



**RENDERING OF CREDIT CONTROL SERVICES,
METER READING AND REVENUE ENHANCEMENT
FOR GAMAGARA LOCAL MUNICIPALITY FOR
A PERIOD OF THREE (3) YEARS**

GM2024/115

BIDDERS NAME:		
CONTACT NUMBERS	Phone:	Fax:
CSD REGISTRATION NR	MAAA	
BBBEE STATUS LEVEL		
BID AMOUNT:	R (VAT inclusive)	

For Office Use Official 1: Official 2:	OFFICIAL STAMP <div style="border: 1px solid black; height: 150px; width: 100%;"></div>
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Mr. L Seetile
The Municipal Manager

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CHECK LIST FOR COMPLETENESS OF BID DOCUMENT

The bidder **MUST ENSURE** that the following checklist is competed, that the necessary documentation is attached to this bid document and that all declarations are signed:

1.	Completed page containing the details of bidder	Yes		No	
2.	Specifications & Pricing Schedules - Is the form duly completed and signed?	Yes		No	
3.	(MBD 2) Are a Tax Clearance Certificate or a Tax Compliance status pin attached	Yes		No	
4.	(Schedule 1 A) Authority Of Signatory - Is the form duly completed and signed?	Yes		No	
5.	(Schedule 1B) Enterprise Questionnaire -Is the form duly completed and signed?	Yes		No	
6.	(Schedule 1C) Documents of Incorporation - Is the form duly completed and signed?	Yes		No	
7.	(Schedule 1D) Payment of Municipal Accounts - Is the form duly completed and signed?	Yes		No	
8.	(Schedule 1E) B-BBEE certificate - Is the form duly completed and signed? Is a <u>certified or an original certificate attached</u>	Yes		No	
9.	(Schedule 1F) Key Performance Indicators- Is the form duly completed and signed?	Yes		No	
10.	(Schedule 1G)) Industry classification	Yes		No	
11.	(Schedule 1H)) Schedule of work experience of tenderer- Is the form duly completed and signed?	Yes		No	
12.	Quality Evaluation Schedules - Is the form duly completed and signed? Necessary references are attached.	Yes		No	
13.	Form of Offer - Is the form duly completed and signed?	Yes		No	
14.	Contract data - Is the form duly completed and signed?	Yes		No	
15.	(MBD 4) declaration of interest- Is the form duly completed and signed?	Yes		No	
16.	(MBD 6.1) Preference points claimed- Is the form duly completed and signed?	Yes		No	
17.	(MBD 8) Signed declaration of bidder's past supply chain management practices	Yes		No	
18.	(MBD 9) Prohibition of Restrictive Practices be completed and signed.	Yes		No	
19.	Bidder must initial every page of this bid document.	Yes		No	

CERTIFICATION

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

Signed

Date

Name

Position

GAMAGARA LOCAL MUNICIPALITY



BID NOTICE No: GM2024/115

RENDERING OF CREDIT CONTROL SERVICES, METER READING AND REVENUE ENHANCEMENT FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS.

Gamagara local Municipality hereby invites proposals from suitable experienced service providers for the RENDERING OF CREDIT CONTROL SERVICES, METER READING AND REVENUE ENHANCEMENT for Gamagara local Municipality on an as and required basis for a period of three (3) years

Tender documents can be downloaded for free from our website at www.gamagara.gov.za or on the e-tender portal www.etenders.gov.za

Sealed tender, marked "**TENDER NR: GM2024/115 RENDERING OF CREDIT CONTROL SERVICES, METER READING AND REVENUE ENHANCEMENT**", must be placed in the tender box at the Municipal Offices, Cnr Hendrick van Eck and Frikkie Meyer Road, Kathu not later than **10:00 AM** on **03 December 2024**, after which it will be opened in public at old council Chamber. Tenders may only be submitted on the prescribed official document.

The 80/20 preferential procurement system, as stated in the Gamagara Local Municipal Procurement Policy, will be used when considering tenders. The **two stage evaluation** process will be followed in evaluating this tender. Firstly it will be evaluated for functionality and thereafter for price and preference.

A Tax Compliance status pin as issued by the South African Revenue Service, must be submitted together with the tender and current/latest CSD summary report.

Council reserves the right not to accept the lowest or any tender. No faxes or E-mails will be accepted.

A compulsory briefing session will be held 07 November 2024 11:00 at Gamagara Local Municipality at the Kathu Main Office.

Technical enquiries relating to this tender should be addressed to Mr. A Makoku CA(SA) at Tel: +27 53 723 6000 e-mail: makokua@gamagara.gov.za and administrative enquiries should be forward to Josephine Nampa at Tel: +27 53 723 6000 email: nampaj@gamagara.gov.za.

MR. L Seetile
MUNICIPAL MANAGER
P.O. BOX 1001
KATHU
8446

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE GAMAGARA LOCAL MUNICIPALITY					
BID NUMBER:	GM2024/115	CLOSING DATE:	03 December 2024	CLOSING TIME:	10:00
DESCRIPTION	RENDERING OF CREDIT CONTROL SERVICES, METER READING AND REVENUE ENHANCEMENT FOR GAMAGARA LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS.				
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 (STREET ADDRESS

GAMAGARA LOCAL MUNICIPALITY
CNR HENDRICK VAN ECK AND FRIKKIE MEYER ROAD
KATHU
8446

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:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY		BE DIRECTED TO:	
		TECHNICAL INFORMATION MAY BE DIRECTED TO:	

DIRECTORATE	BUDGET AND TREASURY	CONTACT PERSON	Aobakwe Makoku
CONTACT PERSON	Josephine Nampa	TELEPHONE NUMBER	053 723 6000
TELEPHONE NUMBER	053 723 6000	FACSIMILE NUMBER	053 723 2021
FACSIMILE NUMBER	053 723 2021	E-MAIL ADDRESS	makokua@gamagara.gov.zg
E-MAIL ADDRESS	nampaj@gamagara.gov.zg		

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, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.

2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

YES ☐
☐ NO ☐

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

☐ YES ☐ NO

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

YES ☐

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

☐ NO ☐

3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

☐ YES ☐ NO

YES ☐

☐ NO ☐

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

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

SIGNATURE OF BIDDER:
CAPACITY UNDER WHICH THIS BID IS	
SIGNED:
DATE:

GAMAGARA LOCAL MUNICIPALITY

2. TERMS OF REFERENCE / SCOPE OF SERVICE

Appointment of a service provider / vendor for the rendering of a Credit Control Services for a period of three (3) years.

Included in the scope of work (not limited to): -

Data Management, Revenue Protection, Verification, Disconnections, Replacement and reporting of faulty water and electricity meters. Addressing of Illegal and Tempering of related infrastructure in accordance with the municipal policies, verification / auditing of consumer data.

Each proposal will be evaluated according to the criteria established by the municipality for the selection of professional services. GLM reserves the right to reject or deny applications that do not meet the requirements that appear in this tender. The Technical Criteria provides the information required from each of the vendors and all supporting documents including certified proof of qualifications and registrations with relevant regulatory bodies.

The price for this tender will only be considered after shortlisting vendors who meet the Technical Evaluation criteria.

1. PURPOSE

The purpose of these Terms of Reference (ToR) is to guide the appointment of well-Established **Service Provider** to assist the Local Municipality to render and sustain a complete **Revenue Enhancement Service** to improve **Revenue Collection and Service Delivery** consisting of the following aspects:

- 1.1. Credit Control and collection;
- 1.2. Revenue Protection;
- 1.3. Development and Maintenance of the Indigent Management System

The Project shall be for a Period of three (3) Years and will focus on Revenue Enhancement and the financial stability of the Municipality as well as the protection of revenue by ensuring the implementation of good practices and innovations.

Tenderers who are registered with the CIDB in a contractor grading designation of minimum **5EP/CE Class of electrical construction work** and **5EP/CE Class of civil construction work** are eligible to submit tenders for delivery of final demands, restrictions/disconnections, reconnections, audit. Quality control and inspection of the **electricity supply and water services** portion of the works.

The required grading for the electrical and the water services supply portion are a disqualification criterion if not met.

The bidder must have the following insurance covers: Contractors all risk business insurance cover R10million and Public Liability Cover of R10million and non-inclusion will result in a disqualification of the bidder.

2. STRATEGIC OBJECTIVES OF THE PROJECT

The strategic objectives of this project are to introduce innovative systems and manage all processes and procedures supported by customized software (system must be able to integrate with the Gamagara Integrated System) for:

- 2.1. The operational management of credit control processes (all accounts included), procedures and

field actions as well as the appointment, management and performance of the field actions.

