



NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

BID DESCRIPTION: VAT RECOVERY SERVICES FOR NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS

BID NUMBER: NMMDM 20/21/03 BTO

TENDER SUBMITTED BY:

.....

NAME OF COMPANY:.....

ADDRESS:

.....

ISSUED BY:

Municipal Manager
Ngaka Modiri Molema District Municipality
Private Bag X 2167
Mafikeng
2745
Tel: (018) 381 9400

CLOSING DATE: 11 AUGUST 2022 @ 11H00AM

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NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY



VAT RECOVERY SERVICES FOR NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS

TENDER NO: NMMDM 20/21/03 BTO

INVITATION TO BID

Prospective service providers are hereby invited to bids for the VAT RECOVERY SERVICES FOR NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS

Detailed bids documents are obtainable from www.nmmdm.gov.za / www.etenders.gov.za

Tenders completed as prescribed shall be sealed in an envelope marked “**BID NO: NMMDM 20/21/03 BTO – VAT RECOVERY SERVICES FOR NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS**” and deposited in the bid box at Ngaka Modiri Molema District Municipality, Cnr Carrington and 1st Avenue, Industrial Sites, Mahikeng, to reach its destination not later than **11 AUGUST 2022 AT 11H00AM** when tenders shall be opened in public.

Bids will be adjudicated based on the Preferential Procurement Regulations 2017 using compliance, functionality and 80/20 points system.

The validity period for this tender is 90 days.

Any enquiries regarding the bidding procedure may be directed to Mr P. Tauetsile / Mr P. Masumbuka (018) 381 9400, e-mail tauetsilep@nmmdm.gov.za / masumbukap@nmmdm.gov.za

Any enquiries regarding technical information may be directed to Mr S. Mphato (018) 381 9400, e-mail mphatos@nmmdm.gov.za

SIGNED.
O.A LOSABA
MUNICIPAL MANAGER

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>

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:

LIST OF RETURNABLE DOCUMENTS

- a) Proof of Central Suppliers Database (CSD) registration
- b) C.K Document
- c) Certified ID copies (of not more than three months) of company directors
- d) Original & Valid BBBEE certificate or certified copy or sworn affidavit on a form issued by Department of Trade and Industry.
- e) Joint Venture must submit valid consolidated BBBEE certificate or sworn affidavit
- f) A signed Joint Venture Agreement (In case of a Joint Venture)
- g) Recent Statement of Municipal rates and taxes or municipal service charges of every Director Listed on the C.K Document not older than three months from the date issued and not owing more than three months (90 Days)
- h) Recent Statement of Municipal rates and taxes or municipal service charges of the Company (Bidder) not older than three months from the date issued and not owing more than three months (90 Days)
- i) Should a Company (Bidder) Lease a property, the lease agreement will replace the requirement on (h).
- j) Should Directors be residing in rural areas, Letter from Tribal Authority confirming your stay in that Area
- k) Should the Director not be responsible for rates and taxes but residing in an area where there is Municipal Services offered, the director should submit the Original Affidavit from South African Police Service Confirming as such.
- l) Should the Company (Bidder) be operating from the Same Address as the Director, An affidavit confirming such should be submitted.
- m) Requirements from (g-l) should be submitted for J.V based on their applicability.
- n) Three Years Audited Annual Financial Statements
- o) Proof of a Valid Company Registration with SAICA / SAIPA / SAITPA
- p) Soft copy of the entire document including returnables saved in a Compact Disk.
(Failure to submit the compact disk will result in a disqualification)

NB:

1. Certified copies must have a date of certification and should be not older than 3 months as at the close of the tender. (Should the copy not have the date of certification the tender will be regarded as non-responsive)
2. Only original stamp and signature will be accepted.
3. Copy of a certified document will be considered non responsive.
4. Should any of the returnable documents stated not be attached to this bid document, your bid will be declared invalid.

BID REQUIREMENTS

1. Late bids will not be considered. Please note that bids are late if they are received after the closing date and time.
2. Bids will be valid for 90 days.
3. All prices must be quoted in South African currency and must be VAT Inclusive.
4. All items must be priced, failure to price all items will render your bid non-responsive.
5. All relevant forms attached to this bid document must be completed and signed in black ink where applicable by a duly authorised official. Use of tipex and pencil will not be acceptable.

NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

SIGNATORY AUTHORISATION

(To be completed by the Bidder)

SIGNATORY AUTHORISATION

I/We the undersigned, am/are authorized to enter into this contract on behalf of

.....

(Name of Firm)

By virtue of resolution.....

datedday of20...
(Month) (Insert which ever year is applicable)

The certified copy of resolution which is herewith attached to this Bid.

AS WITNESSES

1.
.....
Initials and Surname in full Signature

.....
Firm/Company's Name

.....
Physical Address

2.
.....
Initials and Surname in full Signature

.....
Firm/Company's Name

.....
Physical Address

NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

DECLARATION OF INTEREST

- 1. No bid will be accepted from persons in the service of the state*.
- 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 and/or take an oath declaring his/her interest.
- 3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name:
.....

3.2 Identity Number:
.....

3.3 Company Registration
Number:.....

3.4 Tax Reference Number:
.....

3.5 VAT Registration Number:
.....

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

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

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

3.6.1 If so, furnish particulars:

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

3.7.1 If so, furnish particulars:
.....

3.8 Are you connected with any persons in service of the state? **YES/NO**

3.8.1 If so, furnish particulars:
.....
.....

3.9 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**

3.9.1 If so, furnish particulars:
.....
.....

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

3.10.1 If so, furnish particulars:
.....
.....

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

3.11.1 If so, furnish particulars:

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

3.12.1 If so, furnish particulars:
.....

I, THE UNDERSIGNED (NAME)

.....

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

**1 Are you by law required to prepare annual financial statements for auditing?
*YES / NO**

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....
.....

**2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?
*YES / NO**

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

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

*** Delete if not applicable**

3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

***YES / NO**

3.1 If yes, furnish particulars

.....
.....

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? *YES / NO

4.1 If yes, furnish particulars

.....
.....

CERTIFICATION

**I, THE UNDERSIGNED (NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS
CORRECT.
I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION
PROVE TO BE FALSE.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
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

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

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

5. BID DECLARATION

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

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

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

7. SUB-CONTRACTING

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

(*Tick applicable box*)

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

- 7.1.1 If yes, indicate:

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

(*Tick applicable box*)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
--	----------	----------

Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

8.9 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
.....
.....

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:	

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity
as.....
accept your bid under reference numberdated.....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.

<u>DESCRIPTION OF SERVICE</u>	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

MBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Municipal Bidding Documents 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. wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector during the past five years;
 - 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 as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partum</i> rule was applied)	<input type="checkbox"/>	<input type="checkbox"/>
4.1.1	If so, furnish particulars		
4.2.	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445).	<input type="checkbox"/>	<input type="checkbox"/>
4.2.1	If so, furnish particulars		
4.3.	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	<input type="checkbox"/>	<input type="checkbox"/>

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

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

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

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF 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:

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

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.

TERMS OF REFERENCE

1 VAT Review

- (a) VAT is the only tax that has a direct impact on the financial affairs of a Municipality.
- (b) The application of the Value Added Tax Act, Act No. 89 of 1991, is a complex issue and not easy to interpret and contains numerous exceptions and provision. Given the fact that the financial implications of such actions can be detrimental to the Municipality and the prescription period of this claim proviso (i) of section 17 of the VAT Act that limits the period in which a vendor may claim an input deduction to five (5) years.
- (c) Facilitate a VAT review, which includes a review of the current status of the treatment of VAT by the Municipality's accounting system to ensure appropriate application of the relevant provisions of the VAT Act to ensure optimal claiming of the input tax and appropriate declaration of the output tax timeously.
- (d) Detail examination into the general ledger where VAT was potential not claimed.
- (e) Calculate the apportionment percentage based for the current and previous five (5) years.
- (f) Apply the recalculated apportionment percentage to the mixed supply expenses and the amount of under or over payment of input tax, if any.

2 VAT Recovery

- (a) Review the VAT treatment of equitable shares and all other grants, conditional and unconditional, to ensure that the treatment is correct from a VAT, as well as a grant condition point of view.
- (b) A comprehensive written report must be submitted on the findings of the review/recovery identifying risk areas, internal control weaknesses and recommendations for improvement;
- (c) Working papers of all relevant calculations should be handed over to the Municipality.

