



BID DOCUMENTS

SCMRFP 01/2022/23

**PROVISION OF BANKING SERVICES FOR NONGOMA
MUNICIPALITY FOR A PERIOD OF 60 MONTHS**

CLOSING DATE: 12 JULY 2022

NAME OF BIDDER:

PHYSICAL ADDRESS:

.....

.....

TELEPHONE NO:

E-MAIL:

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Umkhandlu wakwa - **NONGOMA** - Local Municipality

Tel: (035) 831 7500|Fax: (035) 831 3152|P.O. Box 84|Nongoma 3950

REQUEST FOR PROPOSALS

PROVISION OF BANKING SERVICE SCMRFP 01/2022/23

Nongoma Local Municipality invites bidders to submit proposals for the above mentioned services to be rendered for the period of 60 months. The MBD's documents to accompany the proposal may be accessible via e-tender (www.etenders.gov.za) and municipal website (www.nongoma.gov.za).

Invalid or non-submission of the following documents will lead to immediate disqualification of the tender:

Valid tax clearance certificate or Tax status pin, not older than 3 months CSD summary report ,Certified copies of company registration documents together with certified copies of company shareholders' IDs ,Business municipal rates and taxes account not older than 90 days or lease agreement if business is conducted from a leased building accompanied by the building municipal rates and taxes account not older than 90 days, alternatively if business is conducted from a rural area proof of residence for business accompanied by the SAPS Affidavit must be submitted, MBD 1, MBD 4, MBD 6.1, MBD 6.2, MBD 8 & MBD 9 must be fully completed and signed

All proposals submitted shall be valid for 120 days from the proposal closing date.

A valid B-BBEE status level verification certificate must be submitted . Failure to do so will result in scoring zero preference point and prospective Tenderers are requested to take note that the directives applicable in respect of the B-BBEE as prescribed in the Preferential Procurement Regulations, 2011.

No late, faxed or emailed proposal will be accepted

Functionality criteria for evaluation

Criteria	Points
Company profile	30
Relevant experience	20
Relevant banking certificates	20
Audited financial statement	20
The National Long Term Credit Rating of the banking institution	10
TOTAL	100

For technical enquiries please contact Acting Chief Financial Officer Mr NN Shandu on 035 831 7500/72 and for SCM enquiries please contact Acting SCM and Expenditure Manager Mr KS Manqele 035 831 7500/24

Duly completed proposal documents sealed in an envelope and marked with the proposal number are to be deposited into the bid box at Nongoma Local Municipality, Lot 103 Main Street, Nongoma, 3950 by no later than **12h00 on 12 July 2022** . Late, Telegraphic, telefaxed or emailed documents will not be accepted.

Nongoma Local Municipality does not bind itself to accept the lowest or any bid

Mr MM Zungu

Acting Municipal Manager

1. PURPOSE

Nongoma Local Municipality seeks to source a service provider who will render banking service for a five (5) year period. Such service provider should be registered in terms of the bank act of 1990 (act no 94 Of 1990).

2. DURATION

The duration of the contract will be Five (5) years from the date of appointment.

3. SCOPE OF WORK

The scope of work includes amongst other things the following:

- An efficient and cost effective current account administration service
- Processes and controls to mitigate operational risk and fraud
- The ability to handle large volume transactions
- The ability to identify direct deposits and other transactions/transfers on-line
- The ability to download bank statements in an acceptable and compatible format
- Bank statements and all supporting documentation must be available daily.
- The ability to pay salaries by way of compatible payroll system directly into the employee's bank
- Payment of creditors/third parties electronically (debit orders, electronic payments, etc.).
- Full audit trail and updated security system
- Favorable interest rate on credit balances for all accounts
- Facilitate the secure and timeous movement of funds.
- Meet the municipality's requirements in respect of EFT's for all salaries, creditor and other payments.
- The bank must provide the necessary training to municipal personnel to use the electronic systems. The cost of training to be provided by the tenderer.