- 2.2. Provide required and targeted assistance with billing by sending out account balances as well as reminders of the due date, pending credit control actions, etc. (SMS).
- 2.3. Render Professional Services to assist with the following: (This must fall under reporting)
 - 2.3.1 Debt book analysis in terms of collectability
 - 2.3.2 Arrears Collection Strategy and relevant by-laws
 - 2.3.3 Administration capacity enhancement
 - 2.3.4 Integration of processes information. ...
 - 2.3.5 Pre-Collection Processes
- 2.4. Data assessment and financial profiling to enhance revenue by implementing the following:
 - 2.4.1 Affordability studies to determine collectability of arrears versus cost to collect
 - 2.4.2 Data enrichment of the debtor's personal information
 - 2.4.3 Customer data base management
 - 2.4.4 Assurance of an all-inclusive tax base via stand data verification processes
 - 2.4.5 Develop a communication and capacity building programme to assist the Municipality with the revenue enhancement and revenue protection program
 - 2.4.6 Protect the revenue of the Municipality by doing the following:
 - 2.5.6.1 Meter Reading including managing exceptions as and when required and instructed by the municipality.
 - 2.5.6.2 Installation and maintenance of water securing devices & secure electrical enclosures on an as and when required.

3. SCOPE OF WORK (CREDIT CONTROL)

The scope of work will cover the following main items, but may not be limited to these items:

- 3.1. Operational management of credit control processes, procedures and field actions. The Service Provider should have all the resources and materials including, but not limited to discharge or execute the Credit Control Functions in line with the Credit and Debt Control Policies.
 - 3.1..1. Sending notifications to customers whose accounts are in arrears.
 - 3.1..2. The Delivery of Final Notices for accounts in arrears (all account types)
 - 3.1..3. Setting up an on-site operating office for the management of all credit control interventions.
 - 3.1..4. Implementing a management system to enforce policies, manage resources and different levels of work allocations effectively and efficiently.
 - 3.1..5. Maintaining the relevant databases required for all actions to ensure data integrity.
 - 3.1..6. Execute credit control actions according to the approved technical specifications, with the use of devices for all actions which may include among others the following.
 - 3.1..6.1. Delivery of Final Demand Notices with photographic and GPS coordinates
 - 3.1..6.2. Electricity Disconnection Level 1: Instructions to disconnect the supply cable from the breaker, bent and seal it with a cable-tie and a proper seal.
 - 3.1..6.3. Electricity Disconnection Level 2: The circuit breaker is removed, properly tagged and securely stored for when reconnection is required.
 - 3.1..6.4. Remove installation permanently: This action requires the removal of the electricity supply cable.

- 3.1..6.5. Water Restriction: An instruction to restrict the water to a residential consumer with a flow-restricting device.
- 3.1..6.6. Water closure: An instruction to close the water supply to a business and install a securing device.
- 3.1..6.7. Delivering Final Notices & Illegal Consumption Inspections (ICI's), using devices with photographic evidence. Information must be kept and uploaded electronically. If found tampered, a follow up credit control action should be scheduled automatically.
- 3.1..7. Setting up direct communication links between the operating office system and the Municipality's financial debtor system at their own cost.
- 3.1..8. Training, instructing and managing technicians for credit control related tasks for skill transfer.
- 3.1..9. Managing daily schedule of work.
- 3.1..10. The successful service provider must be able to work after hours and during public holidays as and when the need arises.
- 3.1..11. Monitoring field operations.
- 3.1..12. Compliance with Service Level Agreements.
- 3.1..13. Quality Control (administrative, technical, inspecting, testing, field action inspections)
- 3.1..14. Daily real time recording and capturing of field information.
- 3.1..15. Establish and operate a project store, with minimum inventory levels, for water restrictions, water fitments, electrical wires, cables, circuit breakers, job cards, etc., especially for audit purposes.
- 3.1..16. Coordinate progress meetings at different levels.
- 3.1..17. Reporting on agreed intervals.
- 3.1..18. Executing ad-hoc service delivery related tasks, including functions in terms of Agreements on the Service delivery Process
- 3.1..19. The management of unsuccessful actions where credit control actions could not be performed and where meter readings cannot be obtained by the meter readers, by technically rectifying and marking the identified services installations.
- 3.1..20. Contribute towards implementation of the By-Laws enforcement processes.
- 3. 1..21. Investigate and implement remedial actions in line with the applicable municipal By-Laws where meters are illegally tampered with and consumption indicated as exceptions by a predetermined ratio
- 3.1..22. Management of Final Readings and New Service Agreements in the following manner:
 - 3.1..22.1. Discontinuation of the applicable service.
 - 3.1..22.2. Take water readings
 - 3.1..22.3. Attach service termination notice
 - 3.1..22.4. Reconnection of services
 - 3.1..22.4 hand-over unpaid accounts to the debt collectors for debt collection to the Municipality appointed collector attorneys.

3.1.23 **Traffic Collection**

- 3.1.23.1 The Service Provider must include in their proposal, the detailed proposal for Traffic Collection and Summons.

3.1.23.2 The Service Provider must have personnel and proof of such personnel who have been trained to serve summons. Their qualifications and proof of Experience must be included.

3.2. Use a software system to the Municipality's debtor system to send monthly billing statements balances electronically to consumers and reminders of the due date. The service provider must propose to the Municipality how the software will be procured (by the Municipality) on a lease to own arrangement. See Required Functionality of the Software system under 3.13 below

3.3. Render additional Professional Service/s on an as and when required basis but not limited to Debtors book in terms of collectability and suggested write offs, arrears Collection strategy and relevant by-laws, Implementation of Credit Control and Debt Collection Policies and Pre-collection processes.

3.4. Data Enrichment and Financial Profiling

3.4..1. Collectability Study

Provide an online system whereby the Municipality can determine the risk to pay for services rendered and implement measures such as the installation of pre-paid water meters. It is also used to determine collectability of arrears versus cost to collect.

3.4..2. Data enrichment of the debtor's personal information

This process entails the process of extracting detail from the Debtor's Management System and uses the **validated** ID Number to obtain the following:

3.4..2.1. Recent Contact Numbers – Home/work and cell phone number

3.4..2.2. Addresses – postal and physical (*not necessarily the same physical address as stated in the FMS of the Municipality*)

3.4..2.3. Mortality status

3.4..2.4. Possible Indigent

3.4..2.5. Liquidated/Insolvent debtor's

3.4..3. Continuous Customer Data Base Management

After data enrichment the data base should be managed and maintained by verifying all accounts on a monthly, quarterly, bi-annually or annually basis to check for change such as deceased, status of the company or cell phone numbers.

3.4..4. Geo-Spatial Stand Audits (work with municipal Valuers)

Verify/confirm all Services, Property and Customer info in relationship to all services /ownership data. Engagement and formalisation of the tribal authority areas, and formal survey of the current status quo with regard to the allotments of land submission to the Office of the Surveyor General.

This entails the following key elements:

3.4..4.1. Use of a spatial system that is web based
Live dashboards and reporting tools to be used by the municipality

3.4..4.2. during data
verification

3.4..4.3. Physical inspection of meter installations

3.4..4.4. Use of handheld technology to enable real time reporting

3.4..4.5. Analyse field findings to the billing data

3.4..4.6. Validate & Provide customer data to the billing system

Updated, accurate customer details and property information in the
3.4..4.7. billing
system

3.5. Field Information:

A stand number where possible will be used to conduct an in depth investigation whereby the Owner's detail, stand usage, municipal services, meters location, number and readings are confirmed. The meter detail is to be recorded as well as an inspection of the meter/installation. A photograph to confirm condition of the meter must be taken for record purposes. In addition to the already mentioned, also include the detection and reporting of unmetered supply and unknown/unread meters as well as the GPS co-ordinates of the installation.

The commencement of the stands audit will be on a piecemeal basis (area by area), and the service provider will execute the audits upon instructions from the municipality.

3.6. Meter reading

Execute Meter Reading including managing exceptions as may be instructed by the Municipality for monthly billing of metered services.

3.6. Maintenance and repair of metered services installations

3.6..1. Where applicable and when authorised by the CFO/or his delegate, provide additional capacity to the municipality for the maintenance and repair of metered services installations to the following:

- 3.6..1.1. Water meters – Conventional and pre-paid
- 3.6..1.2. Electricity – Conventional and pre-paid
- 3.6..1.3. Install water and electricity meters

3.7. Tamper detection and solutions

3.7..1. Supply water restriction and adjustment securing devices

3.7..2. Solutions for secure enclosures for electricity installations

3.7..3. Where applicable and when authorised, procurement of infrastructure related meters & material based on the specifications of the municipality

3.7..4. Activate the temper devices on the meters that have that capacity

3.8 The Service Providers personnel **must** be qualified as Artisans for Water processes and Electricity and in possession of certificates of **Plumbing (For Water)** and **Red Seal/Trade Test (For Electricity)**.

