundred and twenty (120) days** after the tender closure date.

7. Incorrect Information

Where a contract has been awarded on the strength of the information furnished by the bidder which after the conclusion of the relevant agreement, is proven to have been incorrect, the municipality may, in addition to any other legal remedy it has or may have, recover from the contractor all costs, losses or damages incurred or sustained by the municipality as a result of the award of the contract.

8. Withdrawal of Bid during and After the SCM Process:

8.1. When a bidder withdraws his/her bid during the SCM bidding process, it must be in writing, prior to the award of the bid, of which Newcastle holds the right to accept or reject with or without a claim for any damages.

8.2. When a bidder withdraws or cancels the contract after award of the bid to the particular winner of the bid, the awarded bidder will be held responsible for any damages or administrative expenses incurred prior to the award of the bid.

9. Invoices

All invoices must be forwarded to the following address:

Newcastle Municipality
Private Bag x6621
Newcastle, 2940

9.1. **Legal requirements for invoices**

9.1.1. Please ensure that your tax invoices comply with the requirements as stipulated by SARS (VAT Act No 89 of 1991), i.e.:

9.1.1.1. **Ordinary invoice (not VAT Registered)**

a) The word „***INVOICE*** " in a prominent place
b) Official invoice number and date of transaction

c) Trade name, legal name, registration number (if any) and address of supplier
d) The Official order number of Newcastle Municipality is compulsory – non-compliance – no payment
e) The Municipality's name and postal address (Private Bag X6621, Newcastle, 2940)
f) Accurate description of goods and / or services supplied / provided.
g) Unit of measurement of goods or services supplied
h) Price

9.1.1.2. **VAT/Tax invoice (VAT registered)**
a) Word „***TAX INVOICE'*** in a prominent place
b) Trade, legal name, and registration number (if any) of supplier
c) Address and VAT number of supplier
d) The official invoice number and date of invoice
e) The Official order number of Newcastle Municipality is compulsory – non-compliance – no payment
f) The Municipality's name and postal address (Private Bag X6621, Newcastle, 2940) and VAT registration number (4000791824)
g) Accurate description of goods and / or services supplied / provided.
h) Unit of measurement of goods or services supplied
i) Price and VAT amount

10. Payment Terms

10.1. It is the policy of the Newcastle Municipality to pay all creditors by means of electronic bank transfers.

10.2. Creditors will be paid within 30 days after receipt of an invoice and statement for the month in question, detailing all invoices during that month and reflecting the total amount due by the Municipality. In exceptional circumstances, the Municipality may, at its discretion, deviate from the above.

11. Poor Performance

Where the supplier fails to render the services within the stipulated period, or should services rendered be deemed not to the satisfaction of the Newcastle Municipality, the tenderer will receive written notice of poor performance. Failure to address performance issues could result in the entire contract being reviewed or cancelled.

12. Central Supplier Database

No awards will be made to a tenderer who is not registered on the Central Supplier Database.

13. Disbursements, Travel and Subsistence

13.1. No bidder will be refunded any cost or disbursements incurred in respect of the project, save where the prior written approval of Newcastle Municipality has been obtained in respect of such expenditure.

13.2. Any authorized disbursements will be refunded at the reasonable and actual cost determined by Newcastle Municipality. Any expenditure incurred by the successful bidder in respect of authorized travel for the project will be refunded in accordance with the Newcastle Municipality travel policy as applicable from time to time. The rates payable for the use of private vehicles will be the prevailing rates quoted by the Automobile Association of South Africa.

13.3. All claims in respect of authorized disbursements (travel and subsistence costs) must be substantiated by documentary evidence such as receipts and logs of kilometres travelled.

13.4. All expenses incurred by the bidder for the proposal and presentations are the responsibility of the bidder and will not be reimbursed by Newcastle Municipality.

14. Joint Venture Agreement or Consortiums

Tenderers intending to tender in the form of joint venture or consortium must submit the following documentation together with the bid: -

1) A valid Tax Compliance Status Verification Pins issued by SARS of all parties of the Joint Venture or Consortium, and
2) all parties of the Joint Venture or Consortium must submit signed copies of: -
    a) The Declaration of Interest Form,
    b) The Declaration of Bidder's Past Supply Chain Management Practices Form,
    c) The Certificate of Independent Bid Determination Form, and
3) An undertaking duly signed by all parties of the Joint Venture or Consortium indicating their intention to enter into an agreement for the purposes of this contract, and
4) A consolidated valid and original or certified copy of their B-BBEE Status Level Verification Certificate.

Further to the above, the name of the Joint Venture or Consortium must appear on the relevant pages of the document. Failure to comply with these requirements shall lead to disqualification.

15. Samples for Quality Control

15.1 If the samples are required in terms of the specification, such samples shall be supplied by the service provider at his/her own cost.

15.2 All samples approved will be retained by the Newcastle Municipality as standards for the duration of the contract.

16. Tax Compliance Pin

16.1 The bidder must submit a valid Tax Compliance Pin with the bid. Bidders should note that their tax compliance status shall be verified through the Central Supplier Database and SARS.

16.2 Where a Tax Compliance Pin is not submitted with the bid, the Department shall use the Central Supplier Database to verify the tax matters of the bidder.

4. GENERAL CONDITIONS OF CONTRACT

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.

1.2 **"Contract"** means the written agreement entered into between the purchaser and the vendor, 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 Vendor 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 vendor bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

1.11 **"Dumping"** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 **"Force majeure"** means an event beyond the control of the vendor and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 **"GCC"** means the General Conditions of Contract.

1.15 **"Goods"** means all the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 **"Imported content"** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the vendor or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

1.17 **"Local content"** means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

1.18 **"Manufacture"** means the production of products in a factory using labour, materials, components, and machinery and includes other related value-adding activities.

1.19 **"Order"** means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 **"Project site"** where applicable, means the place indicated in bidding documents.

1.21 **"Purchaser"** means the Institution purchasing the goods/works and/or service.

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

1.25 **"Written"** or **"in writing"** means handwritten 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, sales, hiring, letting and the granting or acquiring of rights, but **excluding immovable property**, unless otherwise indicated in the bidding documents.

2.2 Where applicable, Special Conditions of Contract are also laid down to cover specific vendors, services or works.

2.3 Where such Special Conditions of Contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

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

5. Use of contract documents and information inspection

5.1 The vendor 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 vendor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

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

5.5 The vendor 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. Patent Rights

6.1 The vendor 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.

7. Performance security

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

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

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

b) a cashier's or certified cheque.

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

8. Inspections, tests and analyses

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

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Institution or an organization acting on behalf of the Institution.

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

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies 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 supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the vendor.

8.6 Supplies 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 supplies 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 supplies shall be held at the cost and risk of the vendor who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the vendor's cost and risk. Should the vendor fail to provide the substitute supplies forthwith, the purchaser may, without giving the vendor further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the vendor.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

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

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

10. Delivery and documents

10.1 Delivery of the goods shall be made by the vendor in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the vendor are specified in SCC.

10.2 Documents to be submitted by the vendor are specified in SCC.

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 in the SCC.

12. Transportation

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

13. Incidental Services

13.1 The vendor may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

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 vendor of any warranty obligations under this contract.
e) Training of the purchaser's personnel, at the vendor's plant and/or
f) On-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the vendor 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 vendor for similar services.

14. Spare parts

14.1 Specified in SCC, the vendor may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the vendor:

a) such spare parts as the purchaser may elect to purchase from the vendor, provided that this election shall not relieve the vendor 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 vendor 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 vendor 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 vendor, 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 in SCC.

15.3 The purchaser shall promptly notify the vendor in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the vendor shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

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

16. Payment

16.1 The method and conditions of payment to be made to the vendor under this contract shall be specified in SCC.

16.2 The vendor shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the vendor.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the vendor for goods/works delivered and/or services performed under the contract shall not vary from the prices quoted by the vendor in this bid, with the exception of any price adjustments authorized in SCC or 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 vendor shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontractors

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

21. Delays in the vendor's performance

21.1 Delivery of the goods/works and/or performance of services shall be made by the vendor 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 vendor or its subcontractor(s) should encounter conditions impeding timely delivery of the goods/works and/or performance of services, the vendor shall promptly notify the purchaser in writing of the fact of the delay, it's likely duration and its cause(s). As soon as practicable after receipt of the vendor's notice, the purchaser shall evaluate the situation and may at his discretion extend the vendor'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 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have essential services executed if an emergency arises, the vendor's point of supply is not situated at or near the place the supplies are required or the vendor's supplies or goods are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the vendor in the performance of its delivery obligations shall render the vendor liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the vendor'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 vendor.

22. Penalties

22.1 Subject to GCC Clause 25, if the vendor 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/works and/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 vendor, may terminate this contract in whole or in part:

a. if the vendor 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 vendor fails to perform any other obligation(s) under the contract; or
c. if the vendor, 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 and/or services similar to those undelivered, and the vendor shall be liable to the purchaser for any excess costs for such similar goods/works and/or services. However, the vendor 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 vendor by prohibiting such vendor from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a vendor or any person associated with the vendor, the vendor 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 vendor fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the vendor.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, 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 Accounting Officer / Authority 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 vendor 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 vendor s or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Antidumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the vendor 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 as a result of an event of Force Majeure.