The VAT review/recovery process should include for the following:

2.1 VAT Reconciliations

- (a) Obtain input and output figures from the general ledger per tax period.
- (b) Obtain copies of the VAT 201's submitted to SARS.

(c) Reconcile the input figures from the general ledger with the input figures reflected on the VAT 201's (Submit an electronic reconciliation of the input VAT as per the financial system of the Municipality and compare the reconciliation with the figures as per the SARS system (VAT201)).

(d) Reconcile the output figures from the general ledger with the output figures reflected on the VAT 201's (Submit an electronic reconciliation of the output VAT as per the financial system of the Municipality and compare the reconciliation with the figures as per the SARS system (VAT 201)).

(e) Reconcile the figures on the VAT 201 returns to the VAT report from the financial system.

(f) Investigate differences.

2.2 VAT Input Reconciliation

(a) Obtain detailed line-by-line general ledger transactions electronically from the system.

(b) Link the line-by-line detailed transactions of the general ledger VAT input account(s) to the different lines of the different account transactions.

(c) Reconcile the above linked line-by-line transactions per the expense account to identify instances where VAT registered was not accounted for in the VAT 201 - code these exceptions as; supplier not VAT registered / require valid tax invoice from supplier / no VAT to be claimed / valid VAT saving / VAT charged but supplier not registered for VAT.

(d) Investigate expenses (general ledger entries) where no VAT as claimed by obtaining invoices/supporting documentation.

(e) The Service Provider to have its own team of staff members to retrieve incorrect, lost, misfiled or misplaced invoices from Municipal suppliers.

(f) Where VAT as charged by non-VAT vendors, the Service Provider is to recover the VAT charged.

(g) Investigate journals.

2.3 VAT Output Reconciliation

(a) Obtain detailed line-by-line general ledger transactions electronically from the system.

(b) Link the line-by-line detailed transactions of the general ledger VAT output account(s) to the different lines of the different income account transactions.

(c) Perform a detailed breakdown of the debtor's sub-ledgers transactions to review the allocation of VAT.

- (d) Reconcile the VAT linked with the VAT per income stream to identify instances where VAT was incorrectly accounted for in the VAT 201
- (e) Investigate exceptions; Investigate journals.
- (f) Verify income with bank statements/bank reconciliation.

3 The Detailed VAT Review Process

- (a) The successful tenderer will be required to conduct a thorough and meticulous VAT review of the Municipality's general ledger control accounts in relation to VAT transactions to ensure that the Municipality has correctly accounted for VAT on all the expenditure and revenue.
- (b) Review of the VAT report from the financial system to ensure that output tax was declared on all receipts for taxable receipts from customers and input tax claimed for all payments made to VAT vendors.
- (c) An investigation of the accounting system including correct flagging/coding of all expenditure and revenue votes to ensure all votes have been correctly set up for VAT.
- (d) Establish the impact for the years under review if there is any over/under/claimed input and output due to the general ledger being incorrectly set up for VAT.
- (e) Address unresolved pertinent issues that have a direct influence on VAT; such as equitable share and conditional grants.
- (f) Calculate the required VAT adjustments resulting from the review, if any, inclusion on the relevant VAT return.
- (g) Transfer of skills to Municipal staff regarding all VAT facets should take place within the contract period.

4 A Detailed Examination into the Municipality's General Ledger, Journal Vouchers, Tax Invoices to ascertain if VAT was claimed due to:

- (a) The supplier being recorded as a non-VAT vendor on the system but there is proof otherwise.
- (b) Incorrect classification of votes for VAT purposes eg. classified exempt and VAT originally claimed.
- (c) The supplier does attract VAT, but this was omitted.

5 VAT Apportionment Percentage Review

- (a) Analysis of computation of current apportionment ratio applied.
- (b) Review and recalculate the apportionment ratio for the current and previous five (5) years as per approved formula.