The Service Provider **must** have in his possession, one personnel in possession of a **Wireman's Licence** and/or such the Service Provider **must** be registered with the Department of Labour. **Proof of Certification and proof of registration with affiliated bodies for Debt Collection (council for debt collectors), must be provided for individuals to work in the roles and for the company itself.**

3.9 Supply and Maintenance of a Workflow Management System

The Service Provider/ Successful Tenderer shall supply a work flow management system that manages the entire credit control, debt collection process as well as the revenue protection process. The core system must be able to generate and report on all revenue enhancement and revenue protection related tasks and results and will manage the entire process. The system must be web based.

REQUIRED FUNCTIONALITY OF THE WORKFLOW MANAGEMENT SOFTWARE/SYSTEM	STATEMENT OF COMPLIANCE (YES/NO)
The system must be a web-based work flow management system. The system must also be a singular system working off a single database	
Schedule various credit control actions according to the approved Credit Control Policy. This will include, but not limited to electricity/ water restrictions/ disconnections/normalisations, illegal consumption inspections as well as other ad hoc actions	
Must be seamlessly integrate with other systems e.g. billing system to obtain arrears and payments data and to transfer credit control levies upon successful completion of actions, prepay services management system and services network management systems. (Integration can be achieved with the transfer of data in various formats, including .csv format)	
The system should verify payment status on an account before physical credit control or debt collection actions are performed.	
Information must be kept and uploaded electronically to the municipal billing system and must seamlessly communicate with the municipal system	
Reporting must be real time and the system must be hosted on the Municipality's intranet so that it is easily accessible but must also be available on the internet should the municipality wish to access it after hours. The system must be accessible from various platforms i.e. desktop (via fixed line), cell phone, 3G/4G	
The software should have strict security measures in place linking people to roles and then to certain rights such as reports and reconnections. High security is an absolute requirement.	
The system must be flexible i.e. able to handle ad hoc and special requests by the municipality.	

Ability to send account information, to consumers regarding their account status (credit control -, notification that consumer is in arrears etc.), messages to the public about any issue (campaigns, request to apply as an indigent etc.). The system should allow for two-way communication and tracking of communication with consumers.

The system must easily integrate with GIS system of the municipality

Management and reporting on accounts handed over for debt collection to the municipality appointed attorneys.

Management of actions which could not be performed and need intervention from the municipality.

REQUIRED FUNCTIONALITY OF THE WORKFLOW MANAGEMENT SOFTWARE/SYSTEM	STATEMENT OF COMPLIANCE (YES/NO)
The system must keep track of all actions for a consumer since entering the credit control process and have a full audit trail of activities.	
The system must allow for the printing of notices and the uploading of information from devices they are using on an online basis. (Specify type of device used)	
Must allow for the functionality to record material used i.e. removal of devices for stock control purposes, etc.	
<p>To assist Municipal staff to electronically instruct a services reconnection as well as the system to send this message to the field contractor automatically</p> <p>Provide real time reports on the rand value of the reaction for the consumer for cash and separately for instalment/ arrangement for each of the following:</p> <ul style="list-style-type: none">• The number of consumers reacting to the Notices as well as the rand value of the reaction and the levies billed.• The number on consumers reacting to different levels of electricity/ water restriction/disconnection actions as well as the monetary value of this reaction and the levies billed.• The number of consumers reacting to the Ad Hoc actions as well as the monetary value of this reaction and the levies billed• The total rand value of all the reactions	

Comments:_____

Signature of the bidder:_____

4.SCOPE OF WORK (FOR DEVELOPMENT, SUPPLY, INSTALLATION AND MAINTENANCE OF AN INDIGENT MANAGEMENT SYSTEM)

- 4.1. To design and develop an indigent management system that will be able to register, verify and conduct third-party screening applications for indigent.
- 4.2. The system must be able to capture, upload (images, documents) and process applications.
- 4.3. Comply with **national Indigent register** as required by **Cooperative Governance and Traditional Affairs (COGTA)** from all spheres.
- 4.4. The system must be able to generate reports for the indigent management office.
- 4.5. The system must comply with Gamagara Local Municipality Indigent management process/workflow and policy.

5. OVERVIEW OF INDIGENT MANAGEMENT SYSTEM REQUIREMENTS

The design and development phase must be able to fulfill the following functions:

- 5.1 The system must be able to search new and current application status anytime.
- 5.2 The system must be used to produce automated reports on a monthly, quarterly and annual basis.
- 5.3 Generate reports that will be sent to the approval committee for review of applications received and that will undergo approvals and disapprovals.
- 5.4 Send notifications to applicants about their applications status and re-evaluation processes.
- 5.5 Uploading of documents and images to the system.
- 5.6 Send communication to applicants about the outcome of their application.
- 5.7 The system must be able to create a reliable Indigent Register database.
- 5.8 The system must be able to import and export files in formats required by the municipality.
- 5.9 The system must be able to execute the whole Indigent management process.
- 5.10 The system will be used to generate site inspection for verification of households and allow third-party screening of applicants and household members. Third party screening will include and not be limited to the Department of Labour, Home Affairs, South African Social Security Agency and Credit Bureau.
- 5.11 The system must be able to integrate with Gamagara Local Municipality Local Municipality's financial system.
- 5.12 Gamagara Local Municipality Local Municipality will host the system in its Data Centre.
- 5.13 The system must be able to generate outcome letters i.e. inform the applicant of the decision taken from the evaluation committee.
- 5.14 The system must be techno savvy, accessible to both computers and smart devices/phone.
- 5.15 Generate acknowledgement letters after applications, i.e. provide proof to applicant after he/she is been registered.
- 5.16 The system must be able to operate on a manual mode if the network is down.
- 5.17 The system must have levels of registrations included to eliminate inaccuracies during registration and must have prerequisite fields that may need required information before the application is complete

6. USER ROLES (Indigent Management System)

The system must allow for overlapping functionality for appointed users and management:

- 6.1 Allow information edit function i.e. (edit information incorrectly captured into the system).
- 6.2 Allow edit of uploaded documents captured into the system.

6.3 Secure access.

6.4 Search indigent management database.

7. SPECIAL CONDITIONS (Indigent Management System)

7.1 Gamagara Local Municipality will own the Indigent Management System.

7.2 Software licensing and all associated rights to the developed system must be known upfront.

7.3 Gamagara Local Municipality will provide the virtual machine infrastructure for the Indigent Management System.

7.4 The Indigent Management System will be hosted at Gamagara Local Municipality Data Centre.

7.5 Reports must be exportable into a Portable Document Format (PDF), Excel, and Word.

7.6 The service provider to quote for bulk information distributor format eg mms, email sms facility.

7.7 Formal training and skills transfer to Gamagara Local Municipality staff.

8. AUDIT TRAIL AND REPORTS

8.1 The solution must provide detailed audit trails, and reports must be generated. The solution must keep track of the 'who', 'what' and 'when' of the following:

- New Registrations.
- Renewal Registrations.
- Cancellations.
- Updates to existing content.
- Deletions.
- Approvals.
- Disapprovals.
- Outcome Letters

8.2 The solution must generate comprehensive usage which will include the following:

- Browsers being used for devices.
- Operating systems been used by devices.
- Geographic location
- Duration of new registrations and current registrations status and period.

9. REPORTING

The Municipality (and its various departments) must be updated on a regular basis of any development requiring action or attention by the municipality. Such updates include:

- 9.1 Successful and unsuccessful actions
- 9.2 Accounts referred for follow up actions
- 9.3 Report on levies, cash and arrangements
- 9.4 Reports on debt recovered
- 9.5 Executive overview and critical aspects of the project
- 9.6 Quantity of all credit control actions received and executed.
- 9.7 Number of debt collection actions executed
- 9.8 Revenue Protections report on all activities.
- 9.9 Stock Level report: Stock information per item of start quantities, issued, received and stock balance
- 9.10 Ward based breakdown of consumer consumption patterns (A map plus a report is required).
- 9.11 Four (4) projects files to be kept up to date
- 9.12 Attend Steering Committee meetings
- 9.13 Provide secretariat function at all meetings
- 9.14 Render Professional Services to assist with the following: (This must fall under reporting)
 - 9.14.1.1 Debt book analysis in terms of collectability

- 9.14.1.2 Arrears Collection Strategy and relevant by-laws
- 9.14.1.3 Administration capacity enhancement
- 9.14.1.4 Integration of processes information.
- 9.14.1.5 Pre-Collection Processes
- 9.14.1.6 Any other report requested by the Municipality

10. OFFICE SPACE

- 10.1 The Successful Service Provider will be expected to establish an Operations Centre **on site** at the MUNICIPALITY premises, which must be fully functional within 60 days from date of award. The Operating Office must set up, establish and implement a fully functional customer care centre, equipped with telephone lines and computers.
- 10.2 The total cost to establish the centre, furniture, telephones, equipment, staff and any other resources will be borne by the Service Provider.
- 10.3 The facility will be handed over to the municipality upon completion of the contract. Notwithstanding the above, the service provider will be expected to commence with the project immediately after appointment.