25.2 If a force major situation arises, the Vendor shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Vendor 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 on insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the vendor if the vendor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the vendor, 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 vendor 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 vendor may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 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 vendor any monies due the vendor.

28. Limitation of Liability

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

(a) the vendor 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 vendor to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the vendor 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 in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the vendor 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 vendor shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local vendor 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 the purchaser must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. Transfer of contracts

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

34. Amendment of contracts

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

35. Prohibition of restrictive practices

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is/are or a contractor(s) was/were involved in collusive bidding (or bid rigging).

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 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.

5. SPECIAL CONDITIONS OF CONTRACT

1. I/We hereby bid to supply all or any of the supplies and/or to render all or any of the services described in the attached documents to the Newcastle Municipality on the terms and conditions and be in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of and be 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 and open for acceptance by the Newcastle Municipality during the validity period indicated and calculated from the closing time of the bid;

   b) this bid and its acceptance shall be subject to Supply Chain Management Regulations, the Municipal Finance Management Act, No. 56 of 2003, the Newcastle Municipality Supply Chain Management Policy and the General and Special Conditions of Contract, with which I/we am fully acquainted;

   c) if I/we withdraw my bid within the period for which I/we have agreed that the bid shall remain open for acceptance or fail to fulfill the contract when called upon to do so, the Municipality may, without prejudice to its other rights, agree to the withdrawal of my bid or cancel the contract that may have been entered into between the Municipality and myself. I/we will then pay to the Municipality any additional expenses incurred by the Municipality having either to accept any less favorable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favorable bid. The Municipality shall have the right to recover such additional expenditure by set-off against monies which may be due to me under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me or on my behalf for the due fulfillment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such monies, guarantee or deposit as security for any loss the Municipality may sustain by reason of my default;

   d) if my bid is accepted, the acceptance may be communicated to me by registered post, and that the South African Post Office Limited shall be treated as delivery agent to me;

   e) the law of the Republic of South Africa shall govern the contract created by the acceptance of my bid and I choose domicile citadel et executant in the Republic at (full physical address):

   ……

   ……

   I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of the bid: that the price(s), rate(s) and preference quoted cover all of the work / item(s) and my obligations under a resulting contract, and I accept that any mistakes regarding the price(s) and calculations will be at my risk.

3. I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me under this agreement, as the Principal(s) liable for the due fulfillment of this contract.
4. I/we agree that any action arising from this contract may in all respects be instituted against

me and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me as a result of such action.

5. Are you duly authorized to sign the bid? * YES NO

6. I/we confirm that I/we have declared all and any interest that I or any persons related to my business has with regard to this bid or any related bids by completion of the Declaration of Interest Section.

7. Has the Declaration of Interest been duly completed and included with the bid forms?

*YES NO

- Delete whichever is not applicable.

8. **CERTIFICATION OF CORRECTNESS OF INFORMATION SUPPLIED IN THIS DOCUMENT**

9.1 I/we, THE UNDERSIGNED, WHO WARRANT THAT I AM DULY AUTHORIZED TO DO SO ON BEHALF OF THE BIDDER, CERTIFY THAT THE INFORMATION SUPPLIED IN TERMS OF THIS DOCUMENT IS CORRECT AND TRUE, THAT THE SIGNATORY TO THIS DOCUMENT IS DULY AUTHORIZED AND ACKNOWLEDGE THAT:

9.2 The bidder will furnish documentary proof regarding any bidding issue to the satisfaction of the Municipality, if requested to do so.

9.3 If the information supplied is found to be incorrect and/or false then the Municipality, in addition to any remedies it may have, may:-

a) Recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract, and/or

b) Cancel the contract and claim any damages which the Municipality may suffer by having to make less favorable arrangements after such cancellation.

BIDDER`S NAME :______________________________

BIDDER'S REPRESENTATIVE : ______________________________

SIGNATURE : ______________________________

DATE : ______________________________

WITNESSES

1. **Name** :____________________ **Signature** :____________________

   Date :______________________________

2. **Name** :____________________ **Signature** :____________________

   Date :______________________________

NEWCASTLE MUNICIPALITY

CONTINUATION OF SPECIAL CONDITIONS OF CONTRACT

RULES IN RESPECT OF BID DOCUMENTS

'Council' shall mean the Newcastle Municipality

'Committee' shall mean that Committee of the Council whose responsibility it is to consider tenders and advise Council on acceptance or otherwise.

'Municipal Manager' shall mean the Municipal Manager of the Local Council of Newcastle or such person appointed by Council to act in that capacity.

'Head of Department' shall mean the head of the Council department concerned with the particular tender or such person appointed by Council to act in that capacity.

All bidders are hereby advised that in the event that the bid is accepted by the Council all conditions and stipulations set out this bid and in all forms, schedule and/or annexure hereto, will be the contract between the Bidder and the Municipality.

1. Bidders must acquaint themselves fully on the Rules, General Conditions and Special Conditions of bid documents.

2. 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 and proposals in all respects, may in the sole discretion of the Municipality invalidate the bid.

3. Failure to sign the **Form of Offer** and **MBD 1 Form** will invalidate the bid, provided that it is the only acceptable bid received, Council may recommend it be considered as an offer after signature by the bidder.

   Bidders shall ensure that they have been provided with all the documents and drawings. Bidders must advise the Department concerned immediately if there is any duplication or obscure typing or if there is any doubt as to the meaning of any words, clause, sentence, paragraph, drawing or any other particulars and have the matter rectified, otherwise it will be assumed correct and no liabilities whatsoever will be admitted in respect of errors in the bid due to the foregoing.

4. Bidders shall quote delivery periods for the products specified and shall supply all the information called for on the attached data schedules.

5. <u>GUARANTEE</u>
   Where applicable, Bidders shall provide at the time of bidding, details of the guarantee given with the products offered together with the period for which the guarantee is effective from date of delivery.

6. **No bid will be accepted unless made out on the forms provided.**

7. <u>A signed copy of these conditions and specifications must accompany the bid.</u>

8. Bids received after 12:00 on the closing date of this bid will not be accepted.

9. After the bids have been opened, a bid may not be withdrawn by the person or firm submitting it except with the concurrence of the Council.
10. Council reserves the right to accept all or a portion only of any tender.

11. Should there be any difference between the prices or particulars contained in the official Form of bid and those contained in the covering letter from the bidder the prices and particulars contained in the official form of bid, in all circumstances, prevail.

12. 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.

13. Bids must be submitted in sealed envelopes.

14. The bid number and title of the bid must appear on the front of the sealed envelope in which the bid is submitted.

15. The Municipality shall not be obliged to accept the lowest or any bid. It is important that only Bidders with the necessary experience, qualifications and technical ability to carry out the requirements of this bid submit bids in regard hereto. The Municipality will consider all prices and submissions made by the bidders. Should the Municipality require that a specific price and/or submission be reconsidered, it reserves the right to do so, subject to the Municipality requesting all Bidders to submit such a request or revision of the Bid Proposal.

16. The bidder undertakes that it will make itself and its members, officials and employees and agents aware of the appropriate legislation, regulations and by-laws of the Municipality that might have implications on the Bidder's activities in terms hereof.

17. Neither the Municipality nor any official of the Municipality will be held responsible for loss of a potential opportunity to bid due to the failure of the Bidder complying with any of the requirements of this bid.

18. The covering letter or other matter submitted with the official bid document may explain, amplify or illustrate, but not replace any part of the official bid document or the information furnished therein.

19. All data/information supplied by the Municipality will be received by the Bidder at his/her risk. It will be the responsibility of the Bidder to check and verify the accuracy of the data/information supplied by the Municipality. The Municipality will not be held responsible for any inaccurate or incomplete data/information.

20. **Two envelope system WILL NOT be applicable on this project.**

21. PAYMENT OF MUNICIPAL SERVICES

Proof must be produced, together with the bidding documents that the entity is not indebted to the Municipality or Municipal area in which they are staying, for a period of more than 30 days for services rendered / rate payable. Bidders residing on farms with no municipal services should submit a letter from their Induna / owner stating the above.

22. INVITATION TO BID

Bids shall be invited by the Municipal Manager in terms of the Supply Chain Management Policy of the Newcastle Municipality.

23. ACCEPTANCE OF BIDS

After the opening of bids, the official designated by the Municipal Manager shall forward such tender to the Head of Department for whom such tenders have been invited. The Head of Department concerned will then consider the tenders and submit them to the appropriate Committee with the written comments of the Chief Financial Officer and with details of any irregularity or defect in connection with the bid documents or matters relating to the calling of bids together with the recommendation for consideration by the Committee.