The Tenderers must provide solutions that should be discussed under the following headings in the tender document submitted by The Tenderers.

- Transactional Banking Services
- Electronic Banking Services
- Implementation and Training
- Social Responsibility

Protection against fraud

Council requires to be protected against all forms of fraud relating to the receipt and payment of cash, and the processing of banking transactions. Such measures should include authorisation of EFT's, password control, bulk cash handling, payment mandates, security of data, credit / debit transactions, etc. The bank's commitment to assist the Municipality in identifying irregularities (fraud) must be indicated.

4. EVALUATION OF THE BID

The following evaluation method will be used:

- After the closing date of the bid invitation, an appointed bid evaluation committee of Nongoma Local Municipality will evaluate the proposals of the bidders.
- The committee will individually evaluate each of the bid proposals received against the approved criteria as stated below.
- All proposals submitted will be evaluated on two (2) categories:
 - Functionality (technical content)
 - Transactional banking costs and B-BBEE Status level of contribution

Bids are evaluated in accordance with the Preferential Procurement Policy Framework Act (MFMA), using the 80/20 split.

The evaluation of the bids will be conducted in the following two (2) stages:

Firstly, the assessment of functionality must be done in terms of the evaluation criteria and minimum threshold value of **75 points**. A bid will be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.

During phase two, only the qualifying bids are evaluated in terms of 80/20 preference points systems. 80 points will be used for transaction costs only and the remaining 20 points are used B-BBEE Status Level of contribution.

For functionality, the following criteria will be applicable and the maximum value of each criterion is indicated as below:

The points associated with the comprehensive **proposal** will be awarded as reflected in the following table. Bidders are expected to **submit proposal** together with relevant document

Criteria		Rating	Scoring	Evaluation Indicators
1.	Audited financial statement	Good	20	The tenderer submitted Audited financial statements which has good audit opinion
		Average	10	The tenderer submitted Audited financial statements with average audit opinion or bad audit opinion
		Poor	00	None submission of audited financial statement
2	Relevant banking certificates	NCR certificate	10	Submitted
		Fica Certificate	10	submitted
			00	Non submission
3.	The National Long-Term Credit Rating of the banking institution	Very Good	10	Credit ratings of AA+/AA and higher
		Good	7	Credit ratings of AA/AA-
		Poor	3	Credit ratings AA/A+ and lower
4.	Company profile with Innovative products offered by the banking institution	Very Good	30	The tenderer convincingly illustrates that they can supply more technology advanced and efficient banking solutions for the current services being specified in the tender.
		Good	20	The tenderer convincingly illustrates that they can supply more or less the same banking solutions for the current services being specified in the tender.
		Poor	10	The tenderer convincingly illustrates that they can supply less banking solutions for the current services being specified in the tender.

5.	Current municipal clientele (Metro's and municipalities with a budget of R200 million or more)	5 or more letters	20	Appointment letters from the municipality together with recommendations from the municipality
		3 but not more than 5 letters	15	Appointment letters from the municipality together with recommendations from the municipality
		Less than 3 letters	10	Appointment letters from the municipality together with recommendations from the municipality

Only bidders who score a minimum score of **75 points** shall be considered further on 80/20 preferential point system. The selected service providers **may** be requested to do the presentation on their proposal

Phase 2

Price will be converted to **80** using the formula prescribed in the **80/20-point system**. The remaining **20 points** will be allocated in terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must have awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Summary of the evaluation process:

Criteria		
		Project Rand Value 80/20
Preference	B-BBEE status level of contribution (certificate to be supplied)	20
Price	Price / x Points Proposed Price	80
TOTAL		100

Scoring on Preference Points

Preference points are earned as contemplated in the preference points claim form in terms the Preferential Procurement Regulations 2011. Preference points for this bid shall be awarded for B-BBEE Status Level of Contribution. Failure on the part of a bidder to 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 an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

Note: Nongoma Local Municipality does not bind itself to accepting the lowest, or any bid, either wholly or in part or give any reason for such action.