11. FACILITIES AND EQUIPMENT REQUIREMENTS

All facilities, equipment and consumables are to be provided by the Successful Service Provider at his own office on his own costs, including but not limited to:

Computer workstation(s) suitable to handle the data and communication volumes required.

11.1 Laptop 15 Inch Specifications:

The laptop must have the following minimum specifications:

- Operating System: Windows 10 Pro 64
- Processor: Intel Core i5-8130U Processor
- Memory: 4GB DDR4 2400MHz SODIMM
- Internal drive: 500GB Hard Disk Drive, 7200rpm, 2.5", SATA3
- Optical drive: USB 2.0 DVDRW
- Display: 15.6 HD (1366x768) Antiglare Non-Touch
- Camera: 720p HD Camera with MIC
- Wi-Fi wireless LAN adapters: Intel Dual Band Wireless AC(2x2) 8265, Bluetooth
- Intel HD Graphics 610
- TPM Setting: Hardware dTPM2.0 Enabled
- USB Calliope Mouse Black
- Warranty (Parts-Labour-Onsite): Years (3-3-3)
- Laptop Bag

11.2 Desktop Specifications:

The fully assembled desktop computer must have the following minimum specs:

- Operating system: Windows 10 Pro 64
- Processor: Intel Core i5-6100 Processor
- Form Factor: Micro Tower
- Memory: 4GB DDR4 2400 UDIMM
- Internal drive: 500GB Hard Drive, 7200 RPM, 3.5", SATA
- Integrated Graphic Card
- Integrated Ethernet

- Internal Speaker
- Chassis Intrusion Switch
- On-board Graphics, Audio and LAN
- USB Traditional Keyboard Black
- USB Calliope Mouse Black
- 18.5 inch LED Monitor (VGA, 1366x768)
- Warranty (Parts-Labour-Onsite): Years (3-3-3)

11.3 Communication equipment to establish data communication with the Municipality for the required import, export and validation of information into the financial system.

11.4 Digital/Laser Printers for the printing of instructions and/or notices such as the Final Notices, disconnection notices etc

11.5 Desktop Printer Specification (Black & White):

The mono laser printer must have the following minimum specifications:

- Print speed black: Up to 30 ppm
- Print quality black (best): Up to 600 x 600 dpi
- Duty cycle (monthly, A4): Up to 25 000 pages
- Connectivity: Hi-Speed USB 2.0 port, IEEE 1284-compliant parallel
- Memory, maximum: 16 MB
- Warranty (Parts-Labour-Onsite): Years (3-3-3)

11.6 Desktop Printer Specification (Multifunction):

The multifunction (print/copy/scan) laser printer must have the following minimum specifications:

- Print speed black & colour: Up to 18 ppm
- Print quality black & colour (best): Up to 600 x 600 dpi
- Duty cycle (monthly, A4): Up to 30 000 pages
- Scanner type: Flatbed, ADF
- Scan resolution, optical: Up to 1200 x 1200 dpi
- Copy speed black & colour: Up to 18 cpm
- Copy resolution black & colour: Up to 600 x 600 dpi
- Connectivity: Hi-Speed USB 2.0 port, Fast Ethernet 10/100Base-TX network port
- Memory, maximum: 256 MB
- Warranty (Parts-Labour-Onsite): Years (3-3-3)

11.7 Appropriate vehicles, equipment (Including GPS's and Hand-Held devices) and tools at own costs.

11.8 Vehicles and staff to be clearly marked/identifiable.

11.9 All meter related fittings to be used must be approved by the Municipality to ensure they are in line with the existing network of the municipality

12. TECHNICAL EVALUATION CRITERIA

12.1 The evaluation criterion for measuring functionality, and the scoring attached to each criterion is listed in the table below.

12.2 This is done to determine the ability of each bidder to successfully execute the contract according to specification Failure to score the minimum of 70 points out of 100 will lead to noncompliance and the bidder will be rejected after this phase and not continue for price scoring.

12.3 If any total minimum score for any of the 8 criteria below is a score of zero, the tender will be rejected, evif the required 70 out of 100 points is achieved.

Technical Evaluation Criteria		
No	Description	Weighting
1	<p>Company Experience : (Submit appointment letter/s from the Municipalities indicating value and duration) Similar work executed from the Municipalities – Credit Control, Revenue Enhancement, Indigent Management.)</p> <ul style="list-style-type: none"> – 1 to 2 appointment letters = 2 points – 3 to 4 appointment letters = 4 points – 5 to 6 appointment letters = 6 points – 7 to 8 appointment letters = 8 points – 9 to 10 appointment letters = 10 points 	10
3	<p>Infrastructure and Resources: The operational centre must contain all the facilities and equipment (invoices for proof of ownership). eNatis docs for vehicles. required Vehicles (Provide proof of ownership or lease rental of minimum 3 years)</p> <ul style="list-style-type: none"> 4 Leased Vehicle = 2 points 4 Owned Vehicles = 4 points <p>Computer Equipment</p> <ul style="list-style-type: none"> – 2 Computer = 2 point – 3 – 4 = 3 points – 5 and above = 4 points <p>Digital/Laser Printer</p> <ul style="list-style-type: none"> – 2 Laser = 2 point – 3 – 4 = 3 pints – 5 and above = 4 points <p>Devices (compatible)</p> <p>Hand held</p> <ul style="list-style-type: none"> – 2 device = 2 point – 3 – 4 = 3 pints – 5 and above = 4 points <p>Cherry picker ownership</p> <p>Ownership = 4 points Rental agreement/intent = 2 points</p>	20

4	Financial capability/viability – bank rating – Bank rating C = 5 point – Bank rating B = 10 point – Bank rating A =15 points	15
5	Key Personnel Contract Manager/Supervisor - Engineering Council of South Africa certificate = 10 -Plumber with plumbing Trade Test Certificates 1 =2 2 =4 3 and above =5 - Electrician with red seal 1 =2 2 =4 3 and above =5 - wireman with certificate 1 =5	25
6	CIDB in a contractor grading designation of minimum 5EP/CE Class of electrical construction work	10
7	CIDB in a contractor grading designation of minimum 5EP/CE Class of water services construction work	10
8	Council for Debt Collectors for BOTH company and directors	10

13. PRICING SCHEDULE (CREDIT CONTROL AND REVENUE ENHANCEMENT) 13.1

Project Management

13.1.1 Final Notice Delivery by hand

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT)
Final Demand Notice	Urban/ Residential		
	Rural Areas, Small Holdings and Farms		
	Business		
Valid unsuccessful visits to premises (demolished buildings, invalid addresses etc.			