24. BID DOCUMENTS

a. Where applicable all bid documents and drawings are to be returned at the time of bidding except that where an additional copy of the Schedule of Quantities is provided, a copy may be retained by the tender for his records.
   The original Schedule of Quantities must be forwarded to the Newcastle Municipality

b. After awarding the bid, no documents will be returned to any unsuccessful bidder, but will be retained by the Municipal Manager.

c. All bid documents must be completed in black ink and should any alteration, omission, erasure or addition be made, it will not be recognised unless authenticated with the initials of the bidder and those of the witnesses of his signature. Bidders may, however, qualify their bid by a letter accompanying the bid documents.

   i. Any irregularity, incompleteness or obscurity in a bid renders it liable for rejection.
   ii. Failure to sign the bid document will invalidate the bid , provided that if it is the only acceptable bid received, the Head of Department may recommend that it be considered as an offer after signature by the bidder.
   iii. Bidders shall check that they have been provided with all the documents and drawings. Bidders must advise the Department concerned immediately if there is any duplication or obscure typing or if there is any doubt as to the meaning of any words, clause, sentence, paragraph, drawing or any other particulars and have the matter rectified, otherwise it will be taken for granted that there are no doubts or errors, and no liabilities whatsoever will be admitted in respect of errors in the tender due to the foregoing.

25. DEPOSITS

a. A sum as stated in the invitation to bid being a deposit for the supply of the bid documents. The bidder must obtain a receipt for the deposit amount from the office of the Chief Financial Officer prior to receiving the bid documents.
b. A deposit in the sum stated in the bid documents is non-refundable.
c. The Head of the Department concerned, in the event of receiving any deposits, shall forthwith hand to the Chief Financial Officer any deposits or security received.

26. LATE BIDS

a. Any bid received after the closing date and time advertised for the receipt of bids shall not be considered, provided that a late bid may be admitted by the Council when :
   I. in the case of a bid submitted through the post, there is proof that the bid was posted in sufficient time to reach the Municipal Manager before the closing date and time advertised for the receipt of bid and the bidder has taken reasonable steps against ordinary delays and was in no way to blame for the late receipt of his bid;

II. in the case of a bid delivered by hand, there is proof that the bidder had taken reasonable steps against ordinary delays and was in no way to blame for the late delivery.

b. The Council may accept a bid which is received late and has for that reason been disallowed in terms of the provisions of this rule, provided it was the only acceptable bid received.

27. COMMUNICATION PROHIBITED

a. Except where clarification of a bid is necessary or whenever it is necessary to approach a bidder for an extension of the binding period of a bid, no communication, without written authority of the Council, shall take place between the bidder and any member or officer of Council on a question affecting any matter which is the subject of a bid between the closing date and time of a bid and the acceptance by Council of the bid. When clarification is required or an extension of time, this may be requested by a Council Officer on the authority of his Head of Department.

b. In no case shall bids be returned or referred to bidders for amendment or completion in any respect without the written authority of the Council.

28. COUNCIL NOT OBLIGED TO ACCEPT ANY BID

Council does not bind itself to accept the lowest or any bid and where the bid documents allow for such cases, reserves the right to accept a portion only of any bid.
Council will not compensate the bidder in the preparation and submission of his bid. Council reserves the right to purchase goods outside this contract if and when the need arises.

29. DEVIATION FROM CONTRACT

Council reserves the right to deviate or procure goods or services outside of this contract when the need arises.

30. ALTERNATIVES

The bidder may submit alternatives which, in his/her opinion, are to the Council's advantage economically and technically.

31. **CONTRACT DURATION**

The contract will be valid for a period of thirty-six (36) months from the date of appointment.

32. POST AWARD PRODUCT COMPLIANCE PROCEDURES

The following post award product compliance procedure will apply:

i. In the case the equipment has been discontinued / replaced with a new model, the service provider(s) will be required to submit letters from the Manufacturer / Supplier stating the changes and the approval be obtained from the Accounting Officer prior to the executions of such changes.
ii. Furthermore, service provider(s) are expected to disclose information on the following:
    - Financial Implications & Price Variances
    - Any potential risk
iii. The new model should at least meet the minimum specification of the original model.

iv. The delivery and installation of new equipment cannot be effected without the approval from the head of the department (Strategic Executive Director).

33. <u>DEMONSTRATIONS AND INSPECTIONS</u>

i. All bidders must be prepared to demonstrate, where required, free of charge and obligation, at the Newcastle Municipality or any other area within the boundary of the Newcastle Municipality, any services offered in this bid.
ii. Where officials are required to attend demonstrations or inspections outside the boundary of the Newcastle Area, all costs to attend such demonstration shall be borne by the bidder.

34. <u>PRICE ADJUSTMENT</u>

In the event of a total price increase exceeding the going inflation rate during the bid period, Council reserves the right to withdraw from the bid and call for fresh bids.
(Please see MBD 3.2 for price adjustment formula).

Prices for labour and materials submitted in the bid for the purpose of allowing for statutory increase must be ruling prices as at the date of bidding.

Should the Bidder wish to place the risk of rise or fall in certain items or factors of costs to the account of the Municipality, the Bidder shall state specifically under separate cover in respect of which items or factors he wishes to avoid the risk of rise or fall on what rate he has calculated the item or factor in his price offered.
It should be emphasized that price adjustments based on the Rate of Exchange (ROE) will be allowed only on the imported content of the commodity and it should only meet the provider's additional costs on the imported content. Price adjustments due to the fluctuation in the Rate of Exchange should indicate the dates and period of affect issued by the Reserve Bank of S.A. at 12:00 of the specified date.

Unless any item or factor is reserved in terms of this clause, the bid shall be <u>considered to be a firm delivery price. (See MBD 3.2)</u>

35. Where applicable, all redundant or unusable products, materials or equipment which are removed from site remains the property of the Municipality and shall be returned to the Municipality. The Service provider shall obtain a written acceptance of the goods unless the bid states otherwise.

NB: THE FOLLOWING CLAUSES HAVE BEEN REPEATED AS THESE WILL LEAD TO THE REJECTION OF THE BID

- **All bid documents must be completed in black ink and should any alteration, omission, erasure or addition be made, it will not be recognised, unless authenticated with the initials of the bidder and those of the witnesses of his signature.**
- **Failure to sign the bid document will invalidate (Invitation to Bid) the bid, provided that it is the only acceptable bid received, Council may recommend that it be considered as an offer after signature by the bidder.**
- **NO correction fluid/tape may be used.**
- **Bidders shall ensure that they have been provided with all the documents and drawings. Bidders must advise the Department concerned immediately if there is any duplication or obscure typing or if there is any doubt as to the meaning of any words, clause, sentence, paragraph, drawing or any other particulars and have the matter rectified, otherwise it will be assumed correct and no liabilities whatsoever will be admitted in respect of errors in the bid due to the foregoing.**
- **Bids received after the official closing date and time of this bid, will not be accepted.**
- **Proof must be produced, <u>together with the bidding document</u> that the entity is not indebted to the Municipality or municipal area in which they are staying, for a period of more than 30 days for services rendered / rates payable. Bidders residing on farms with no municipal services should submit a letter from their Induna/owner stating the above.**
- **TAX COMPLIANCE STATUS**
  A valid Tax Compliance Status Pin or CSD Master Registration Number should be supplied on MBD 1 for verification.

NAME OF BIDDER ....

ADDRESS ....

TELEPHONE NUMBER ....

NAME OF THE OFFICIAL ....**POSITION**...

SIGNATURE ....**DATE**..

WITNESSES

NAME	**NAME** ....
SIGNATURE	**SIGNATURE** ....
ID NUMBER	**ID NUMBER** ....

6. AUTHORITY OF SIGNATORY

Indicate the status of the Bidder by ticking the appropriate box hereunder. The Bidder must complete the certificate set out below for the relevant category.

A COMPANY	B PARTNERSHIP	C JOINT VENTURE	D SOLE PROPRIETOR	E CLOSE CORPORATION

A. Certificate for Company

I, ……………………………………………………………………………………………, chairperson of the board of ……………………………………………………………………… , hereby confirm that by resolution of the board (copy attached) taken on ……………………………………… 20….. , Mr/Ms…………………………acting in the capacity of ………………………………… , was authorised to sign all documents in connection with this bid for **Bid no.: A069 - 2023/24** and any contract resulting from it on behalf of the company.

As witnesses:

1. ……………………………………………… Chairman: ……………………………………………

2. ……………………………………………… Date: ……………………………………………

B. Certificate for Partnership

We, the undersigned, being the key partners in the business trading as ……, hereby authorise Mr/Ms ……………………………………, acting in the capacity of ……………………………………………, to sign all documents in connection with this bid for **Bid no.: A069 - 2023/24** and any contract resulting from it on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all key partners upon whom rests the direction of the affairs of the Partnership as a whole.

C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms ……………………………………………………………………………, authorised signatory of the company ……………………………………………., acting in the capacity of lead partner, to sign all documents in connection with this bid for **Bid no.: A069 - 2023/24** and any contract resulting from it on our behalf.

This authorisation is evidenced by the attached power of attorney signed by legally authorised signatories of all the partners to the Joint Venture.

Name of Firm	Address	Authorising Name and Capacity	Authorising Signature
Lead Partner:			

NOTE: A copy of the Joint Venture Agreement indicating clearly the percentage contribution of each partner to the Joint Venture, is to be submitted with the bid. A board resolution, authorising each signatory who signed above to do so, is to be submitted with the bid.

D. Certificate for Sole Proprietor

I, ……………………………………………………………………………, hereby confirm that I am the sole owner of the business trading as ……………………………………………………………………

As witnesses:

1. ……………………………… Sole Owner: ………………………………..
2. ……………………………… Date: ………………………………..