5. MANDATORY DOCUMENTS TO BE SUBMITTED TOGETHER WITH PROPOSAL

NO.	DESCRIPTION	YES	NO
	Bidder shall provide the Municipality a valid Tax Clearance or Tax Pin		
	Not older than three months Copy of Central Supplier Database registration		
	Certified copies of Identification documents of all Members/ Directors of the Entity as well as Business registration certificate		
	Certified copy of B-BBEE Certificate verification for preferential points claim*		
	Fully completed and signed MBD's Declaration forms		
	Consolidated certificate copy of BBEE Certificate if it is JV		
	Joint Venture agreement document (if applicable)		
	Municipal Rates and Taxes not older than 3 months with lease agreement if renting an office or proof of residence if residing in rural areas.		

***If these documents are not attached, the Bid may be deemed non-responsive and therefore not acceptable.**

*Bidders may not be disqualified on the basis of not providing a certified copy of the BBEE verification certificate but bidder may not be awarded preference points in the absence of the BBEE verification certificate.

6. REPORTING

In conducting this service, the service provider will

- Liaise closely with chief financial officer.

7. SUBMISSION DATE AND REQUIREMENTS

Proposals are to be completed in accordance with the conditions attached to the terms of reference document and must be sealed and marked: **“Banking service for a period of 60 months – SCMRFPP : 01/2022-23”** and should be submitted in the tender box on or before **12h00, 12 July 2022** at Nongoma Municipal Offices, situated at lot 103 main road Nongoma, 3950, at which time and place bids will be publicly opened. The name and address of the service provider must be clearly written on the sealed envelope containing the proposal.

Late bids or bids received by way of post, facsimile, or e-mail will, under no circumstances, be considered.

8. ENQUIRIES

Technical enquiries regarding this request for proposals may be directed to:

CHIEF FINANCIAL OFFICER

Tel: 035 831 7500

SCM related enquiries may be directed to **Mr ks Manqele (SCM Unit)**.

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE Nongoma municipality

BID NUMBER:	Scmrfp 01/2022/23	CLOSING DATE:	12 July 2022	CLOSING TIME:	12H00
DESCRIPTION	Banking services				

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

NONGOMA LOCAL MUNICIPALITY
LOT 103 MAIN ROAD
NONGOMA
3950

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	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:	TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	SCM Unit	CONTACT PERSON	Mr NN Shandu
CONTACT PERSON	Mr K Mangele	TELEPHONE NUMBER	
TELEPHONE NUMBER	035 831 7527	FACSIMILE NUMBER	
FACSIMILE NUMBER	035 831 3152	E-MAIL ADDRESS	Njabulos@nongoma.gov.za
E-MAIL ADDRESS	mangelek@nongoma.gov.za		

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 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 AND ARE REQUIRED TO SUBMIT VALID TAX CLEARANCE CERTIFICATE.
2.2 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

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:
.....

TERMS OF REFERENCE

It is the intention of the Nongoma Municipality to enter into a formal contract with a service provider that will carry out the services described hereunder. These terms of reference and the service provider's proposal will be the basis of the contract.

Background

In terms of section 7 of the Municipal Finance Management Act 56 of 2003, a municipality must open and maintain at least one bank account in the name of the municipality.

All money received by a municipality must be paid into its bank account or accounts, and this must be done promptly and in accordance with Chapter 3 of the MFMA and any requirements that may be prescribed.