13.2 Electricity

13.2.1 Urban – Residential

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Disconnection	Disconnection of service with credit type / prepaid meter.		
Reconnection	Reconnection of service with credit type / prepaid meter.		
Removal of Installation Permanently (RIP)	Overhead to premises		
	Underground cable to premises		
	Underground reticulation		
Restoration of Supply	Overhead to premises (labour only)		
	Underground cable to premises (labour only)		
	Underground reticulation (labour only)		
	Underground reticulation 3 phase (labour only)		
ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE ACCOUNT (EXCL. VAT) – AFTER HOURS
Illegal Consumption Inspection (ICI) Ground Mounted DU	Electricity only		

Illegal Consumption Inspection (ICI) Aerial Mounted DU	Electricity only		
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Ad Hoc Client Investigation Request			
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13.2.2 Rural – Small Holdings/ Farms

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Disconnection	Disconnection of service with credit type / prepaid meter.		
Reconnection	Reconnection of service with credit type / prepaid meter.		
Removal of Installation Permanently (RIP)	Overhead to premises		
	Underground cable to premises		
	Underground reticulation		
Restoration of Supply	Overhead to premises (labour only)		
	Underground cable to premises (labour only)		
	Underground reticulation (labour only)		
	Underground reticulation 3 phase (labour only)		
Illegal Consumption Inspection (ICI) Ground Mounted DU	Electricity only		
Illegal Consumption Inspection (ICI) Aerial Mounted DU	Electricity only		
Ad Hoc Client Investigation Request			

13.2.3 Business

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Disconnection	Disconnection of service with credit type / prepaid meter.		
Reconnection	Reconnection of service with credit type / prepaid meter.		
Removal of	Overhead to premises		

Installation Permanently (RIP)	Underground cable to premises		
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	Underground reticulation		
Restoration of Supply	Overhead to premises (labour only)		
	Underground cable to premises (labour only)		
	Underground reticulation (labour only)		
	Underground reticulation 3 phase (labour only)		
Illegal Consumption Inspection (ICI) Ground Mounted DU	Electricity only		
Illegal Consumption Inspection (ICI) Aerial Mounted DU	Electricity only		
Visits	Task not completed with reason		
Ad Hoc Client Investigation Request			

13.3 Water

13.3.1 Urban – Residential

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Flow reduction (15-20mm)	Install restrictive device (labour only)		
Activate Flow reduction mode	Install restrictive device (labour only)		
on prepaid (15-20mm)			
Normalise flow	Remove restrictive device (labour only)		
Illegal consumption Inspection (ICI)	Water only		
Visits	Task not completed with reason		
Ad Hoc Client Investigation Request			

13.3.2 Rural – Small Holdings/farms

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Flow reduction (15-20mm)	Install restrictive device (labour only)		
Activate Flow reduction mode on prepaid (15-20mm)	Install restrictive device (labour only)		
Normalise flow (15-20mm)	Remove restrictive device (labour only)		
Illegal Consumption Inspection (ICI)	Water only		
Visits			
Ad Hoc Client Investigation Request			

13.3.2 Business

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Closure of Water (15 40mm)	Install restrictive/securing device (labour only)		
Normalise flow (15 - 40mm)	Remove restrictive/securing device (labour only)		
Closure of Water (50 100mm)	Install restrictive/securing device (labour only)		
Normalise flow (50 - 100mm)	Remove restrictive/securing device (labour only)		
Illegal consumption Inspection (ICI)	Water only		
Visits			

ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Ad Hoc Client Investigation Request			

13.4 Management of Unsuccessful Actions: Non-Technical and Technical Actions

ACTION TYPE	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Non-Technical Intervention - (address-, meter detail incorrect, address not found etc.)		
Technical Intervention - (Field Visit and report)		
Restoration and/or normalization of meters and installations		
Ad Hoc Client Investigation Request		

13.5 Management of Final Readings and New Service Agreements

ACTION TYPE	DESCRIPTION	RATE PER METER (EXCL. VAT)	RATE PER METER (EXCL. VAT) – AFTER HOURS
Electricity/ Water meter readings	Take final/new water meter readings and attach notice		
(Water) Urban /Residential accounts			
Shut off Isolation Valve	Install restrictive device (Labour only)		
Normalise flow	Remove restrictive device		
(Water) Rural Areas, Small Holdings and Farms			
Shut off Isolation Valve	Install restrictive device (Labour only)		
Normalise flow	Remove restrictive device		
(Water) Business accounts			
Shut off Isolation Valve (15 - 40mm)	Install restrictive/securing device (Labour only)		
Normalise flow	Remove restrictive/securing device		
Shut off Isolation Valve (50 - 100mm)	Install restrictive/securing device (Labour only)		
Normalise flow	Remove restrictive/securing device		
(a) Electricity – Urban Residential			(b)

Disconnection	Disconnection of service with credit type / prepaid meter.		
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ACTION TYPE	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Reconnection	Reconnection of service with credit type / prepaid meter.		
(c) Rural – Small Holdings/ Farms			(d)
Disconnection	Disconnection of service with credit type / prepaid meter.		
Reconnection	Reconnection of service with credit type / prepaid meter.		
(e) Electricity Business			(f)
Disconnection	Disconnection of service with credit type / prepaid meter.		
Reconnection	Reconnection of service with credit type / prepaid meter.		

14. MANAGEMENT OF THE BY-LAW PROCESS WHERE ILLEGAL CONSUMPTION IS DETECTED

ACTION	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)
Site Visit	Verify information and establish condition status of the network installation and meter	
Case Docket	Compiling a case file comprising of all necessary evidence documentation	
All other related actions	Disconnections/Restrictions	

15. CREDIT CONTROL DEBT COLLECTION

ACTION	DESCRIPTION	RATE PER ACCOUNT (EXCL. VAT)	RATE PER ACCOUNT (EXCL. VAT) – AFTER HOURS
Physical delivery of Rental Demand notice	Fee to the owner of a property or sending via post a written Final Demand message for a consumer renting a property from the owner. Notice sent to Section 28 of the MPRA to demand the payment of the rent of the property to Council in the case where the owner did not pay his Rates account		
Monthly rental and maintenance	Workflow Management system		

Site inspection (to premises to confirm any information)	Physical visit to a property to collect information		
Fee for processing the blocking of sale of prepaid electricity on the prepaid system			

16. PROFESSIONAL SERVICES

SERVICE OFFERING	RATE PER HOUR (EXCL. VAT)	RATE PER HOUR (EXCL. VAT)
Debt Book Analysis ito Collectability		
Administration Capacity enhancement		
Integration of processes information		
Admin/Data Capturer		
Verification of Indigent Status		
Quarterly Site Audit of Prepaid Water Meters (1000– 25 000) customers and Reporting		
Quarterly Site Audit of Electricity Prepaid Meter Installations and Reporting – 1 000 to 25 000		
Site Audit of Conventional Water Meter Status and Reporting		
Site Audit of Conventional Electrical Meter Status and Reporting		
Audit of Business / Industrial Consumptions (Water) and Reporting		
Audit of Business / Industrial Consumptions (Electrical) and Reporting		

16.1 Data Enrichment and Financial Profiling: Data Cleansing – All Accounts on the Billing System

SERVICE OFFERING	PER ACCOUNT (EXCL. VAT)
Affordability Study per account holder (ID number)	
Debtor's Personal Information per accounts holder (ID number)	

16.2 Data Enrichment and Financial Profiling: Continuous Customer Data Base Management – All Account on the Billing System

SERVICE OFFERING	PER ACCOUNT (EXCL. VAT)
Extract all data on Debtor system to identify deceased persons & Companies in liquidation – per account	

17. DEVELOP A COMMUNICATION AND CAPACITY BUILDING PROGRAM

DESCRIPTION	RATE PER HOUR (EXCL. VAT)
Develop a comprehensive Communication Strategy and Roll-out Plan in conjunction with the Municipality	
Planning, Facilitate and Execute Campaigns (hiring of equipment, distribution of pamphlets etc.)	

18. REVENUE BILLING AND PROTECTION

18.1 Meter Reading

DESCRIPTION	RATE PER METER (EXCL. VAT)	(H) RATE PER METER (EXCL. VAT) – AFTER HOURS
Workflow Software system		
Meter Reading & Reporting – Electricity - Urban		
Meter Reading & Reporting - Electricity – Rural		
Meter Reading & Reporting – Water - Urban		
Meter Reading & Reporting– Water - Rural		
Reading & Reporting of Bulk Electricity Meters		
Reading and Reporting of Bulk Water Meters		
Re-reading of Electricity Meters		
Re-reading of Water Meters		
Meter Reading System		

18.2 Maintenance and Repair of Metered Service Installations

ITEM DESCRIPTION	RATE PER HOUR (EXCL. VAT)
Replacement of meters (damaged, tampered cannot be read)	
Repair of meters i.e. water leaks	
Purchasing of installation materials as required for meter installations	
Cleaning of meter boxes where the latter cannot be read due to foreign matter covering the meter	
User Interface replacement (for SMART Prepaid Meters)	
The control box and battery	

18.3 Tamper detection and Solutions

DESCRIPTION	RATE PER UNIT (EXCL. VAT)
Procure and Supply Secure Electricity Enclosures	
Procure and Supply Water Restriction and Securing Devices	
Procure and supply all meter installation material, components and meters	
System for monitoring of pre-paid water and electricity meters	

Total for Credit Control and Revenue Enhancement Section: R _____ (Excl Vat) 15 %
VAT