E. Certificate for Close Corporation

We, the undersigned, being the key members in the business trading as ……………………….…… ……………………………………………, hereby authorise Mr/Ms …………………………………..…… acting in the capacity of ………………………, to sign all to sign all documents in connection with this bid for **Bid no.: A069 - 2023/24** and any contract resulting from it on our behalf.

Name	Address	Signature	Date

Note: This certificate is to be completed and signed by all key partners upon whom rests the direction of the affairs of the Partnership as a whole.

7. RECORD OF ADDENDA

We confirm that the following communications received from the employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer.

	Date	Title or Details
1.		
2.		
3.		
4.		

Attach additional pages if more space is required.

Failure to acknowledge any addendum released by Newcastle Municipality may result in your tender submission being declared non-responsive.

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

8. BANKING DETAILS

It is the policy of the Newcastle Municipality to pay all creditors by means of direct bank transfers. Please complete this information and acquire your banker's confirmation.

ACCOUNT HOLDER	
NAME OF BANK	
ACCOUNT NUMBER	
ACCOUNT TYPE	
BRANCH NAME	
BRANCH CODE	
BRANCH CONTACT PERSON	
PHONE NUMBER	
FAX NUMBER	

I/we hereby request and authorise the Newcastle Municipality to pay any amounts that may accrue to me/us to the credit of my/our bank account.

I/we further undertake to inform the Newcastle Municipality in advance of any change in my/our bank details and accept that this authority may only be cancelled by me/us by giving thirty days' notice by prepaid registered post.

Alternatively, the tenderer may submit a letter/declaration from his bank worded as above, providing the required details and signed by an appropriate Bank Official (attached behind this page).

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

9. DECLARATION FOR MUNICIPAL ACCOUNTS

MUST BE COMPLETED FOR THIS BID

Declaration in terms of paragraph 38(1)(d)(i) of the Supply Chain Management Regulation, irrespective of the contract value of the bid:

NB: Please note that this declaration must be completed by ALL bidders

i. I, the undersigned hereby declare that the signatory to this tender document; is duly authorised and further declare:

ii. I acknowledges that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the
tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to Newcastle Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

iii. I acknowledge that should it be found that any municipal rates and taxes or municipal charges as set out in (ii) above are in arrears for more than three (3) months, the bid will be rejected and the Newcastle Municipality may take such remedial action as is required, including the rejection of the bid and/or termination of the contract; and

iv. The following account/s of the bidding entity has reference:

Physical Business Address(es) of the Tenderer	Municipality	Municipal Account Number

NB: If insufficient space above, please submit on a separate_page

PLEASE NOTE further that if no municipal rates and taxes or municipal charges are payable by the bidding entity, indicate the reason/s for that in the space below by means of a tick next in the relevant block,

Reason	Tick	Portfolio of evidence
Bidding entities who rent premises from a landlord		Signed copy of the lease agreement together with a letter from the landlord stating that no levies are in arrears.
Bidding entities who operate from a property owned by a director / member / partner		Municipal account statement/s of a director / member / partner
Bidding entities who operate from farms / informal settlements		A letter from their Induna/owner.
Bidding entities who operate from somebody else's property		Sworn affidavit stating the details and relationship with the property owner.

Attach latest municipal account statement behind this page. The portfolio of evidence must not be older than three months from the close of this tender.

SIGNED AT..THIS............DAY OF.................................. 20......

Name of Duly Authorised Signatory: (Please print)..

Authorised Signature: ....

As witness: 1. ....

2. ....

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

10. CENTRAL SUPPLIER DATABASE REGISTRATION

No awards will be made to a tenderer who is not registered on the Central Supplier Database (CSD).

The establishment of a Central Supplier Database (CSD) will result in one single database to serve as the source of all supplier information for all spheres of government. The purpose of centralising government's supplier database is to reduce duplication of effort and cost for both supplier and government while enabling electronic procurement processes.

Registration on the Central Supplier Database must be done online via the website: **https://secure.csd.gov.za/**

If the business enterprise is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Municipality may, without prejudice to any legal rights or remedies it may have:

- Cancel a bid or a contract awarded to such bidder/supplier; and the bidder would become liable for any damages if a less favorable is accepted or less favorable arrangements are made.
- The same principles as above stated, should the successful bidder fails to request updating of its information on the Central Supplier Database; relating to changed particulars or circumstances.

IF THE SUPPLIER IS NOT REGISTERED AT THE CLOSING TIME OF BID, THEN THE SUPPLIER MAY BE DISQUALIFIED AT THE BID EVALUATION PROCESS

PROOF OF FULL REGISTRATION (ACTIVE VENDOR) WITH CSD SHOULD BE ATTACHED ONTO THIS PAGE

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

11. MBD 4: DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state[1].

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/ Representative**	
3.2	**Identity Number**	
3.3	**Position occupied in the Company (director, trustee, shareholder[2])**	
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.		
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.		

[1]MSCM Regulations: "in the service of the state" means to be –
(a) a member of –
(i) any municipal council;
(ii) any provincial legislature; or
(iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal 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.

3.10	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 a 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, managers, principal 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, managers, principal 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, principal shareholders or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.	Yes	No
3.14.1	If yes, furnish particulars.		

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

Full Names	Identity Number	State Employee Number

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

12. MBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF EQUITY OWNERSHIP BY HISTORICALLY DISADVANTAGED INDIVIDUAL (HDI`S), 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).

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

1.2 Points for this bid shall be awarded for:

(a) Price; and

(b) Specific contract participation goals, as specified in the attached forms.

1.3. The maximum points for this bid are allocated as follows:

		POINTS	
1. Price		80	90
2. Specific Contract Participation Goals		20	10
2.1 Historically Disadvantaged Individuals		16	8
2.1.1 Who had no franchise in national elections before the 1983 and 1993 Constitution (black people)	8 / 4		
2.1.2 Who is female	4 / 1		
2.13 Who has a disability and / or Youth	2 / 1		
2.14 Who is Youth	2 / 1		
2.2 Other Specific goals (Local Economic Development goals of the RDP)		4	2
2.2.1 Business operations within Amajuba District – rural development initiatives	4 / 2		
Total points for Price and HDI principles must not exceed		100	100

To claim specific goals listed under 2.2 above the Municipal water and light account in the name of the company or individual in case of Sole proprietor must be submitted.

1.4 Failure on the part of a bidder to submit proof of claim together with the bid, will be interpreted to mean that preference points for advancement of past imbalances are not claimed.

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

2. DEFINITIONS

(a) **"Tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation.

(b) **"Price"** means an amount of money tendered for goods or services and includes all applicable taxes less all unconditional discounts.

(c) **"Rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation and includes all applicable taxes.

(d) **"Tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"The Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE
THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20 or **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

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

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

POINTS AWARDED FOR PRICE

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

80/20 or **90/10**

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

Where

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

4 POINTS AWARDED FOR SPECIFIC GOALS

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

4.2 In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	**Number of points claimed (90/10 system) (To be completed by the tenderer)**	**Number of points claimed (80/20 system) (To be completed by the tenderer)**
Category 1: Ownership -Historically Disadvantage Individuals by unfair discrimination (No franchise in elections before 1983 & 1993 Constitution		**16**		
➢ Race		8		
➢ Female		4		
➢ Disability		2		
➢ Youth		2		
Category 2: Reconciliation and Development Programme (Government Gazette no.: 16085 dated 23 November 1994)		**4**		
➢ Promotion of Local Enterprises (within Amajuba District: municipal & rural areas)		4		
TOTAL		**20**		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: ………………………………………………………………

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

…………………………………………

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: ……………………………………………………………

DATE: ……………………………………………………………

ADDRESS: ……………………………………………………………

……………………………………………………………

……………………………………………………………

……………………………………………………………

13. MBD 8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

3. **The bid of any bidder may be rejected if the bidder, or any of its directors have:**
   a) Abused the Municipality's Supply Chain Management System or committed any improper conduct in relation to such system:
   b) Been convicted for fraud or corruption during the past five years:
   c) Wilfully neglected, reneged or failed to comply with any government, municipal or 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 Corruption Activities Act (No 12 of 2004).

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

ITEM	QUESTION	YES	NO
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? **(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 audit alteram partem rule was applied).** **The database of Restricted Suppliers now resides on the National Treasury`s website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.**	Yes ☐	No ☐
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 Corruption 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 ☐	No ☐
4.2.1	If so, furnish particulars:		

ITEM	QUESTION	YES	NO
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 ☐	No ☐
4.3.1	If so, furnish particulars:		
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 any other municipality/municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
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 ☐	No ☐
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) ______________________________
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TO BE 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.

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

14. MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids[1] invited.

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

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

   a. take all reasonable steps to prevent such abuse;

   b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and

   c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

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

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

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

____

(Bid Number and Description)

in response to the invitation for the bid made by:

____

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:
I certify, on behalf of:____that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
    a. has been requested to submit a bid in response to this bid invitation;
    b. could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
    c. provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium[3] will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
    a) prices;
    b) geographical area where product or service will be rendered (market allocation)
    c) methods, factors or formulas used to calculate prices;
    d) the intention or decision to submit or not to submit, a bid;
    e) the submission of a bid which does not meet the specifications and conditions of the bid; or
    f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

[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.**

PART B– SPECIFICATIONS AND PRICING SCHEDULE

15. TERMS OF REFERENCE

The Newcastle Local Municipality wishes to appoint panel of **debt collection agencies with specialist attorneys with Revenue management, Debt Collection infrastructure and expertise,** on an as and when required basis, for a period of 36 months, to assist in the rendering of the following services:

1.1.1 Revenue Analysis and collection of arrears metered service charges from active and in-active customers as identified by the Newcastle Local Municipality.