Legislative Compliance

- All banks must be registered in terms of the Bank Act 94 of 1990, as per Section 7 (3)(b) of the MFMA Act of 2003.
- The banks must also be a member of the Payments Association and Credit Clearance
- Bidders are expected to incorporate into their banking solution proposal that will ensure compliance with the following:
 - Constitution of RSA, Act 108 of 1996
 - Municipality Systems Act 32 of 2000 as amended
 - Municipal Finance Management Act 56 of 2003
- Any other applicable legislation

Purpose

To achieve the above the banking service provider must:

- Have a Relationship Manager/ team based within the Nongoma Municipality.
- Provide consolidated reports on all bank accounts of Nongoma municipality.
- Provide daily electronic downloads of transactions.
- Provide a central point for enquiry services that will allow a 24-hour turnaround time
- Provide short term debt facilities in accordance with section 45 of the MFMA.
- Facilitate electronic payroll facilities to all permanent staff and casuals.
- Provide an integrated banking solution for payments and receipts that is cost effective and efficient.
- Facilitate electronic payments system for sundry and creditors payments
- Render daily cash collection and banking services for all monies collected from the cashiers of Nongoma local Municipality.
- Provide physical banking and debit order facility

FOOTPRINT

- Availability of branches, services points and support staff within the area of Nongoma Local Municipality
- Availability of points for the public to pay municipal accounts within the subscribed municipal area
- The service provider must install if not already there are ATMs with withdrawal and deposit function in the four main towns of NLM within twenty-four months of appointment.
- It should be noted that this tender is not for investment purposes. Whenever there is a need for investment, a separate process would be done in terms of municipal Cash Management, Banking and Investment Policy.

SPECIFICATION AND REQUIREMENTS

Services and Costs

- a) Online Banking Security
- b) Online Customer Transactions
- c) High volume transactions
- d) Identification of allocated deposits
- e) The bidder must indicate whether it has a direct online stop payments facility and the reversal thereof
- f) Has ability to handle large volumes of transactions online
- g) Has direct online function to enquire on the status of all relevant bank accounts
- h) The bidder must provide solutions to identify and reduce unknown deposits
- i) The successful bidder would be required to provide a minimum of 8 Speed points/Swipin machines of which 3 should be portable and should have a compulsory built-in requirement for capturing of Reference number which should allow a minimum of ten digits for all transactions to be successful/ completed.
- j) The ability to submit information in a format which meets with the SAMRAS Systems for bank reconciliation purposes
- k) Ability to process payments extracted from SAMRAS system
- l) Ensuring that NLM is registered as one of the bank approved beneficiaries (cost associated with this service should be indicated in the proposal)

Cost Structures

Bank Charges and the time frame that the rates will be effective for: -

- i. Monthly services;
- ii. Deposits and other forms of payments
- iii. Other charges like same day clearance
- iv. Online banking
- v. Fee for collection and safekeeping of cash
- vi. Any other costs associated with the banking services

Financing Rates;

- i. Short term debt facility
- ii. Asset based Finance
- iii. Operating Rentals

Investment Portfolio

- a) Products
- b) Charges
- c) Administration
- d) Commission
- e) Switching Funds
- f) Administration of the Portfolio
- g) Interest earned on available funds.

A. CASH MANAGEMENT SERVICES

- Supply information indicating procedure and authorization requirements for cash deposits, withdrawals, stop payments instructions and any other services provided relating to the handling of cash with the associated costs,
- Can sort information based on the deposit identification
- Must provide real time cash management information to optimize the municipality's fund management
- The cash management system must play a role in optimizing cash balances and reducing costs associated with the management and movement of funds.
- The Bidder must provide the municipality with cash drop box facilities to secure cash collected from all municipal sites
- Provision of cash in transit services and insurance thereof

B. Daily aggregation of deposit accounts and cashing facilities.

C. The provision of interfaces between the bank's electronic system and the municipality's financial account system to enable electronic reconciliations.

- Provide electronic identification and reconciliation of counter deposits

D. Electronic Banking

- Provide electronic bank statements the following day after deposits are made.
- Multi-layered security enabling individual access to transfers and/or enquiries irrespective of physical with audit trail capabilities

- Has the capacity for the municipality to identify and offer modular cash management functionalities;
- Payroll data transmissions electronically from NLM local municipal payroll system (SAMRAS) through the electronic banks portal for credit to the employee's bank accountd at the financial institutions of their choice
- The total amount of each payroll is charges to NLM current account. With over -----employees and ----- Councillors on the governance structures, the bidders banking system should be able to handle the monthly volume of electronic transactions processed regardless of amount and number as they may differ from month to month.
- Must be able to operate as a housekeeper if more than one banker is involved to facilitate the daily sweeping
- Have predetermined electronic payments sets up with standard payment details for both third party payments and internal transfers
- Have adhoc electronic transfer system for 3rd party payments and internal transfers
- The bitter should be able to process payments to international service providers on request by the municipality
- Has the ability to assist the municipality in applying limits to transactions and account and the monitoring thereof
- Provide for deposits identification with electronic transfers and deposits, the number and type of characteristics should be supplied
- Has the ability to supply information pertaining to unpaid ACB transitions and rejections
- Bidder should update bank signatories with transaction details via SMS/email and any suspicious transactions taking place

E. Reporting, Audit Trails and Queries

- Supply information of its ability to provide daily and monthly cash management reports and statements
- Provide information as to what audit trials will be available in what format and how daily and adhoc queries will be addressed. Response time to supply statement should be stated
- Indicate whether it can provide a breakdown of information of the bank charges and costs to allow the municipality to reconcile with proposal prices
- Indicate any additional costs that are incurred with the supply of information
- Demonstrate executive reporting facilities to assist in the control and monitoring of accounts and exceptions reporting for amounts that exceed a specific limit and unusual patterns of spending
- Bidder should be able to confirm balances of all accounts at year-end directly to auditors on requests

F. Non-financial and Additional Services

- General advice
- Bank training for applicable municipality staff
- Risk management

SPECIFIC REQUIREMENTS AND ISSUES

G. Short term facilities required if there is a cost involved for this service, please include it in the Pricing Schedule

The municipality may require either Cash backed, or non- cash backed guarantees from the bank. Please ensure that there is a facility available at all times and give indicative rates for such facilities.

The proposal must also indicate what pricing will be on positive or credit balances. Proposals may also consider proposing different rates for different level of facilities and or balances.

H. Custodian Services (If there is a cost involved for this service, please include it in pricing schedule)

Other safe custody services for material other than financial script must be included in this section

I. Other services (If there is a cost involved for this service, please include it in the Pricing Schedule. If the cost relating to this offering is for the municipality or the Employees, then this must be clearly stated on the pricing schedule)

J. Computer Systems and Technical Equipment (If there is a cost involved for this service, please include it in a Pricing Schedule)

Please provide a technical specification to enable the Bidder to interface with the computer systems of the Municipality

Any additional hardware that would be required to ensure that the Municipality's IT system functions effectively

The Communication Software that will be made available to allow the systems to link and talk to each other

Information on the connection protocol or service provider that the Bidder must subscribe to.

Security assurance and confidentiality in connectivity between the Municipality and the Bidder

All IT related roles and responsibilities must be clearly outlined

K. Security Procedure and Insurance (If there is a cost involved for this service, please include Pricing Schedule)

Please provide information as to what security procedures are being followed to prevent fraudulent practices in terms of commerce, deposits, cash. etc

Please provide information as to what insurance arrangements are in place of should be put in place as part of the Proposal to protect the municipality against any loss, and the cost thereof.

Outline a plan to provide the Municipality's senior management and its employees with ongoing advice and training on fraud prevention and methods of detecting fraud

Advice and facilitate to detect money-laundering activities,

L. Service Level Agreement

The Bidder must provide a pro forma copy of a service level agreement that will allow the Municipality to monitor the performance under the contract and have remedies on how best to solve the problem. When every avenue has been exhausted the Municipality may decide on its discretion to terminate the agreement

The Service level Agreement must also indicate how costs and services are evaluated and adjusted on regular basis. **The quoted prices will be subjects to maximum annual increase in CPI, based on the proposed level of service,**

Where the Bidders provide for a smaller adjustment, this should be clearly indicated in thus manner.