Total price inclusive of VAT R _____

Signature of the
Bidder: _____

Date: _____

19. PRICING SCHEDULE FOR THE INDIGENT MANAGEMENT SYSTEM

Item No.	Description	Rate PER hour (R – C)
18.1	Development and Supply of the Indigent Management System – LICENSE FEE PER MONTH	
18.2	Installation and Configuration of the Indigent Management System – PER HOUR	
18.3	Project Management and Acceptance Testing RATE PER HOUR	
18.4	Maintenance / Support of the Indigent Management System for a Period of Three (3) Years – PER MONTH IN-CONTRACT FEE	
18.5	Bulk SMS Facility – PER ACCOUNT	
18.6	External scans – PER ACCOUNT	
18.7	Training and Hand Over - – PER HOUR	
Total Excl VAT		
15% VAT		
Total incl. VAT		

Total price inclusive of VAT _____

Summary of Pricing Schedule

Credit Control and Revenue Enhancement Component plus VAT R_____

Indigent Management System plus VAT R_____

Meter reading R_____

Total Bid Price R_____

Signature of the Bidder: _____

TAX COMPLIANCE STATUS

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

- 1 In order to meet this requirement bidders are required to request their Tax Compliance Status which will include a unique PIN which you can provide to any third party (**if requested**) to enable them to verify your tax compliance status online via eFiling.
- 2 Request a TCC via eFiling which will give you the option to print the TCC Or request a TCC at a SARS branch where a SARS agent will be able to print or email the TCC to you.
- 3 The Tax Compliance Status Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 4 A **Tax Compliance Status** is a holistic view of your tax compliance level across all your registered tax types.
- 5 If your tax compliance status is compliant, the SARS agent will be able to print or email you your TCC to the registered email address which SARS has on record for you.
- 6 **Please note:** If your tax compliance status reflects that you are non-compliant, you will not receive a TCC until you have rectified your compliance.
- 7 The **Tax Compliance status pin or a printed Tax Clearance certificate must** be submitted together with the bid. **Failure to submit** a Tax Compliance status pin or a printed Tax Clearance certificate **will result in the invalidation of the tender.**
- 8 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate **Tax Compliance Pin and printed TCC.**

TAX CLEARANCE CERTIFICATE

In terms of the Municipal Preferential Procurement Policy, tenderers must ensure that they are up-to-date with payments of taxes.

The tenderer **must** attach to this page a **Tax Compliance status pin and a printed Tax Clearance certificate**, as issued by the South African Revenue Service.

Failure to submit a Tax Compliance status pin or a printed tax clearance certificate will result in the Invalidation of the tender.

Signature

Date

Name

Position

Tenderer

SCHEDULE 1A: AUTHORITY OF SIGNATORY

Indicate the status of the tenderer by ticking the appropriate box hereunder.
The tenderer 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 directors of
....., hereby confirm that by resolution of
the
board (copy attached) taken on20....,
Mr/Mrs.....acting
in the capacity of.....,was authorised to sign
all
documents in connection with this tender and any contract resulting from it on
behalf of the company.

As witness

1.....
.
2.....
Chairman
Date

B. Certificate of partnership

We, the undersigned, being the key partners in the business trading as
.....
hereby authorise Mr/Mrs....., acting in
the
capacity of.....to sign all documents in
connection with
the tender for Contract.....and
any
contract resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

NOTE: This certificate is to be completed and signed by all of the key partners upon who 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/Mrs....., authorised signatory of the company

.....,

acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract.....and any other 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 SIGNATURE, NAME & CAPACITY
Lead partner		

D. Certificate for sole proprietor

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

As Witness:

1.....

.....

Signature: Sole owner

2.....

.....

Date

E. Certificate for Close Corporation

We, the undersigned, being the key members in the business trading

as.....hereby authorise Mr/Mrs.....

Acting in the capacity of....., to sign all documents in

connection with the tender for Contract.....and any contract

resulting from it on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

NOTE: This certificate is to be complete and signed by all the key members upon whom rests the direction of the affairs of the Close Corporation as a whole.

SCHEDULE 1B: COMPULSORY ENTERPRISE QUESTIONNAIRE

The following particulars **must** be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1: Enterprise details

Name of enterprise	
Contact Person	
Email	
Telephone	
Cellphone	
Fax	
Physical Address	
Postal Address	
Central supplier database registration number	MAAA

Section 2: Particulars of companies and close corporations

Company / Close Corporation registration number:	
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Section 3: SARS information:

Tax reference number:	
VAT registration number, if any:	

Section 4: CIDB registration number:

Section 5: Particulars of principles

Principle: means a natural person who is a partner in partnership, a sole proprietor, a director of a company established in terms of the Companies Act of 2008 (Act. No. 71 of 2008) a member of a close corporation registered in terms of the Close Corporation Act, 1984 (Act No.69 of 1984)

Full name of principal	Identity number*	Personal income tax number*

* Please complete and attach copies of Identity documents.

Section 6: Banking Details of companies and close corporations

Bank name and branch:

Bank account number:

Name of account holder:

Signed

Date

Name

Position

SCHEDULE 1C: DOCUMENTS OF INCORPORATION (CK2)

The Tenderer **must** attach to this page a copy of the certificate of incorporation of his/her company, close corporation or partnership. In the case of a joint venture between two or more firms, the tenderer shall attach a copy of the document of incorporation of the joint venture.

Signed

Date

Name

Position

Tenderer.....

SCHEDULE 1D: PAYMENT OF MUNICIPAL ACCOUNTS

In terms of the Municipal Supply Chain Management Policy and System and its Preferential Procurement Policy, tenderers **must** ensure that they are up-to date with their payments of municipal accounts.

The tenderer **must attach to this page**, a Latest Municipal account of a company and that of directors, which provides proof that payment of Municipal accounts is up-to-date and complete the certificate for municipal services on the next page. In the event of leasing, a lease agreement **Must** be attached to the tender document.

Signe
d

Dat
e

Nam
e

Position

Tenderer

CERTIFICATE FOR MUNICIPAL SERVICES (COMPULSORY TO COMPLETE)

DECLARATION IN TERMS OF CLAUSE 112(1) OF THE MUNICIPAL FINANCE MANAGEMENT ACT (NO.56 OF 2003) - (To be signed in the presence of a Commissioner of Oaths)

I, _____, _____ (full name and ID no.), hereby acknowledge 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 the GAMAGARA LOCAL Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

I declare that I am duly authorised to act on behalf of _____ (name of the firm) and hereby declare, that to the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.

I further hereby certify that the information set out in this schedule and/or attachment(s) hereto is true and correct. The Tenderer acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.

PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER	MUNICIPAL ACCOUNT NUMBER

FURTHER DETAILS OF THE BIDDER'S Director / Shareholder Partners, ect.:

Director /Shareholder / partner	Physical address of the Business	Municipal Account number(s)	Physical residential address of the Director / shareholder / partner	Municipal Account number(s)

NB: Please attach certified copy(ies) of ID document(s)

If the entity or any of its Directors/Shareholders/Partners, etc. rents/leases premises, a copy of the rental/lease agreement must be submitted with this tender.

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

Signature	Position	Date

<p style="text-align: center;">COMMISSIONER OF OATHS</p> <p>Signed and sworn to before me at _____, on this _____ day of _____ 20____</p> <p>by the Deponent, who has acknowledged that he/she knows and understands the contents of this Affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience.</p> <p>COMMISSIONER OF OATHS:-</p> <p>Position: _____ -</p> <p>Address: _____ -</p> <p>Tel: _____ -</p>	<p>Apply official stamp of authority on this page:</p>
--	---

SCHEDULE 1E: BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) STATUS LEVEL CERTIFICATES

A bidder who qualifies as an EME in terms of the B-BBEE Act **must** submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.

A Bidder other than EME or QSE **must submit their original and valid B-BBEE status level verification certificate or a certified copy** thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

MINIMUM REQUIREMENTS FOR VALID B-BBEE STATUS LEVEL VERIFICATION CERTIFICATES (The following information must be on the face of the certificate)	Indicate with (x)	
	yes	no
The name and the physical location of the measured entity		
The registration number and, where applicable, the VAT number of the measured entity		
The date of issue and date of expiry		
The certificate number for identification and reference		
The scorecard that was used (for example EME, QSE or Generic)		
The name and / or logo of the verification Agency		
The SANAS logo		
The certificate must be signed by the authorized person from the Verification Agency		
The B-BBEE Status level of Contribution obtained by the measured entity.		

Failure on the part of a bidder **to claim, fill in and/or to sign MBD 6.1 and submit** a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

Signe

Date

d

Position

Name

Tenderer

FOR INFORMATION PURPOSES ONLY

PLEASE NOTE THE FOLLOWING REQUIREMENTS REGARDING VALIDATION OF B-BBEE SCORE.