1.1.2 Revenue analysis and collection of arrear un-metered service charges from active and in-active rate payers as identified by the Newcastle Local Municipality.

1.1.3 Revenue analysis and collection of arrear sundry charges from customers from active and in-active account holders as identified by Newcastle Local Municipality.

1.1.4 Trace and contact debtors handed over with overdue accounts.

1.1.5 Arrange reasonable repayment amount and terms in line with the Newcastle Local Municipality Credit Control and Debt Collection Policy and By-law.

1.1.6 Ensure that the debtors deposit the arrear monies into the Newcastle Local Municipality bank accounts.

1.1.7 Have defaulting debtors listed at credit bureaus were allowed in terms of legislation and in consultation with the Newcastle Local Municipality.

1.1.8 Issue summons to defaulting debtors in consultation with Newcastle Local Municipality.

1.1.9 Hand back defended matters to Revenue management Unit Municipality Legal and compliance Unit for further handling of the Litigation.

1.1.10 Delivery of legal notices related to hand over accounts and do site inspections where needed.

1.1.11 In terms of the Newcastle Local Municipality approved Credit Control and Debt Collection Policy and By-law as well as other relevant legislation, the successful tenderer/supplier will be required to as an initial stage to first embark on debt collection processes and doing so exhaust all debt collection measures before proceeding with legal action against debtors.

1.1.12 Commission quoted for collection should be market related and consider initial expenses incurred by the service provider should legal action proceed against debtors whereby initial debt collection processes fail.

1.1.13 The lowest bidding price will not necessarily be accepted, and Newcastle Local Municipality reserves the right to determine market related rate of commission to be offered to the successful bidders.

1.1.14 If the rates of the highest scoring bidder are deemed to be below the market, all acceptable bidders below the market will be offered their own rates.

Subsequently, all acceptable bidders above the market may be offered uniform rates which are deemed to be market related as defined by the industry.

1.1.15 Debt collection agencies will be responsible for collecting arrear debt derived from metered, un- metered and sundry service charges once they are regarded as due as determined by the municipality.

1.1.16 All defended matters shall be returned to Revenue Management for further processing by Legal and compliance.

1.1.17 Appointed service providers shall not undertake any litigation related work beyond issuing of summons.

2. PROJECT DELIVERABLES/TECHNICAL REQUIREMENTS

2.1 The Service provider will be required to assist the Newcastle Local Municipality with the following:

2.1.1 Customer data verification

2.1.1.1 The Newcastle Local Municipality shall from time to time and in its sole discretion instruct the service provider to collect any debt by delivering to the service provider, electronically or any other form reasonably acceptable, details of debt and debtor details as reflected on the Newcastle Local Municipality financial system to enable the service provider to collect such debt.

2.1.1.2 If current debtor information is incorrect or insufficient, service provider is to make use of any legal tracing method or access any relevant external data source to obtain correct debtor details. These details are to be submitted to the Newcastle Local Municipality to update records. These will include but not limited to debtors ID number, contact details, email addresses, directors' details if company and domicillum address.

2.1.1.3 Obtain a list of properties linked to an individual registered at the Deeds office across South Africa.

2.1.1.4 Obtain principal links where the consumer is linked to any companies. CIPC reports must be obtained using winded, deeds web etc. Where applicable, a CIPC search in other provinces may also be necessary, subject to prior authorization by the Municipality.

2.1.1.5 Obtain financial status of the individual by using a credit bureau.

2.1.1.6 Identify strong leads to follow when no new address can be found, including financial associates, co-residents, family members. If strong leads are identified, then full particulars of the persons in question should be provided. Further it may be necessary to undertake court searches of legal documentation e.g. Summonses/applications concerning an individual.

2.1.1.7 Provide company statutory information including business registration number, business name, registration date, type of business and registered address.

2.1.1.8 Obtain active and inactive principals with full information linked to company interest.

2.1.1.9 Provide details of all directors as in individual persons.

2.1.1.10 Verify the existence of a trust as well as obtain trust information including associated trustees and property details. Letters of authority must also be obtained, together with the current trust deed.

2.1.1.11 Have Credit Bureau relationship/ Data mining capabilities.

2.1.2 Notices

2.1.2.1 The service provider will be required to issue and deliver notices as prescribed by relevant statutory prescriptions for the pre-legal and/or legal notices to clients on handed over accounts.

2.1.2.2 Service provider will issue reasonable pro-active reminders including personal contact, demand for payment and opportunity for re-dress in respect of all accounts handed over for collection.

2.1.2.3 Service provider will allow sufficient time for account holder to respond to reminders and / or personal contact.

2.1.2.4 The service provider will, in the absence of sufficient response and / or pro-active actions from account holder register "adverse listing" against debtor at Credit Bureau (Written approval from Director: Revenue Management).

2.1.3 Debt Collection

2.1.3.1 The service provider will be required to recover all collectable debts handed over to it by all legal means necessary.

2.1.3.2 Trace and contact debtors with overdue accounts for instructions handed over.

2.2 Identification of indigent debtors in the normal debt collection procedures, not already registered in terms of policy and issue referral to client. (Indigent registration forms and conditions will be made available to all successful TENDERERS).

2.3 Agents to assist account holders with resolving of hand-over account enquiries in terms of the Newcastle Local Municipality administrative or credit control procedure.

2.4 The collection of arrear payments due to Council, including interest, legal penalties, Value Added Tax, and any other arrear amount reflected on the rate payer's hand-over account.

2.5 Arrange reasonable repayment amount and terms in line with the Newcastle Local Municipality Credit Control and Debt Collection Policy and By-law and advise the Newcastle Local Municipality in electronic format as prescribed by Newcastle Local Municipality from time to time.

2.6 Ensure that debtors deposit the money into the Newcastle Local Municipality bank accounts.

3 Legal Services

3.1.1.1 Bidders must show a large degree of expertise in the field of collections, must have the necessary skills, knowledge, and capacity to manage the pre-legal and legal processes.

3.1.1.2 The service provider will be required to and must be able to take legal action against debtors for the collection of municipal debt on accounts handed over to them. Such actions will include issuing of summons, the obtain of judgements, the issuing of warrants of execution and sale of attached assets.

3.1.1.3 In instances where summonses are defended, the bidder will be required to have the necessary knowledge and skills to effectively litigate in both the Magistrate and High Court and represent the Newcastle Local Municipality in court, as part of the debt collection process. (Such defended matters must be reported to the Director Revenue Management for approval before authority can be given to proceed. Matters defended must always be done in conjunction with and support of Legal Services).

3.1.1.4 Taking the necessary action against debtors placed under administration or debt review.

3.1.1.5 An in-depth knowledge of the liquidation process and insolvency law will further be required in instances of winding up estates for deceased estates and liquidations to limit Newcastle Local Municipality's exposure and ensure all amounts due to the Newcastle Local Municipality are collected.

3.1.1.6 An in-depth knowledge of the business rescue process to advise the municipality on the various proposals by the business rescue practitioner.

3.1.1.7 Prior written approval to be obtained from the Director Revenue Management in respect of the following proceedings:

- 3.1.1.7.1 Issuing of summons
- 3.1.1.7.2 Blacklisting
- 3.1.1.7.3 Attachment of movable assets
- 3.1.1.7.4 Sale in execution of immovable assets
- 3.1.1.7.5 Defended matters.
- 3.1.1.7.6 Sequestration or liquidation proceedings

3.1.1.8 In terms of remunerations, Newcastle Local Municipality will pay full collection commission on payments made towards the handed over debt and the service provider needs to collect any legal costs directly from the debtor. It is important to note that the service provider will at own risk proceed with legal action against the debtor and any initial legal expenses incurred will remain for the responsibility of the service provider.

3.1.1.9 Service provider will record all actions taken against debtor.

3.1.1.10 Report to the Newcastle Local Municipality any problem areas and/or municipal services and/or account queries raised by consumers.

3.1.1.11 Assessing and advising the Newcastle Local Municipality on the prospects and cost effectiveness of recoverability of debt in terms of applicable legislation.

3.1.1.12 Advise the Newcastle Local Municipality on possible write-offs.

3.1.2 Executive Comprehensive monthly debt collection report

3.1.2.1 The service provider will be required to submit in electronic format as prescribed by Newcastle Local Municipality from time to time on the following:

- 3.1.2.1.1 Status of debts handed over.
- 3.1.2.1.2 Detailed action taken.
- 3.1.2.1.3 Debts recovered.
- 3.1.2.1.4 Irrecoverable debts.
- 3.1.2.1.5 Age analysis of the debts.
- 3.1.2.1.6 Number of debtors traced successfully.
- 3.1.2.1.7 Debtors referred to the credit bureau.
- 3.1.2.1.8 General summary of the debtors' report and
- 3.1.2.1.9 Challenges and recommendation.

3.1.2.2 The above report will be required to consist of a summary overview as well as report per individual matters handed over to the Service Provider.

3.1.2.3 The submission, in electronic format **as prescribed by Newcastle Local Municipality from time to time**, of updated account holders personal contact or related details.

3.1.2.4 A quarterly report covering the 1st quarter, 2nd quarter, 3rd quarter, and 4th quarter covering each financial year period and must detail the following:

- 3.1.2.4.1 Consolidated debt collection analysis for the quarter/ year
- 3.1.2.4.2 Recommendations on strategies to be used in the future in managing debts.

3.1.3 Debt Management system

3.1.3.1 The service provider must have capable hardware, software, and server capacity to manage the revenue value chain.

3.1.3.2 The service provider must make use of a sophisticated computer system to manage the debt collection process on behalf of Newcastle Local Municipality.

3.1.3.3 The service provider must have IT systems that are compatible to the Newcastle Local Municipality IT system for the purpose of interface, and capable of their staff accessing the Newcastle Local Municipality software applications.

3.1.3.4 Have a Revenue data management system.

3.1.3.5 Call Centre and Call recording infrastructure.

3.1.3.6 The successful bidder should have a minimum of 15 dedicated staff members allocated to this tender.

4 EXTENT OF COLLECTION PROCESS:

4.1 A comprehensive debt collection service is required, focusing on the following legislation and policies as amended from time to time.

- The Constitution.
- National Legislation.
- Local Government Legislation.
- By-Laws.
- Debt Collections and Credit Control Policy.
- Indigent Policy.
- Newcastle Local Municipality Resolutions.

4.2 The Newcastle Local Municipality will identify accounts to be handed over to the appointed service provider **only** after certain internal debt control procedures have been effected. These procedures will include, but will not be limited to, the issue of pre-termination notices, the restriction and/ or suspension of water and/ or electricity supply or any internal collection strategy and/ or incentive implemented by Newcastle Local Municipality.

4.3 The service provider must recover all collectable debts by all legal means necessary, use reputable credit bureau where necessary and as well as providing an executive comprehensive monthly debt collection report.

4.4 Allocation of Work

4.4.1 The Newcastle Local Municipality will issue formal instruction to the appointed debt collector to collect such amounts owing to it, as it may decide from time to time. These instructions will include active and in-active accounts.

4.4.2 In-active accounts are defined as accounts where the owner of property or tenant vacated premises or sold property and where no active services are levied whilst an arrear amount remained payable.

4.5 COMMISSIONABLE COLLECTIONS

4.5.1 Commissionable collections will be considered only if the total or adjusted handover amount on date of hand-over is paid to Council and receipted in the Council's financial system.

4.5.2 Amounts identified by the debt collector, to have been received by Council and deposited into the Councils bank account **more** than 120 days prior to identification, but not yet allocated to the rate payers account **and** where insufficient information is reflected on bank statement to effectively allocate payment to rate payer account.

4.5.3 Amounts collected in terms of **FORMAL DEBT REPAYMENT ARRANGEMENT** as prescribed by the Newcastle Local Municipality will only be commissionable if receipted and if the conditions of agreement are adhered to for the duration of agreement not exceeding the Debt Collection Agency appointment.

4.5.4 Amounts receipted in terms of court order and or judgment.

4.5.5 Amounts receipted in terms of proceeds from "Sale in Execution" of movable or immovable assets.

4.6 But will **exclude**:

4.6.1 Any amounts collected by the service provider more than the amount handed over or adjusted handover amount even if such excess amount was collected because of error on the part of the Council or service provider.

4.6.2 Adjusted portion of hand-over account due to administrative, billing or account enquiry error.

4.6.3 Accounts withdrawn from hand-over process.

4.6.4 Clearance debt in terms of Section 118 of Systems Act (32 of 2000) applied for before or after hand-over for collection, except on special instructions for matters specifically handed over for balances not recovered via Section 118 clearances.

4.6.5 Amounts identified by the debt collector to have been received by the Council **less** than 120 days prior to identification but not yet allocated to the rate payers account.

4.6.6 Amounts identified by the debt collector, to have been received by Council and deposited into the Councils bank account **more** than 120 days prior to identification, but not yet allocated to the rate payers account **but** where sufficient information is reflected on bank statement to effectively allocate payment to levy payer account.

4.7 **Commissionable collections** will specifically EXCLUDE any amount of capital debt, legal costs, other costs, and interest written off and / or adjusted by the Newcastle Local Municipality as an incentive, administrative error or specific circumstance as approved by the Newcastle Local Municipality in terms of delegated authority.

5 LEGAL FEES

5.1 Any legal fees incurred for the collection of the amount outstanding will be the sole responsibility of the service provider and such legal costs will be recovered directly from the customer.

5.2 All legal costs incurred where the Bidder instructs its own Attorney to initiate legal action will be for the Bidder to carry. Legal costs arising from defended matters will be the sole responsibility of the Bidder in its totality.

5.3 The scale of fees to be recovered from the customer will be in terms of the tariff of the magistrate's court and High Court, and the costs shall be taxed in terms of the Magistrate Court Rules or if applicable the High Court Rules.

5.4 Therefore, the stamps, fees, costs, and charges in connection with any civil proceedings in magistrates' courts shall, as between party and party, be payable in accordance with the scales prescribed by the rules.

6 COLLECTION OF PAYMENT

6.1 All payments are to be effected by debtors through the available payment methods which include electronic payments via financial institutions, debit orders, E-services, and any authorized 3rd party payment systems or debit and credit cards or cash at the Newcastle Local Municipality pay points.

6.2 The service provider will **NOT** be authorized to accept any payment in cash or otherwise from debtors except in legal matters.

6.3 Only payments in the name of the Newcastle Local Municipality may be accepted.

6.4 In the event of any payment having been made, and such being dishonored for any reason, the Newcastle Local Municipality will debit the debtors account and credit service providers monthly account statement with the commission amount paid in respect of payment.

6.5 The debt collection agency undertakes that due diligence will be exercised with monies received on legal matters on behalf of Newcastle Local Municipality via its trust account. Any amounts received by the debt collection agency on behalf of Newcastle Local Municipality will ensure that such be paid to Newcastle Local Municipality within 7 days of receipt of such.

6.6 No amounts due to the debt service provider by Newcastle Local Municipality may be offset against those amounts collected and due to Newcastle Local Municipality.

7 WITHDRAWAL OF INSTRUCTIONS

7.1 Newcastle Local Municipality Instructions

7.1.1 The Newcastle Local Municipality may at any time instruct the service provider to cease proceedings against any debtor and withdraw any such instruction in respect of the collection of amounts owing by any debtor.

7.1.2 The Newcastle Local Municipality will not be required to submit reasons to the service provider for withdrawal instruction.

7.2 The Newcastle Local Municipality reserves the right to withdraw an instruction which becomes a defended claim, and where there is little prospect of success for the Newcastle Local Municipality.

7.3 **Unsuccessful collections**

7.3.1.1 After a period of three months from date of collection instruction being issued, the service provider is to return the instruction and all relevant documentation to Newcastle Local Municipality, if **no movement on the process of the recovery is evident on request of Newcastle Local Municipality,** or if no satisfactory arrangement has been concluded with debtor to pay outstanding debt.

7.3.1.2 The Newcastle Local Municipality shall be entitled to call for reasons from the service provider as to why no collection of debt was achieved and the service provider shall be obliged to furnish such reasons to the Newcastle Local Municipality.

7.3.1.3 The Newcastle Local Municipality reserves the right to request documented proof of action taken in the collection process at any given time. Should the service provider refuse and or neglect to provide the necessary proof as aforementioned, the Newcastle Local Municipality reserves the right to remove such instruction from the service provider without further notice.

7.3.1.4 In the event of unsuccessful collections, the Newcastle Local Municipality reserves the right to re- allocate the hand-over files to appointed debt collectors based on performance and at discretion of the Divisional Head Income, irrespective of appointed area of service.

8 ADDITIONAL CONDITIONS

8.1 The service provider once appointed, by acting as agents for the Newcastle Local Municipality, will be required to heed the principles and conditions of the legislation and policy, at all times when dealing with debtors.

8.2 The service provider will refrain from having any contact or dealings with accountholder as from the date the withdrawal instruction is issued by Newcastle Local Municipality, defended matter is handed over to Newcastle Local Municipality or if file is returned due to unsuccessful collection.

8.3 The service provider will have no claim against any collections or payments made after the date of withdrawal of hand-over instruction.

8.4 The Newcastle Local Municipality will not be liable for the payment of ANY costs incurred by the service provider up to the time of withdrawal of instruction.

8.5 The Council may, at its sole discretion, amend or temporarily suspend any of the collection processes, without any compensation in respect of uncollected debt payable to service provider.

8.6 It is a requirement of this tender that debtors be treated humanely and with utmost empathy. The dignity of the debtors must always be upheld. Failure to uphold this requirement by a service provider will be seen as a breach of contract.

8.7 The Newcastle Local Municipality expects a high standard of delivery and that all reasonable steps to recover the debt as speedily, cost effectively and appropriately as possible, will be instituted timeously and without undue delay. It is expected that the bidder must have traced the debtor and notify the debtor that the service provider will be collecting the outstanding debt on behalf of the Newcastle Local Municipality within 2 months of receipt of an instruction.

8.8 The service provider will not accept work from the Council when the Debtor is the client of the service provider; to avoid a conflict of interest.

8.9 The service provider must be fully insured against all accidents or misfortunes including death of or injury to persons and / or loss or damage to property arising out of the condition or execution of any work in terms of this tender.

8.10 The Newcastle Local Municipality reserves the right to withdraw an account from the service provider at no cost to the Newcastle Local Municipality if the instruction was given due to an administration error on the part of Newcastle Local Municipality.

8.11 The service provider will always observe and confirm the account holder's identity when entering an arrangement and keep record of power of attorney.

8.12 The service provider will always furnish the debtor with written proof of an acceptable arrangement entered into after confirmation was received of payment.

8.13 The service provider is only authorized to comment on the specific amount handed over and not to create an expectation to the debtor for possible reconnection or other outstanding amounts not allocated to the specific debt collector.

8.14 The award is subject to the signing of a Service Level Agreement between the successful bidder/s and the Newcastle Local Municipality.

8.15 The successful bidder must supply its own resources in respect of offices, personnel, vehicles and equipment required.

8.16 Sequestration or liquidation proceedings must be a very last resort, and the Bidder must establish that the Debtor has sufficient assets to cover claims.

9 COMPUTER LINK

9.1 The appointed service provider shall obtain a suitable electronic link between the Newcastle Local MUNICIPALITY's Financial system or Application and the computer system operated by the collection agent, to enable the Newcastle Local Municipality to transmit instructions to the collection agent electronically.

9.2 The service provider will ensure that their computer systems are compatible, in all aspects, with the system of the Newcastle Local Municipality and they will abide by the ICT policies.

9.3 The computer link will further be utilized for:

- To verify balance outstanding on any account in respect of which a hand-over instruction has been issued.
- To ascertain whether payments have been made by the account holder.
- To verify current debtor's personal details.
- To ascertain whether the debtor has made any settlement arrangements with the Newcastle Local Municipality

- To obtain such relevant account information as may be required to address account disputes and or enquiries.
- To capture notes with reference to every dealing with the debtor, which includes but is not limited to details of contact (date &Time), promise to pay details, follow up calls, down payment requirements, period of arrangements and other details necessary to record per file.
- To download account reconciliation

10. AREA OF SERVICE

10.1 The Council reserves the right to appoint any bidder for any service delivery area within the area of jurisdiction of the Newcastle Local Municipality and the bidder accepts the fact that it may not be appointed for a specific area(s).

11. ADMINISTRATIVE OFFICE

11.1 The successful bidder must have an administrative/ satellite office within the area of appointment of Newcastle Local Municipality to manage customer enquiries.

12. CONDUCT OF SERVICE PROVIDER

12.1 The information supplied by the Newcastle Local Municipality or obtained by the service provider shall not be used by the service provider for any other purpose other than for the collection of the outstanding debt.

12.2 The service provider shall ensure that the Newcastle Local Municipality is not prejudiced or projected in an unfavorable manner and shall always act within the ambit of the law, the Newcastle Local Municipality credit control policy and maintain acceptable customer care standards.

13. STATISTICAL DATA

The following statistical information is made available for reference purposes only and will not be an indication of the actual extent of supply.

No. of Accounts	60 – 90 days	90 – 120 days	120 – 360 days	360 days plus	Total
50 000	R 46 080 437	R 35 689 908	R 104 058 183	R 1 535 490 301	R 1 721 318 829

14. PROGRESS REPORTING

14.1. Weekly / Monthly reports by the service provider must be in the format as prescribed by the Director Revenue Management.

14.2. These reports must be submitted by the service provider by the 10th working day by each and every month, or on a weekly basis, as requested.

14.3. Reports to be submitted by service provider in respect of Current

Debt, Inactive Debt, Businesses and Residential Debt.

14.4. All required reports as specified from time to time must be addressed to the Head of Revenue.

14.5. Regular feedback is required on outstanding matters that are not collectable.

14.6. The responsible management team of the successful bidder is required to meet monthly with Manager Credit Control and Debt Management and the respective credit control and debt collection Managers.

14.7. All verified debtor information including telephone numbers, addresses, names (deed searches), identification numbers must be supplied to the Newcastle Local Municipality in electronic monthly reports to update the necessary information on the Newcastle Local Municipality system. The successful bidder may be required to change, at own cost, existing management report formats at the request of the Municipality.

15 FORMALIZED RELATIONSHIP BETWEEN THE DEBT COLLECTION AGENCY AND THE ATTORNEY

15.1 A debt collection agency must have an attorney working for the agency or must have a formalized relationship with an attorney for handling of all legal matters arising from handover accounts and representing the Council in court.

15.2 The attorney must have a right to appear in High court and must submit a Certificate that they have a right to appear in the High court.

15.3 The relationship referred to above must be in the form of one of the following:

- 15.3.1 Consortium.
- 15.3.2 Partnership.
- 15.3.3 Joint Venture.

15.4 **Subcontracting is not allowed.**

16 WARRANTIES

16.1 The Attorney acting on behalf of the Newcastle Local Municipality warrants that it shall always be registered member of the LPC.

16.2 The Collection agency warrants that it shall always be a member of the Council for Debt Collectors.

16.3 **Should legislation be amended to include attorneys to be required to register and be member of the Council for Debt Collectors, such attorneys shall ensure immediate compliance with any statutory requirements.**

17 EXTENT OF CONTRACT

17.1 The Newcastle Local Municipality will not be obliged to provide the Bidder with pre-determined quota or any number of instructions during any given period.

17.2 **The Newcastle Local Municipality cannot guarantee the extent of the supply, or the volume of work to be carried out, as this tender comprises both assignment of specific tasks and ad- hoc allocations. Bidders must note that demand variations in the required services will dictate the volume and frequency of the work required.**

18 TERMINATION

18.1 The contract will terminate on completion of contract period or upon written notification by the Newcastle Local Municipality due to non-performance of the debt collector.

18.2 NO commission or fees will be payable in respect of any collection made or payment received after the termination date of contract, except on matters where the legal.

process have been initiated before the end of the contract, specifically the summons process and subsequent processes, thereafter regular progress reporting will be required and where no acceptable progress is not evident; the matter may be withdrawn with no further notice and expense to Newcastle Local Municipality.

18.3 The service provider will hand over all relevant material, progress reports and files in respect of unresolved matters on termination date.

18.4 Should the service provider fail to perform to the satisfaction of Council, and in terms of the service level agreement, the services of the said service provider may be terminated at the discretion of the Council. If terminated, all relevant documentation is to be handed back to the Newcastle Local Municipality and NO claims will be made against Newcastle Local Municipality in respect of outstanding arrangementcommissions, fees and / or costs.

18.5 In the event of termination due to failure to perform Newcastle Local Municipality reserves the right to re- allocate the hand-over files to appointed debt collectors based on performance and at discretion of the Director: Revenue Management, irrespective of appointed of service.

19 PROCESS AND CAPABILITY PROPOSAL

19.1 Bidders are required to submit full details on the following collection processes and capabilities:

19.1.1 Access to external debtor data information with clear distinction between.
Government, Provincial, Municipal and Private Sector data basis.
19.1.2 Proposed methodology to be applied in respect of Pre-Legal and Legal Process.
19.1.3 Legal capabilities.
19.1.4 Anticipated timeframes in respect of all collection processes.
19.1.5 Call Centre capabilities.
19.1.6 Availability of bidder enquiry staff within Newcastle Local Municipality area of jurisdiction.
19.1.7 Network and computer systems to be deployed.
19.1.8 Previous experience in debt collection matters.

19.1.9 Capacity, skills and experience.

19.1.10 Detailed proposal on composition of team specifically allocated towards this bid with relevant qualifications.

16. EVALUATION PROCESS (CRITERIA)

The bid shall be evaluated in four (4) stages as follows:-

Stage 1: Administrative compliance
Stage 2: Mandatory Requirements
Stage 3: Technical evaluation/ Functionality test
Stage 4: Objective criteria

Stage 1: Administrative compliance

The Municipality has prescribed minimum administrative requirements that must be met by the bidders, to determine if the bid qualifies to be recognized as an acceptable bid, for further evaluation. In this regard administrative compliance will be carried out to determine whether the bidder's bid comply with the set minimum requirements on administration.

- Water and lights account in the name of tendering entity
- Tax Status, CSD registration
- Verification if not listed under tender defaulters.
- Signing of MBD 1
- Declaration of interest – MBD 4

Stage 2: Mandatory Requirements

These are mandatory requirements. If a bidder does not comply with each of the mandatory requirements, the bid shall be deemed non-responsive. The bidder is requested to substantiate the specified capability of the equipment offered in response to these mandatory requirements. Failure to fully substantiate compliance or non-compliance to the recommended criteria will be regarded as non-compliance and will result in the bid shall be deemed non-responsive.