- (c) Apply the recalculated apportionment percentage to determine:
- (i) whether the VAT apportionment percentage has been correctly calculated;
 - (ii) whether the VAT apportionment percentage has been correctly applied; and
 - (iii) the amount of under or over paid input tax, if any.
- (d) Create Excel models that will be used as a basis to calculate apportionment percentage for this period.
- (e) Calculate the required VAT adjustments resulting from the review, if any, inclusion on the relevant VAT return.
- (f) Provide detail workings for the calculation of the apportionment percentages/ adjustments in excel for the Auditor General and SARS.
- (g) Assist the Municipality in completing the VAT return(s), making declaration of liabilities/ receivables if any and completion of any necessary documentation that may be required to claim from SARS.
- (h) Liaise directly with SARS on all re-calculation workings and response to queries to obtain any refunds due the Municipality.
- 6** The methodology and procedures applied during the verification process ensure that the savings and exposures identified are 100% verifiable to any 3rd party, i.e. SARS or the Auditor General. The procedures applied must comply with the VAT Act.

7 CONTRACT PERIOD

The contract period shall be for three (3) years effective from the date of appointment of the successful panel of Service Providers.

FUNCTIONALITY

FUNCTIONAL ASSESSMENT - POINT SCORING FUNCTIONAL CATEGORY AND DESCRIPTION	ALLOCATION OF POINTS / WEIGHTING
EXPERIENCE OF THE COMPANY	70
<p>a) Proof of all Notice of Objections / Disputes submitted for a single municipality. Points will be allocated on the value (financial benefit) of the outcome</p> <p>i) R15million - R30million (5 points) ii) R30million - R50million (10 points) iii) >R50million (30 points)</p>	30
<p>b) Previous experience in projects of a similar nature: Conducting a VAT Review and Recovery</p> <p>Bidders must attach proof of experience where specific VAT Review services were provided. Bidders are required to submit an appointment letter/contract to be allocated the points. The points will be allocated as follows:</p> <p>i) 10 (1 to 10 Local Municipalities) <i>Appointment letters/Contracts (10 points)</i> ii) 15 (11 to 25 Local Municipalities) <i>Appointment letters/Contracts (15 points)</i> iii) 20 (More than 25 Local Municipalities) <i>Appointment letters/Contracts (20 points)</i></p>	20
<p>c) ISO 9001:2015 is defined as the international standard that specifies requirements for a quality management system (QMS). Organizations use the standard to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements</p> <p>Bidders must attach their VALID ISO 9001:2015 certificate recognised by the International Accreditation Forum (IAF) as evidence of the QMS requirement</p> <p>i) Valid ISO certificate (20 points) ii) Expired or no ISO certificate (0 points)</p>	20

CAPACITY	30
<p>d) Project Team must consist of full time employed Professional Accountants</p> <p>i) Below 2 Professional Accountants - Original signed Affidavits confirming employment, Certified ID Copies, Membership Certificates (0 points)</p> <p>ii) From 2 - 5 Professional Accountants - Original signed Affidavits confirming employment, Certified ID Copies, Membership Certificates (5 points)</p> <p>iii) Above 5 Professional Accountants - Original signed Affidavits confirming employment, Certified ID Copies, Membership Certificates (10 points)</p> <p><i>(Proof of membership from controlling body and certified ID copies to be attached for point allocation)</i></p>	10
<p>e) The bidding company must meet the requirements of employing permanent Tax Practitioners</p> <p>i) Below 5 Tax Practitioners - Original signed Affidavits confirming employment, Certified ID Copies, Membership Certificates (0 points)</p> <p>ii) From 5 - 10 Tax Practitioners- Original signed Affidavits confirming employment, Certified ID Copies, Membership Certificates (15 points)</p> <p>iii) Above 10 Tax Practitioners - Original signed Affidavits confirming employment, Certified ID Copies, Membership Certificates (20 points)</p> <p><i>(Proof of membership from controlling body and certified ID copies to be attached for point allocation)</i></p>	20
TOTAL POINTS (MINIMUM REQUIRED TO PASS EVALUATION IS 80 POINTS)	100

NB: Bidders who fail to score more than eighty (80) points on functionality will be considered as having submitted a non-responsive bid and will not be considered for further evaluation.

PRICING SCHEDULE

Pricing Schedule

Pricing Schedule	Period of tender (3 Years)
Price is percentage based on monies recovered on behalf of the municipality and must be inclusive VAT	%

Pricing instructions:

1. The lowest percentage will not automatically mean you have won the bid.
2. All prices shall be tendered including VAT but including customs or excise duty and any other duty, levy, or other applicable tax.
3. All prices (percentage) tendered will be final and binding.

ANNEXURE A
GENERAL CONDITIONS OF CONTRACT