1 EMEs

ONLY THE FOLLOWING WILL BE ACCEPTED:

1.1. **A VALID ORIGINAL** sworn affidavit, confirming annual turnover and level of black ownership; **or**

1.2. **A VALID** affidavit / certificate issued by Companies Intellectual

Property Commission (CIPC); **or**

1.3. **A VALID ORIGINAL** B-BBEE status level verification certificate **OR A CERTIFIED COPY** thereof, substantiating their B-BBEE rating issued by:

1.3.1. A registered Auditor approved by the Independent Regulatory Board for Auditors (IRBA); **or**

1.3.2. A verification Agency accredited by the South African National Accreditation System (SANAS).

2. QSEs

ONLY THE FOLLOWING WILL BE ACCEPTED:

2.1. A VALID ORIGINAL sworn affidavit, confirming annual turnover and level of black ownership (**form available in the tender document**);

or

2.2. A VALID ORIGINAL B-BBEE status level verification certificate **OR A CERTIFIED COPY** thereof, substantiating their B-BBEE rating issued by:

2.2.1. A registered Auditor approved by IRBA; **or**

2.2.2. A verification Agency accredited by SANAS.

2. BIDDERS OTHER THAN EMEs & QSE's

3.1. The bidder **MUST** submit either a **VALID ORIGINAL B-BBEE** status level verification certificate **OR A CERTIFIED COPY** thereof, substantiating their **B-BBEE** rating issued by:

3.1.1. A Registered Auditor approved by IRBA; **or**

3.1.2. A Verification Agency accredited by SANAS.

WHEN CONFIRMING THE VALIDITY OF CERTIFICATES ISSUED BY AN AUDITOR REGISTERED WITH IRBA, THE FOLLOWING SHOULD BE DETAILED ON THE FACE OF THE CERTIFICATE:

4.1. The Auditor's letterhead with FULL contact details;

4.2. The Auditor's practice number;

4.3. The name and physical location of the measured entity;

4.4. The registration number and, where applicable, the VAT number of the measured entity;

4.5. The date of issue and date of expiry;

4.6. The B-BBEE Status Level of Contribution obtained by the measured entity; and

4.7. The total black shareholding and total black female shareholding.

SCHEDULE 1F – KEY PERFORMANCE INDICATORS

1. KEY PERFORMANCE INDICATORS (KPIs)		
1.1.	Work(s) performed / goods delivered within timeframes specified	
1.2.	Work(s) performed / goods delivered within financial framework specified	
1.3.	Acceptable quality of work(s) performed / goods delivered	
1.4.	OTHER:	
(a)		
(b)		
(c)		
(d)		
(e)		
<p>I / We acknowledge that I / we am / are fully acquainted with the abovementioned Key Performance Indicators (KPIs) applicable to this tender / contract as stipulated by the Municipality and that I / we accept these Key Performance Indicators (KPIs) in all respects.</p> <p>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 / item(s) specified in the tender document and that the price 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.</p>		

Signe

Date

d

Position

Name

Tenderer

SCHEDULE 1H: PAST EXPERIENCE

This schedule is compulsory to complete!

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

Employer	Nature of Work	Value of Work	Duration and Completion Date	Employer Contact Number

Date

Signature of Tenderer

Any tender submitted that do not meet ALL of the requirements in this document will automatically be discarded from the evaluation process.

SPECIAL CONDITIONS & EVALUATING CRITERIA

The following general conditions will apply to the tender:

1. **Documents may only be completed in black ink.**
2. **All bids must be submitted in writing on the official forms (not re-typed).**
3. **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.**
4. Tenders must be completed in full and each page must be initialled. No page should be removed from the document.
5. All schedules as well as the following documents **must** be completed and submitted with the bid documents, failure to complete and submit the following will invalidate your bid:
 - (a) **MBD 1** - Invitation to Bid
 - (b) **MBD 2** - Tax Compliance Status
 - (c) **MBD 4** - Declaration of Interest
 - MBD**
 - (d) **6.1** - Preference Points Claim Form
 - MBD**
 - (e) **7.2** - Contract form - Rendering of services
Declaration Of Bidder's Past Supply Chain Management Practices
 - (f) **MBD 8** - Certificate of Independent Bid Determination
 - (g) **MBD 9** -
 - (h) **Form of Offer and Acceptance**
6. We undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.
7. A firm completion period/date must be indicated from the official order date.
8. In order to improve the local economic market, the successful bidder **MUST** employ 30% local labour from the Gamagara local Municipal area.
9. The tenderer must attach proof of a qualified electrician, wireman and a plumber in his/her service
10. No bid will be accepted from persons in the service of the state.
11. Sealed tenders, endorsed "**Tender Nr: GM2024/115 BUDGET AND TREASURY- RENDERING OF CREDIT CONTROL SERVICES**", must be placed in the tender box at the Municipal Offices, Cnr Hendrick van Eck and Frickie Meyer Road, Kathu not later than 10:00 on **Monday, 03 December 2024** after which it will be opened in the public.
12. Council reserves the right not to accept any tender. No faxes or e-mails will be accepted and **only the supplied municipal tender form may be used.**
13. A Tax Compliance status pin or a printed Tax Clearance certificate, as issued by the South African Revenue Service, **must** be submitted with the tender, otherwise the tender will be disqualified.
14. The 80/20 scoring system, as stated in the Gamagara Local Municipal Supply Chain Management Policy, will be used when considering tenders. The **two stage**

bidding process will be followed in evaluating this quotation. Firstly it will be evaluated for functionality and thereafter for price and preference.

15. PAYMENT OF MUNICIPAL ACCOUNTS (SHEDULE 1 D)

The tenderer **must** attach, a Latest Municipal account, which provides proof that his payment of Municipal accounts is up-to-date and complete the **certificate for municipal services** and must be verified by the Municipality where account is held. In the event of leasing, a lease agreement **must** be attached to the tender document.

- 16.** Please note that any suspicious collusive bidding behaviour and restrictive practices by bidders will be reported to the Competition Commission for investigation and possible imposition of administrative penalties.

17. TEST FOR RESPONSIVENESS

17.1 Determine, after opening and before detailed evaluation, whether each tender offer properly received:

- a) complies with the requirements of these Conditions of Tender,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the tender documents.

17.2 A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

17.2.1 Detrimentially affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,

17.2.2 Significantly change the Employer's or the tenderer's risks and responsibilities under the contract,

17.2.3 Affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

18 ARITHMETICAL ERRORS, OMISSIONS AND DISCREPANCIES

18.1 Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.

18.2 Check the highest ranked tender or tenderer with the highest number of tender evaluation points after the evaluation of tender offers in accordance with paragraph 20 for:

- a) the gross misplacement of the decimal point in any unit rate;
- b) omissions made in completing the pricing schedule or bills of quantities; or
- c) arithmetic errors in:
 - i) line item totals resulting from the product of a unit rate and a quantity in bills of quantities or schedules of prices; or
 - ii) the summation of the prices.

18.3 Notify the tenderer of all errors or omissions that are identified in the tender offer and either confirm the tender offer as tendered or accept the corrected total of prices.

18.4 Where the tenderer elects to confirm the tender offer as tendered, correct the errors as follows:

18.4.1 If bills of quantities or pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.

18.4.2 Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

19. The tender must be valid up to 90 days after the closing date.

19.1 Price & Preference

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;

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

80/20

$$P_s \leq 80 \leq 1$$

$$\frac{P_t - P_{\min}}{P_{\min}}$$

□

Where

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

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Form of Offer and Acceptance

Offer

The Employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

CONTRACT: GM2024/115BUDGET AND TREASURY – RENDERING OF CREDIT CONTROL SERVICES, METER READING AND REVENUE ENHANCEMENTFOR A PERIOD OF 3 YEARS

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the service provider under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

The offered total of the prices inclusive of value added tax is

..... Rands (in words);

R.....in figures

This offer may be accepted by the Employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the service provider in the conditions of contract identified in the contract data.

Signature

Name

Capacity

for the tenderer

(Name
and
address of
organization)

Name and
signature
of witness

Date

.....

Form of Offer and Acceptance

Offer

The Employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

CONTRACT: GM2024/115BUDGET AND TREASURY – RENDERING OF CREDIT CONTROL SERVICES, METER READING AND REVENUE ENHANCEMENTFOR A PERIOD OF 3 YEARS

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the service provider under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

The offered total of the prices inclusive of value added tax is

..... **Rands (in words);**

R.....in figures

This offer may be accepted by the Employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the service provider in the conditions of contract identified in the contract data.

Signature

Name.