No	QUESTION	YES / NO		COMMENT
1.	Are you a registered with the Council of Debt Collectors – CDC or Associate Debt Recovery Agency - ADRA? Certificate supplied.			
2.	Do you have access to Credit Bureau Information?			
3.	Are you able to perform adverse listing on Credit Bureau?			
4.	Is your entity a legal firm/ or do you have a joint venture, partnership, or consortium with a legal firm? Attach the agreement.			
5.	Do you have a call centre with at least 15 staff or more? (attach organogram)			
6.	Do you have capable hardware, software, and server capacity to manage the revenue value chain?			
7.	Do you have a computer system to manage the debt collection process on behalf of Newcastle Local Municipality?			
8.	Do you have an IT system that can be compatible with the Newcastle Local Municipality IT System?			
9.	Do you have a call Centre and call recording infrastructure?			

Stage 3: Technical evaluation/ Evaluation test

Tenderers are required to meet a minimum **Quality Score of 70%** based on the criteria listed below. A score of **less than 70%** for Quality will render the tender non-responsive. The onus rests with the Tenderer to supply sufficient information to allow for evaluation and award of points detailed below.

Functionality Area	Prompts for judgement	Points Awarded	Max Score
Number of years' experience in projects of a similar nature. (**Debt collector)**	Experience should be for or including the dept collection. **Respondents must provide their clients signed and authenticated reference letter(s) and appointment letter(s)/ including the following information:** Contract periods (Start and end date), service provided, contact person, and contact number, information must be provided on the client's letter head with client's company stamp. 2 projects completed. 3 projects completed. 4 projects completed. 5 projects or more completed. **No point will be allocated if the bidder has less than two projects.**	5 points 10 points 15 points 20 points	20
Demonstrate tracing skills / proof of access to multiple credit bureaus for verification purposes to perform debtor tracing	Service provider must be familiar with Data Verification Systems that are able to verify debtors, trace and verify indigent status and the ability to authenticate data with broken or absent identity numbers, CRN, TRN Access to one credit bureau Access to two credit bureaus Access to more than three credit bureaus **Proof of access to verification databases (certification / letters)**	3 points 6 points 10 points	10
Electronic reporting on debtor's accounts handed over.	Reports availability SMS / Email sending capability. Attach demo proof of systems write up demonstration (as set out in the scope of work requirements) – systems capabilities. **Portfolio of evidence – screen shorts from the system**	5 points 5 points	10
Detailed Plan / Methodology	Two points per section identified in the methodology. including: - Per debtor type - Per area - High outstanding balances - Debtors employed by the state. - Other initiatives **To be scored on each of the criteria mentioned**	2 points	10
Eligibility to perform the following legal processes.	Eligibility to perform the following legal processes but not limited to: - Issuing of summons / letters of demand - Blacklisting - Attachment of movable assets - Sale in execution of immovable assets - Defended matters. Sequestration or liquidation proceedings Two points will be allocated per process. **Attach proof of each process or certification or registration with the relevant bodies e.g. law society)**	2 points	10

NB: Similar experience that will be considered, whereof (1000 accounts or more accounts handed over and worked on successfully). Client Reference Letters must stipulate, Number of accounts worked on, Description of services undertaken, Signed and Stamped.

EXPERIENCE OF KEY PROPOSED STAFF

The experience of assigned staff member in relation to the scope of work will be evaluated from three different points of view:

1) General experience, level of education and training and positions held of each operational area team leader.
2) The skills and experience of the assigned staff in the specific operational areas. Linked to the scope of work.
3) The key staff members' / experts' knowledge of issues which the tenderer considers pertinent to events eg. local conditions, legislation, techniques etc.

CVs of key Team Members not more than 2 pages each should be attached to this schedule: (define which CV's are required)

Each CV should be structured under the following headings:

Job Title	Minimum Qualification	Maximum Points	Number of Years' Experience Post Graduation
Contract Manager	Bachelor's degree in either Finance or Legal or Commerce or Management or Project Management.	10	Less than 5 years (5 points) More than 5 years (10 points)
Legal practitioner	1) Attorney Primary Law Degree 2) LPC certificate 3) Admission as an Attorney. 4) Must have a right to appear in High court.	20	Between 5 years and 10 years (10 points) More than 10 years (20 points)
Call Centre Agents	• Qualification: Minimum of Grade 12 or NQF level 4 equivalent • Experience: Minimum of 1-year experience as a Call Centre Agent.	10	2 points per call centre agent

Service providers that submitted acceptable bids and that score at least **70%** on functionality will qualify for enlistment on the panel agreement.

Please note that being on a panel does not mean a firm will automatically be awarded or allocated work or assignment.

Multiple service providers would be appointed to a panel agreement, therefore below indicated preferential scoring system will only be apply when sourcing quotations on rotational basis from the existing panel of qualifying professional service providers and thereon the acceptable/successful bidder will be required to execute the contract.

Stage 4: Objective criteria

In terms of Preferential Procurement Regulation 11 and section 2(1) (f) of the Preferential Procurement Policy Framework Act, the following are the objective criteria:

- The risk of fruitless and wasteful expenditure to Newcastle Local Municipality;
- The risk of Irregular expenditure to Newcastle Local Municipality;
- The risk of poor project and contract management on existing project with Newcastle Local Municipality;
- The risk of an abnormally low bid; and
- The risk of a material irregularity.

The Municipality reserves a right to apply objective evaluation criteria should the recommended bidder pose any of the above-mentioned risks after assessment, Newcastle Local Municipality after ascertaining sufficient information will not make an award to the bidder exposing the Municipality to one or more of the above-mentioned risks.

17. ELIGIBILITY CRITERIA

Bid offers will only be accepted if:

1. A valid Tax Compliance Status Pin and CSD Master Registration Number for verification;
2. The **Form of Offer** and **MBD 1 Form** is completed and signed;
3. Tenderer has a met the Local Production and Content and Mandatory requirements;
4. The bid must adhere to Pricing Instructions where the pricing schedule should be completed correctly and signed;
5. The bidder or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 person prohibited from doing business with the public sector;
6. The bidder has not:
   a. abused the Employer's Supply Chain Management System; or
   b. failed to perform on any previous contract and has been given a written notice to this effect;
7. The bidder has completed the Declaration of Interest and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process and persons in the employ of the state are permitted to submit tenders or participate in the contract;
8. The bidder is registered on the **Central Supplier Database;**
9. The bidder is not in arrears for more than 3 months with municipal rates and taxes and municipal service charges. The latest municipal account is to be attached. The statement must not be older than three months from the closing date of this tender. Alternatively, if the tenderer is currently leasing premises and is not responsible for the payment of municipal services, a copy of the Lease Agreement must be attached;
10. A Joint-Venture Agreement or Consortium, where applicable, is submitted with bid;
11. Prospective bidder comply with the requirements of the bid and technical specifications;
12. All returnable schedules are to be completed and all relevant certificates attached where indicated.

18. PRICING SCHEDULE

NOTE:

1. All delivery costs MUST be included in the bid price, for delivery at the prescribed destination.
2. Document MUST be completed in non-erasable black ink.
3. NO correction fluid/tape may be used. 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.
4. The Bidder MUST indicate whether he/she/the entity is a registered VAT Vendor or not.

- **In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.**

I / We ____

(full name of Bidder) the undersigned in my capacity as ______________________

of the firm ____

hereby offer to Newcastle Municipality to render the services as described, in accordance with the specification and conditions of contract to the entire satisfaction of the Newcastle Municipality and subject to the conditions of tender, for the amounts indicated hereunder:

	INDICATE WITH AN „X"									
Are you/is the firm a registered VAT Vendor	**YES**					**NO**				
If "YES", please provide VAT number										

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

19. SCHEDULE OF SIMILAR WORK EXPERIENCE OF THE BIDDER

Employer (Name, Tel, Fax, Email)		Contact person (Name, Tel, Fax, Email)		Nature of Work	Value of Work (Incl. Vat)	Date Completed
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if mores space is required.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)	

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	

20. SCHEDULE OF OMISSIONS AND VARIATIONS FROM THE SPECIFICATION

(To be completed by the Bidder)

Tenders will be held to be entirely in accordance with the Department's specification except in the respects stated hereunder and goods will be subject to rejection if it is found on delivery that it does not comply with the prescribed specification.

If the tender complies with the specification in all respects, the tenderer must state so here:-

NAME OF TENDERER (IN FULL):

NAME OF PERSON AUTHORISED TO SIGN THIS TENDER (IN FULL):

NAME OF TENDERER : ______________________________

SIGNATURE : ______________________________

DATE : ______________________________

PLACE : ______________________________

21. DECLARATION BY BIDDER

I / We acknowledge that I / we am / are fully acquainted with the contents of the conditions of tender of this tender document and that I / we accept the conditions in all respects.

I / We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of *my / our tender and that I / we elect domicillium citandi et executandi (physical address at which legal proceedings may be instituted) in the Republic at:

____

____

____

I / We accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving in me / us under this agreement as the principal liable for the due fulfilment of this contract.

I / We furthermore confirm I / we satisfied myself / ourselves as to the corrections and validity of my / our tender; that the price quoted cover all the work / items specified in the tender documents and that the price(s) cover all my / our obligations under a resulting contract and that I / we accept that any mistake(s) regarding price and calculations will be at my / our risk.

I / We furthermore confirm that my / our offer remains binding upon me / us and open for acceptance by the Purchases / Employer during the validity period indicated and calculated from the closing date of the bid.

Name of Bidder			
Signature		**Name (print)**	
Capacity		**Date**	
Witness 1		**Witness 2**	