The Service Level Agreement shall be subjected to scrutiny and negotiate with the Municipality.

K. FURTHER REQUIREMENTS FOR THE PROVISION OF BANKING SERVICES TO THE NONGOMA LOCAL MUNICIPALITY

1. All Bidders must be registered in terms of the Bank Act, Act 94 of 1990, Proof of registration to be provided. Failure to provide proof of registration will results in the proposal not being considered
2. Key individual (s) of the Relationship Management team (C.V of the manager/ operators of the services to be included in the bid submission).
3. Proof of Financial standing and access to Capital, Level of Capital
4. Clear legal structure/shareholding of internal reward and risk sharing for the project
5. The contract will be for duration of 5 years

NB. Nongoma Local Municipality is under no obligation to award the bid to the highest point scoring bidder.

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 positioning 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, hareholder²):.....

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 number sand state employee numbers must be indicated in paragraph 4 below.

3.8 Are you or any Directors/trustees/shareholders/ members 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.....

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

1. 3.12 Are any of the company's directors, trustees, managers,
principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.
.....
.....

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

3.13.1 If yes, furnish particulars.
.....
.....

3.14 Do you or any of the directors, trustees, managers,
principle shareholders, or stakeholders of this company
have any interest in any other related companies or
business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:
.....
.....

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

Full Name	Identity Number	Are you employed by National/ Provincial/ Local Government? YES/NO	If YES, please give details

5. I duly confirm that the above information is correct until otherwise advised in writing and the company undertakes to immediately, in writing on same day of appointment, advise the Nongoma Municipality immediately if any of its directors/trustees/ members/shareholders assumes appointment as an employee in national, provincial and/or local government and the company will deregister from the Nongoma Municipality Supplier Database and cease forthwith from doing business with the Nongoma Municipality and the company shall be subject to a penalty of forfeiting all payments for services rendered or products delivered or installed if it fails to immediately disclose in writing the employment of any of its directors/trustees/ members/shareholders in national, provincial and/or local government.

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the80/20..... preference point system shall be applicable; or
- b) Either the 80/20 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

6.2 SUB-CONTRACTING

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

(Tick applicable box)

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

6.3.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

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

vi)

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

7. DECLARATION WITH REGARD TO COMPANY/FIRM

7.1 Name of company/firm:.....

7.2 VAT registration number:.....

7.3 Company registration number:.....

7.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One person business/sole propriety
 - Close corporation
 - Company
 - (Pty) Limited
- [TICK APPLICABLE BOX]

7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

7.6 COMPANY CLASSIFICATION

- Manufacturer
 - Supplier
 - Professional service provider
 - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

7.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

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

- i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES	
1.
2.

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

**MBD 7.1
CONTRACT FORM - RENDERING OF SERVICES**

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

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

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT):.....
CAPACITY:
SIGNATURE :.....
NAME OF FIRM:
DATE:

WITNESSES	
1
2
DATE:.....	

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

ITEM	QUESTION	YES	NO
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audit alteram partem rule was applied).</p> <p>The database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corruption Activities Act (No 12 of 2004)?</p> <p>(The Register for Bid Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
ITEM	QUESTION	YES	NO
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	<p>Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality/municipal entity, or any other municipality/municipal entity, that is in arrears for more than three months?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	<p>Was any contract between the bidder and the municipality/municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

4.5.1	If so, furnish particulars:
-------	-----------------------------

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

2. **The bid of any bidder may be rejected if the bidder, or any of its directors have:**
 - a) Abused the Municipality’s Supply Chain Management System or committed any improper conduct in relation to such system:
 - b) Been convicted for fraud or corruption during the past five years:
 - c) Wilfully neglected, reneged or failed to comply with any government, municipal or public sector contract during the past five years; or
 - d) Been listed in the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corruption Activities Act (No 12 of 2004).

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

CERTIFICATION

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

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

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.**

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.**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or 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.
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