Capacity.

for the tenderer

(Name and
address of
organization)

Name and
signature
of witness Date

Acceptance (TO BE COMPLETED BY THE MUNICIPALITY)

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

The terms of the contract, are contained in:

- Part C1: Agreements and contract data, (which includes this agreement)
- Part C2: Pricing data

and drawings and documents or parts thereof, which may be incorporated by reference into Parts above.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the tender schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this agreement. No amendments to or deviations from said documents are valid unless contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's representative (whose details are given in the contract data) to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data at, or just after, the date this agreement comes into effect. Failure to fulfill any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

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

Signature

Name

Capacity

for the

Employer GAMAGARA LOCAL MUNICIPALITY

Cnr Hendrick van Eck
and Frikkie Meyer
Road
Kathu
8446

Name

and

signature

of witness

Date

.....

Contract Data

Part 1: Contract Data provided by the Employer

GENERAL CONDITIONS OF CONTRACT - National Treasury General Conditions of Contract

The General Conditions of Contract, as issued by the National treasury, is applicable to this Contract and is obtainable from www.treasury.gov.za

The General Conditions of Contract shall be read in conjunction with the special condition as set out on pages 5– 63 The Special Conditions shall have precedence in the interpretation of any ambiguity or inconsistency between it and the General Conditions of Contract.

Part 2: Data provided by the Service Provider

The **Service Provider** is:

Postal Address:
.....

Physical Address:
.....

Telephone
:

Facsimile:

The **authorized and designated representative** of the Service Provider is:

Name:

The address for receipt of communication is:

Address:
.....

Telephone:

Facsimile:

Email:

SIGNED ON BEHALF OF TENDERER:

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

TABLE OF CLAUSES

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8. Inspections, tests and analyses
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

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

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.

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

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

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to

the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

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

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

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

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

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

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

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 "Tort" means in breach of contract.

1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional

services

(excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

3. General

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply. 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 nonrefundable fee for documents may be charged.

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

4. Standards

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

5. Use of contract documents and information inspection

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

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

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

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

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

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

7. Performance security

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

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

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

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

(b) a cashier's or certified cheque.

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

8. Inspections, tests and analyses

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

8.2 If it is a bid condition that goods to be produced or services to be

rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

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

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

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

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

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

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the

conditions thereof, or to act in terms of Clause 22 of GCC.

9.Packing

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

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

9. Delivery and Documents

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

10. 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.

11. Transportation

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

12. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;

(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;

(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

13. Spare parts

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information

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er
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g
to

spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;

(b) in the event of termination of production of the spare parts:

(i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

14. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

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

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

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

15. Payment

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

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

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

16.4 Payment will be made in Rand unless otherwise stipulated.

16. Prices

17.1
Prices
charged
by the
supplier

for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid

validity extension, as the case may be.

**17. 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.

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

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

**20. Delays in
the supplier's
performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

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

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to

complete the contract and without prejudice to his other rights,
be entitled to claim damages from the supplier.

21. Penalties

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

22. Termination for default

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

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

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

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

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

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

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

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

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

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

23. Antidumping And Countervailing duties and rights 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

24. Force Majeure 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably

practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

25. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

26. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law. 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

27. Limitation of

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

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

28. 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.

**29. Applicable
Law**

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

30. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**31. Taxes
and Duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

32. 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

33. 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.

34. Prohibition of restrictive practices

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

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned..

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.

.....

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

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars

Section 3.9.1: Record of service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- | | |
|--|---|
| <input type="checkbox"/> a member of any municipal council | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| <input type="checkbox"/> a member of any provincial legislature | |
| <input type="checkbox"/> a member of the National Assembly or the National Council of Province | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity |
| <input type="checkbox"/> a member of the board of directors of any municipal entity | |

☐ an official of any municipality or municipal entity an employee of Parliament or a provincial legislature

If any of the above boxes are marked, disclose the following: (insert separate page if necessary)

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

* Insert separate page if necessary

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

3.10.1 If yes, furnish particulars.

.....
.....

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

3.11.1 If yes, furnish particulars

.....
.....

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

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

Section 3.13.1: Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

- | | |
|--|---|
| <input type="checkbox"/> a member of any municipal council
<input type="checkbox"/> a member of any provincial legislature
<input type="checkbox"/> a member of the National Assembly or the National Council of Province
<input type="checkbox"/> a member of the board of directors of any municipal entity
<input type="checkbox"/> an official of any municipality or municipal entity | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
<input type="checkbox"/> a member of an accounting authority of any national or provincial public entity
<input type="checkbox"/> an employee of Parliament or a provincial legislature |
|--|---|

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

YES

.....

.....

4.

[illegible]

.....

Signature

.....

Date

.....

Capacity

.....

Name of Bidder

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

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

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

1. GENERAL CONDITIONS

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

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

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

(delete whichever is not applicable for this tender).

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

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

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

1.3.1 The bid conditions will stipulate the specific goals, as contemplated in section 2(1)(d)(ii) of the Preferential Procurement Act, to be attained.

1.3.2 Bids for *income-generating contracts* points will be allocated in terms of the following goals:

Goals	80/20	90/10
Locality	10	05
B-BBEE Status Level Contributor	10	05

- 1.3.3 Bids for *acquisition of goods and/or services*, a maximum of 20 or 10 points must be allocated for specific goals. The specific goals are as follows:

Goals	80/20	90/10
Locality	10	05
B-BBEE Status Level Contributor	10	05

- 1.3.4 For B-BBEE points the below table shall apply:

B-BBEE Status Level of Contributor	Number of points (80/20 system)	Number of points (90/10 system)
1	10	05
2	09	4.5
3	07	3.5
4	06	03
5	04	02
6	03	1.5
7	02	01
8	01	0.5
Non-compliant contributor	00	0.0

- 1.3.5 Bidder must submit proof of B-BBEE status level contributor certificate.
- 1.3.6 B-BBEE status level contributor certificate must be issued by SANAS or authorised person(s) or authorised body.
- 1.3.7 B-BBEE status level contributor certificate must be original or certified.
- 1.3.8 Other than the B-BBEE Status Level of Contributor certificate, the bidder must submit the original B-BBEE sworn affidavit.
- 1.3.9 Bidder failing to submit proof of B-BBEE status level of contributor or original sworn B-BBEE affidavit shall claim zero points for B-BBEE points.
- 1.3.10 Locality points shall be allocated as follows:

Locality	Number of Points for Locality 80/20	Number of Points for Locality 90/10
Within boundaries of Gamagara Local Municipality	10	05
Outside boundaries Gamagara Local Municipality, but within the boundaries of Northern Cape Province	05	2.5
Outside boundaries of the Northern Cape	0.00	0.00

- a. When the municipality invites and evaluates bids based on locality as a set preference goal, it must be stated as such on the invitation.
- b. Locality shall be deemed as all bidders operating and stationed within the boundaries of Gamagara Local Municipality
- c. Expanded term for locality shall be deemed for bidders operating and stationed outside of John Taolo Gaetsewe District but with the Northern Cape Province.
- d. Bidders shall provide proof of locality by submitting one or more of the following:
 - i. Municipal Account in the bidder's name.
 - ii. Proof of residence in the bidder's name.
 - iii. Bank statement with the bidder's address.
 - iv. Lease agreement indicating a local address, where the lessee is the bidder.
- e. The bidder must submit proof of locality to claim points for locality.
- f. Bidder failing to provide the proof of locality, shall claim zero points for locality.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
LOCALITY	10
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and SPECIFIC GOALS	100

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No.

5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10

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

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20 or 90/10

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest

acceptable tender will be used to determine the applicable preference point system; or

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (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)
LOCALITY		10		
B-BBEE STATUS LEVEL OF CONTRIBUTOR		10		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

MBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to render services described in the attached bidding documents to **Gamagara Local Municipality** in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number **GM2024/115** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorized to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE MUNICIPALITY)

1. I **L Seetile** in my capacity as **MUNICIPAL MANAGER** accept your bid under reference number **GM2024/115** dated **25 October 2024** for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)
BUDGET AND TREASURY – PREPARATION AND/OR REVIEW OF FINANCIAL STATEMENTS FOR A PERIOD OF 3 YEARS	R _____			N/A

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). 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 Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? gister for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes	No

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes □	No □

4.3.1	If so, furnish particulars:		
□ □			
Item	Question	Yes	No
4.4	the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes	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
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive 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:

**GM2024/115 PREPARATION AND/OR REVIEW OF THE FINANCIAL STATEMENTS FOR
A PERIOD OF 3 YEARS** in response to the invitation for the bid made by:
GAMAGARA LOCAL MUNICIPALITY

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

I certify, on behalf of: _____ that:
(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 consortium³ 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.

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

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder