



JOE MOROLONG LOCAL MUNICIPALITY

INVITATION TO BID (GENERAL GOODS AND SERVICES - FIRM PRICE)

(In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005))

BID NO: B248-2026

COMPILATION OF MSCOA AND GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FIXED ASSET REGISTER AND AD-HOC SUPPORT FOR A PERIOD OF 36 MONTHS

Closing Date and Time: Friday, 26 June 2026 at 12h00

NAME OF BIDDER:		Bidder VAT registered? – (Please tick appropriate box)				
CENTRAL SUPPLIER DATABASE (CSD) SUPPLIER NO:		<table border="1"> <tr> <td data-bbox="1326 1529 1390 1592">Yes</td> <td data-bbox="1390 1529 1441 1592"><input type="checkbox"/></td> </tr> <tr> <td data-bbox="1326 1592 1390 1666">No</td> <td data-bbox="1390 1592 1441 1666"><input type="checkbox"/></td> </tr> </table>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>					
No	<input type="checkbox"/>					
TOTAL BID PRICE (INCL VAT): (Brought forward from Pricing Schedule MBD3)	R					

Please note that it is compulsory for all service providers to complete the above required information

Local Municipality physical address:
 D320 Cardington Road, Churchill Village
 MOTHIBISTAD
 8474

Local Municipality postal address:
 Private Bag X117
 MOTHIBISTAD
 8474

SCM contact details:
 Manager: SCM
 Tel No: (053) 773 9300
 E-Mail: scm@joemorolong.gov.za

Technical contact details:
 Acting Chief Financial Officer: Mr. O Ramukhuvhathi
 Tel No: (053) 773 9309 /
 (082) 839 3053
 E-Mail: registry@joemorolong.gov.za

JOE MOROLONG LOCAL MUNICIPALITY

Bid no	Description
B248-2026	Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months

SUMMARY FOR BID OPENING PURPOSES

Name of bidder:	
Address:	
Telephone number:	
Fax number:	
E-mail address:	
Closing date:	Friday, 26 June 2026 at 12h00
Total bid price: (VAT Incl.)	R

(Amount brought forward from the Pricing Schedule **MBD3**) *

Signed by an authorized representative of the Bidder:

Date	Signature

* Should any discrepancy occur between this figure and that stated in the Pricing Schedule (**MBD3**, the latter shall take precedence and apply).

BID GENERAL DATA

Item	Description
Bid no:	B248-2026
Bid Description:	Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months
Bid type:	General goods and services - firm price
PPPFA preferential points system:	80/20
CIDB minimum grade required:	N/A
Functionality evaluation bid:	Minimum functionality score of 70.00/100 is required
Pre-qualifying criteria bid:	N/A
Local production bid:	N/A
Sub-contracting bid:	N/A
Project manager:	Chief Financial Officer
Department:	Financial Services
Advert date:	24 May 2026
Bid document fee (VAT Incl.):	R1 613.25 (Free if downloaded from the e-Tender Portal)
Bid document availability date and time:	Monday, 25 May 2026 at 08h00
Advert closing date and time:	Friday, 26 June 2026 at 12h00
Bid validity days:	90
Contact name and details:	Acting Chief Financial Officer: Mr. O Ramukhuvhathi Tel No: (053) 773 9309 / (082) 839 3053 E-Mail: registry@joemorolong.gov.za
Bid document pickup location:	Cashiers office in the Finance Department
Bid document submission location:	Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village
Bid briefing details:	Compulsory Site Briefing: N/A

FOR MORE INFORMATION PLEASE CONTACT:

Joe Morolong Local Municipality	
Telephone number:	(053) 773 9300
E-mail address:	registry@joemorolong.gov.za

Bid contact details	
Name and Details:	Acting Chief Financial Officer: Mr. O Ramukhuvhathi Tel No: (053) 773 9309 / (082) 839 3053 E-Mail: registry@joemorolong.gov.za

Municipal Manager
B Motlhaping
Joe Morolong Local Municipality
Private Bag X117 MOTHIBISTAD 8474

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SECTION 01: VERY IMPORTANT NOTICE ON EVALUATION

A bid not complying with the peremptory requirements stated hereunder may be regarded as not being an “Acceptable bid”, and as such will be rejected.

“Acceptable bid” means any bid which, in all respects, complies with the conditions of bid and specifications as set out in the bid documents, including conditions as specified in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and related legislation as published in Government Gazette number 47452, dated 04 November 2022, in terms of which provision is made for this policy..

1. If a valid **SARS PIN** (or in the case of a joint venture, of all the partners in the joint venture) has not been submitted with the bid document on closing date of the bid.
2. If any pages have been removed from the bid document, and have therefore not been submitted, or a copy of the original bid document has been submitted.
3. Failure to complete the schedule of quantities as required, i.e. only lump sums provided.
4. Scratching out, writing over or painting out rates, without initialling next to the amended rates or information, affecting the evaluation of the bid.
5. The use of correction fluid (i.e. tippex) or any erasable ink, e.g. Pencil.
6. Non-attendance of mandatory/compulsory:
 - o Information/Clarification meetings
7. **THE BID HAS NOT BEEN PROPERLY SIGNED BY A PARTY HAVING THE AUTHORITY TO DO SO ACCORDING TO THE EXAMPLE OF “AUTHORITY FOR SIGNATORY”**
8. No authority for signatory submitted – See example, where it is stated that a duly signed and dated original or certified copy of the company’s relevant resolution (for each specific bid) of their members or their board of directors, must be submitted (Section 04 or Section 05).
9. The bid has been submitted either in the wrong bid box or after the relevant closing date and time.
10. If any municipal rates and taxes or municipal service charges owed by the bidder or any of its directors to the municipality, or any other municipal entity, are in arrears for more than three months. The bidder has failed to submit paid up letters or proofs from their Municipalities that they do not owe any rates or taxes.
11. The accounting officer must ensure that irrespective of the procurement process followed, no award may be given to a Person -
 - (a) who is in the service of the state, or;
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder, is a person in the service of the state; or;
 - (c) who is an advisor or consultant contracted with the municipality in respect of contract that would cause a conflict of interest.
12. Failure to provide:
 - (a) Written proof of registration with the CIDB, in an appropriate contractor grading designation **N/A or higher**, as required in the bid document.
13. Failure to attach a copy of a valid signed Joint Venture/Consortium agreement (if applicable) to the bid document.
14. If an Accredited Certified Copy or Original **BBBEE Certificate** by SANAS or IRBA accreditation has not been submitted with the bid document on closing date of the bid

N.B – Bids containing any or more of the following errors or omissions may be deemed non responsive:

1. Certified Copy of **Company Registration Certificate** from the Registrar of Companies.
2. Proof of shareholding documents
3. Proof of Banking Details and Bank Grading of C or higher. Certification from Bank to be submitted with Tender.
4. A Valid **SARS PIN**. In the event of a JV, SARS PIN for all parties
5. An Accredited Certified Copy or Original **BBBEE Certificate** by SANAS or IRBA accreditation
6. Recent statement as proof of payment of municipal services (rates and taxes) for both company and all directors of the company. Not older than three months
7. Proof of company addresses or lease agreements whichever applies obtainable from your local municipality, tribal authority or landlord. Proof is required for addresses listed on the CSD. In the case of lease agreements, proof is required to show that the lease agreement is active (e.g. recent proof of payment to the landlord / lessor - for those where the responsibility of rates and taxes lies with the landlord / lessor)

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

8. Proof of residence of all Directors as they appear on the company registration certificate obtainable from your local municipality or tribal authority
9. Postal address and contact details
10. Contact person for correspondence
11. Attendance of Clarification Meeting
12. Late Submissions after 12h00 on Friday, 26 June 2026
13. Written proof of Registration with the CIDB.
14. Valid JV Agreement if Tenderer is tendering as a Joint Venture.
15. In the case of a Joint Venture Agreement, it must be tender specific.
16. Changes and correction in the tender documents not signed by tenderer.
17. Certified copies of identity documents (ID's) of all directors/members.
18. No copies of previously certified copies will be accepted
19. Proof of Company Registration on the Central Database (CSD) must be submitted. (Both JV Partners).

NOTE:

IN THIS DOCUMENT AND OTHER DOCUMENTS REFERRED TO BUT NOT ATTACHED, THE FOLLOWING WORDS ARE SYNONYMOUS WITH EACH OTHER.

1. CLIENT, EMPLOYER, JOE MOROLONG LOCAL MUNICIPALITY.
2. BID, TENDER AND VARIATIONS THEREOFF
3. JOINT VENTURE / CONSORTIUM

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 02 – BID DOCUMENT COMPLIANCE CHECKLIST

Bidders are to use this checklist to ensure that the bid documentation is complete for administrative compliance. The bidder is to indicate that the documentation is complete and included in the bid document by completing the table below.

Tick to indicate that the information is included:

Item	Description	Yes	No	N/A

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 03: BID DECLARATION

1. I/we Mr/Mrs/Messrs _____ duly assigned to represent the bidder for the purpose of this bid, hereby bid to supply the goods and/or render services described in the attached documents to the Joe Morolong Local Municipality on terms and conditions stipulated in this bid and in accordance with the specifications stipulated in the bid documents (which shall be taken as part of, and incorporated into this bid) at the prices reflected in the Pricing Schedule.
2. I/we agree that this offer shall remain valid for a period of **90** days commencing from the closing date and time of this bid.
3. I/We further agree that:
 - 3.1 This bid and its acceptance shall be subject to the terms and conditions contained in the in the Joe Morolong Local Municipality’s Supply Chain Management Policy;
 - 3.2 if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Joe Morolong Local Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the Joe Morolong Local Municipality and I/we will then pay to the Joe Morolong Local Municipality any additional expense incurred by the Joe Morolong Local Municipality having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid; the Joe Morolong Local Municipality shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the Joe Morolong Local Municipality may sustain by reason of my/our default;
 - 3.3 If my/our bid is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;
 - 3.4 The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose *domicilium citandi et executandi* in the Republic of South Africa, where any and all legal notices may be served at (full street address of this place):

Full street address

4. I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
5. I/we hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of this contract.
6. I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me/us as a result of such action.

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Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

7. I/we declare that I/we have participation/no participation* in the submission of any other offer for the supplies/services described in the attached documents. *If in the affirmative, state name(s) of bid(s) involved.

Names of bids involved

Name of Bidder	Signature

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



SECTION 04: RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

_____ (Name of Bidder)

Held at _____ On _____
 (Place) (Date)

RESOLVED THAT:

1. The enterprise submits a Bid to the Joe Morolong Local Municipality in respect of the following project:

B248-2026 : Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months

2. Mr/Mrs/Ms _____

In his/her capacity as _____ and who will sign as follows:

 (Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the bid to the enterprise mentioned above.

Note: The resolution must be signed by all the directors or members/partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SECTION 05: RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

_____ (Name of Bidder)

Held at _____ On _____
(Place) (Date)

RESOLVED THAT:

1. The enterprise submits a Bid to the Joe Morolong Local Municipality in respect of the following project:

B248-2026 : Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months

As a Consortium/Joint Venture comprising *(list all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)*

_____ (Enterprise full Name and Registration Number)

_____ (Enterprise full Name and Registration Number)

2. Mr/Mrs/Ms _____

In his/her capacity as _____ and who will sign as follows:

_____ (Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the Bid to the **Consortium/Joint Venture** enterprise mentioned above.

3. The enterprise in the form of a consortium or joint venture accept jointly and several liability with parties under item 1 above for the fulfilment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the Joe Morolong Local Municipality in respect of the project described above under item 1.

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Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2



4. The **Consortium/Joint venture** enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and contract with the Joe Morolong Local Municipality in respect of the project under item 1:

Physical address

Note: The resolution must be signed by all the directors or members / partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 06: BID ADVERT



**JOE MOROLONG LOCAL MUNICIPALITY
INVITATION FOR PROSPECTIVE BIDDERS**

Prospective service providers with proven track records are invited to tender as follows:

Bid No.	Bid Description	CIDB Grading	Availability of Documents & Non-Refundable Fee	Briefing / Site Inspection Date Time and Venue	Closing date	Points System	Contact Person for Technical Enquiries
B248-2026	Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months	N/A	25 May 2026 from 08h00 for R1 613.25	N/A	26 June 2026 at 12h00	80/20	Acting Chief Financial Officer: Mr. O Ramukhuvhathi Tel No: (053) 773 9309 / (082) 839 3053 E-Mail: registry@joemorolong.gov.za

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

Minimum Specifications and other conditions are detailed in the bid documents. Bid documents with detailed bid specifications and detailed information are obtainable at the Cashiers office in the Finance Department (office hours: Monday to Friday 07h30 to 16h15) of the Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village. Alternatively, they can be downloaded for free from the E-tender portal.

Bids will be adjudicated according to the Joe Morolong Local Municipality's Supply Chain Management Policy, the Preferential Procurement Policy Framework Act (Act 5 of 2000) and the Preferential Procurement Regulations, 2022, as well as the Broad Based Black Economic Empowerment Act (Act 53 of 2003). The evaluation of the bids are based on the Preferential Procurement Point System stipulated in the bid documents. Sealed Bids and supporting documents clearly marked with the above references and descriptions must be placed in the Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village.

Please note that it is a requirement of the Local Municipality that all service providers are to be registered on the Joe Morolong Local Municipality's Vendor Database. The submission of a valid up to date SARS tax clearance certificate / copy of the Tax Compliance reference pin issued by SARS are compulsory. Vendor Registration Forms are available from the SCM Section in the Finance Department of the Local Municipality at D320 Cardington Road, Churchill Village.

In terms of MFMA Circular No 81, issued by National Treasury, it is compulsory as from 1 July 2016 for all prospective service providers to Local Municipalities to be registered on the web based **Central Supplier Database (CSD)**. Bids received from service providers not registered on the **CSD** shall therefore be regarded as non-responsive and will not be further evaluated. Prospective service providers can utilise the following link to register on the **CSD**: www.csd.gov.za.

The Joe Morolong Local Municipality does not bind itself to accept the lowest or any bid and the Local Municipality reserves the right to accept the whole or part of any bid and further reserves the right to re-advertise if it so wishes to.

Please note that late, electronic, couriered, postal or faxed bid documents will not be accepted.

B Motlhaping

Municipal Manager

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 07: BID NOTICE



JOE MOROLONG LOCAL MUNICIPALITY

TENDER NO: B248-2026

Joe Morolong Local Municipality hereby invites registered, experienced and suitably qualified service providers to submit bids for Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months.

The bid document with detailed specifications and detailed information are obtainable at the Cashiers office in the Finance Department during office hours (Monday to Friday 07h30 to 16h15) and e-Tender Portal www.etender.gov.za from 08h00 on Monday, 25 May 2026.

Bid briefing details:

N/A

Tender closing:

Friday, 26 June 2026

Time:

12h00

A non-refundable cash deposit fee of R1 613.25 is required on collection of the bid document. Free if bid document is downloaded from the e-Tender Portal

General Conditions of the bid

1. The prices must be valid for at least 90 days after closing date
2. Proof of payment must be attached to the Bid document (bid documents downloaded from the e-Tender Portal website may be done so for free and are excluded)
3. Bid prices must be inclusive of VAT
4. A copy of the Tax Compliance Status reference PIN issued by SARS, to enable the municipality to verify the bidder's tax compliance must be supplied
5. A certified copy of a B-BBEE Level Verification Certificate (only SANAS accredited or Sworn Affidavit will be accepted)

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

6. The 80/20 principle will be applied, in terms of the Supply Chain Management Policy of Council when bids are evaluated which is available upon request
7. The bidders are required to complete MBD forms (in case of Joint Venture agreement for both companies needs to complete MBD forms separately)
8. The Joe Morolong Local Municipality does not bind itself to accept the lowest or any bid and the municipality reserves the right to accept the whole or part of any bid. No reasons for the acceptance or rejection of any bid will be given
9. Bids will be adjudicated according to the Joe Morolong Local Municipality's Supply Chain Management Policy, the Preferential Procurement Policy Framework Act (Act of 2005) and the Preferential Procurement Regulations, 2022, as well as the Broad Base Black Economic Empowerment Act (Act 53 of 2003)
10. A copy of the company registration certificate (CK) obtainable from the Companies and Intellectual Property Commission must be attached
11. Proof of Rates and Taxes or lease agreement obtainable from the relevant local authority for each Director/s of the Company as they appear on the Companies and Intellectual Property Commission(CIPC) registration certificate and Central Suppliers Database summary report (CSD)
12. If the business is operated from the residence of a director/s a certified affidavit must be submitted stating the address of the business premises. If the premises from where business is conducted or where a director is residing, is leased a copy of the leased agreement must be submitted
13. Certified copies of identity documents (IDs) of all directors / members must be submitted
14. No Copies of certified copies will be accepted
15. In case of a Joint venture agreement, the agreement must be specific to this bid and not a generic / general agreement
16. Recognisable proof of company addresses or lease agreement whichever applies obtainable from your local municipality, tribal office or landlord
17. Proof of residence of all directors as they appear on the company registration certificate obtainable from your local municipality or tribal authority

The Bid document and supporting documentation must be enclosed in an envelope clearly endorsed with the Bid number and Description (B248-2026 - Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months). The Bid document is to be placed in Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village not later than the prescribed time and date when Bids will be opened in public. The Bid will be evaluated and adjudicated in accordance with the Joe Morolong Local Municipality's Supply Chain Management Policy, Preferential Procurement Policy Framework Act No 5 of 2000 using 80/20 points system. The validity period of this Bid is 90 days.

NOTE:

- **The Municipality is not bound to accept the lowest or any bid and reserve its rights in this regard**
- **Please note that late, electronic, couriered, posted or faxed Bid documents will not be accepted**

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 08: INVITATION TO BID (MBD1)

PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE JOE MOROLONG LOCAL MUNICIPALITY					
BID NUMBER:	B248-2026	CLOSING DATE:	26 June 2026	CLOSING TIME:	12h00
DESCRIPTION	Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

Bids must be properly received and deposited in the Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village on or before 12h00 on Friday, 26 June 2026 at which time the bids will be opened in public. Bid offers must be submitted in a sealed envelope properly marked in terms of the bid number (B248-2026) and bid description (Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months). No bid offers will be accepted via e-mail, facsimile (fax) or telegram. NO LATE BIDS WILL BE ACCEPTED.

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:	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<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			

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	Finance	CONTACT PERSON	Acting Chief Financial Officer: Mr. O Ramukhuvhathi
CONTACT PERSON	Manager: SCM	TELEPHONE NUMBER	(053) 773 9309 / (082) 839 3053
TELEPHONE NUMBER	(053) 773 9300	E-MAIL ADDRESS	registry@joemorolong.gov.za
E-MAIL ADDRESS	scm@joemorolong.gov.za		

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

**PART B
 TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

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

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

SECTION 09: BID EVALUATION CRITERIA

The tender will be evaluated in two stages:

1. **Functionality Evaluation:** A minimum score of 70 out of 100 points is required to proceed to Stage 2. Failure to achieve 70% on functionality will result in disqualification from further consideration.
2. **Price and B-BBEE Evaluation:** Evaluated on the 80/20 preference points system (80 points for price; 20 points for B-BBEE status level). Pricing low does not guarantee appointment.

Any false information provided by a tenderer will result in automatic disqualification. All supporting documents must be submitted at the time of tender submission and indexed accordingly.

11. Functionality Evaluation Criteria (Stage 1 – 100 Points)

#	EVALUATION CRITERION	SCORING GUIDE	POINTS
1.1	Organisational Experience in Similar Projects (AFS and/or Asset Register) Evidence: Appointment letters and reference letters		40
	Over 5 similar projects (minimum 2 AFS and 3 Assets) in the public sector	30	30
	3–5 similar public sector projects	20	20
	1–2 similar public sector projects	10	10
1.2	Reference Letters – Unqualified Audit Outcomes Stamped, signed reference letters from public sector clients confirming unqualified audit outcomes on AFS or assets prepared by the tenderer. At least one letter must confirm improvement from a qualified to an unqualified outcome.		10
	6 or more qualifying reference letters submitted	10	10
	1–5 qualifying reference letters submitted	5	5
2	Qualifications and Experience of Key Personnel Evidence: CVs and certified qualification copies		35
	2x Chartered Accountants CA(SA) with municipal AFS experience (5 points each)	Max 10	10
	Asset Management Specialist: CSAM (SAAMA certified) – Not a CSAM: 0 Is a CSAM: 15	0 or 15	15

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

#	EVALUATION CRITERION	SCORING GUIDE	POINTS
	1x Civil Engineer (ECSA member: Pr. Eng or Pr. Tech. Eng)	5	5
	UIFWE Competency: Lead Accountant or Second Accountant demonstrates specific MFMA Circular 68 UIFWE processing experience (documented in CV with municipal reference)	0 or 5	5
	3	Methodology, Skills Transfer Plan, and Training Programme Evidence: Methodology document, Skills Transfer Plan, and Training Programme submitted	
	No methodology submitted	0	0
	Basic methodology submitted, unclear or incomplete; does not address full scope; no project plan; no skills transfer plan; no UIFWE methodology	5	5
	Adequate methodology addressing most areas; project plan submitted; basic skills transfer plan included; limited UIFWE methodology	10	10
	Clear, robust methodology fully addressing AFS, FAR, Audit Support, UIFWE ad-hoc services, and annual training (Modules A–F); project risks identified with mitigations; project plan aligned to statutory dates; comprehensive skills transfer and training plan included; UIFWE process aligned to Circular 68	15	15
TOTAL FUNCTIONALITY SCORE			100
Minimum pass mark: 70 out of 100 points on functionality to qualify for Stage 2 (Price and Specific Goals evaluation)			

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 10: BID SPECIFICATION DOCUMENTATION

TERMS OF REFERENCE AND TECHNICAL SPECIFICATIONS

**FOR THE APPOINTMENT OF A SERVICE PROVIDER FOR THE
 COMPILATION OF mSCOA AND GRAP-COMPLIANT ANNUAL
 FINANCIAL STATEMENTS, FIXED ASSET REGISTER, AND AD-HOC
 SUPPORT**

1. Purpose of this Document

This Terms of Reference and Technical Specification document governs the procurement, appointment, management, and performance assessment of a suitably qualified and experienced service provider to render the following services to Joe Morolong Local Municipality (JMLM) for a period of 36 months:

- Compilation and review of mSCOA and GRAP-compliant Annual Financial Statements (AFS) using CaseWare Working Papers;
- Compilation and maintenance of the Fixed Asset Register (FAR) in accordance with GRAP 17 and applicable GRAP standards; and
- Ad-hoc Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFWE) investigation support in accordance with MFMA Circular No. 68 (as revised April 2026).

In addition to the above service components, the appointed service provider is required to deliver a mandatory annual multi-departmental training programme covering Finance, Technical Services, and MPAC personnel as a ring-fenced deliverable of this contract.

2. Background and Legislative Context

JMLM is a local municipality established in terms of the Local Government: Municipal Structures Act 117 of 1998. The municipality collects rates, levies, surcharges, fees, and service charges; receives grants; and borrows for capital expenditure.

The procurement of these consultancy services is authorised by the following legislative and policy instruments:

INSTRUMENT	RELEVANCE
MFMA No. 56 of 2003 – section 126	Mandates submission of GRAP-compliant AFS to the AGSA by 31 August each year
MFMA Circular No. 82	Requires a Gap Analysis Report confirming internal incapacity before contracting consultants
MFMA Circular No. 68 (Revised April 2026)	Establishes the UIFWE process framework including the 12-step process cycle, liability assessment, MPAC investigation requirements, and AFS disclosure obligations
MFMA Circular No. 97	Governs the use of consultants including remuneration benchmarking against SAICA/DPSA rates
Cost Containment Regulations (GG 42514, 7 June 2019)	Requires skills transfer, time-limited appointments, output-specified contracts, and development of consultancy reduction plans

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

INSTRUMENT	RELEVANCE
GRAP Standards (ASB)	Govern the preparation and presentation of municipal financial statements
SCM Regulations 2005 JMLM SCM Policy	Govern the procurement process, evaluation, and appointment of service providers
MFMA Reg. 493 of 2007 (Min. Competency)	Sets minimum qualification and competency levels for municipal finance officials – confirms skills gaps requiring external support
JMLM Gap Analysis Report (May 2026)	Confirms internal incapacity across AFS preparation, FAR management, and UIFWE processing; justifies this procurement
NT Asset Management Framework for Municipalities	Prescribes requirements for Asset Management Plans, maintenance strategies, and infrastructure lifecycle management for municipalities
Municipal Infrastructure Grant (MIG) Framework IDIP	Governs infrastructure planning, capital project delivery, and performance reporting for grant-funded infrastructure investment

3. Contact Persons

ROLE	OFFICIAL	CONTACT
Project Champion / Technical Enquiries	Mr O. Ramukhuvhathi – Sr Manager: Financial Control	fincontrol@joemorolong.gov.za
Contract Manager	Chief Financial Officer	Via BTO Office
SCM Enquiries	Manager: SCM	Via SCM Unit

Briefing Session: Not applicable. Prospective tenderers are required to familiarise themselves with this document, the Gap Analysis Report, MFMA Circular 68, and the GRAP Standards applicable to municipalities prior to submission.

4. Scope of Contract

The service provider shall provide the following four integrated service components over the 36-month contract period. Components 4.1 to 4.3 are the primary service deliverables. Component 4.4 (Annual Training Programme) is a mandatory, ring-fenced deliverable. Component 4.5 (UIFWE Support) is engaged on an ad-hoc, written-instruction basis only.

4.1 Annual Financial Statements (AFS) Compilation

4.1.1 General AFS Obligations

The service provider shall compile, prepare, and review the municipality's mSCOA and GRAP-compliant Annual Financial Statements for each of the three financial years covered by this contract (2025/26, 2026/27, and 2027/28). All work must be performed on CaseWare Working Papers and the completed file must be handed over to the municipality.

4.1.2 Primary Financial Statements

The service provider must prepare complete, accurate, and GRAP-compliant versions of all primary financial statements, including:

- Statement of Financial Position

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- Statement of Financial Performance
- Statement of Changes in Net Assets
- Cash Flow Statement
- Statement of Comparison of Budget and Actual Amounts (in terms of GRAP 24)

4.1.3 Accounting Policies

- Review, update, and prepare accounting policies applicable to the municipality in accordance with all current GRAP Standards.
- Ensure accounting policies are consistent with prior periods or that changes are properly disclosed and the effects quantified.
- Provide a GRAP disclosure checklist as a supporting document, cross-referenced to the AFS.

4.1.4 Notes and Supplementary Disclosures

The service provider must prepare complete AFS disclosures (current and prior year), working papers, and supporting registers for the following items as a minimum:

1	Inventories	2	Receivables from Exchange Transactions	3	Receivables from Non-Exchange Transactions	4	VAT
5	Cash and Cash Equivalents	6	Property, Plant and Equipment (PPE)	7	Investment Property	8	Intangible Assets
9	Heritage Assets	10	Irregular Expenditure	11	Unauthorised Expenditure	12	Fruitless & Wasteful Expenditure
13	Government Grants and Subsidies (Liability and Revenue)	14	Payables from Exchange Transactions	15	Commitments	16	Contingencies
17	Employee Benefit Obligations (GRAP 25)	18	Provisions (incl. Landfill Site Rehabilitation)	19	Revenue and Expenditure	20	Employee Costs
21	Debtors' Impairment (with working papers)	22	Borrowings	23	Related Party Transactions	24	UIFWE Register Disclosure

4.1.5 Specialised AFS Valuations and Calculations

- Actuarial valuations and calculations for Long Service Awards (GRAP 25), with full working papers and AFS disclosure.
- Calculation of provisions for landfill site rehabilitation and closure in accordance with GRAP 17 and GRAP 19, and the National Environmental Management: Waste Act (NEMWA). The report must assist JMLM to comply with applicable waste management legislation and GRAP standards.
- Calculation of debtors' impairment provision using an appropriate methodology, with working papers and AFS disclosure.

4.1.6 mSCOA Compliance

- All AFS preparation must comply with the Municipal Standard Chart of Accounts (mSCOA) Regulations, incorporating all seven (7) mSCOA segments.
- Revenue and expenditure must be correctly mapped to the applicable mSCOA classifications.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- The service provider must ensure that the financial system data extracts reconcile to the AFS prior to finalisation.

4.1.7 Audit File Preparation

- The audit file (both hard and soft copies) must be complete, fully cross-referenced, and supported by sufficient appropriate evidence such that it requires no further explanation from municipal staff during the AGSA audit.
- Working papers must support each balance, disclosure, and accounting policy applied in the AFS.
- The service provider must prepare and maintain a pre-audit preparation checklist and submit it to the Contract Manager at least 10 working days before the commencement of the AGSA audit.

4.1.8 Prior-Year Error Correction and Audit Finding Resolution

- Address and clear all material matters identified in the previous year's management report and AGSA audit report.
- Prepare prior-year error correction journals with full supporting documentation.
- Assess progress on the approved Audit Action Plan and provide additional supporting evidence where required.
- Assist with implementing corrective measures and internal controls to prevent recurrence of findings.

4.1.9 AFS Submission Compliance

- Ensure that the AFS are submitted to the Auditor-General South Africa (AGSA) in terms of section 126 of the MFMA by 31 August of each year covered by the contract.
- Provide advice and facilitation in terms of sections 122 to 125 of the MFMA regarding the preparation and content of the AFS.
- Provide advice on the implementation of systems ensuring full and proper financial records are kept in accordance with norms and standards (section 122 of the MFMA).

4.2 Fixed Asset Register (FAR) Compilation and Maintenance

4.2.1 Asset Classes in Scope

The following asset classes, held by JMLM, fall within the scope of this contract:

#	ASSET CLASS	APPLICABLE GRAP STANDARD(S)
1	Land, Buildings, Infrastructure, Community Assets, Capital Work in Progress	GRAP 17: PPE; IGRAP 18: Recognition and Derecognition of Land; GRAP 21 & 26: Impairment of Assets
2	Movable Assets (Furniture, Office Equipment, Motor Vehicles, etc.)	GRAP 17: PPE; GRAP 21 & 26: Impairment of Assets
3	Investment Property	GRAP 16: Investment Property; GRAP 21 & 26: Impairment of Assets
4	Intangible Assets	GRAP 31: Intangible Assets; GRAP 21 & 26: Impairment of Assets
5	Heritage Assets	GRAP 103: Heritage Assets; GRAP 21 & 26: Impairment of Assets
6	Landfill Sites	GRAP 17: PPE; GRAP 19: Provisions for Landfill Site Rehabilitation

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

4.2.2 Physical Verification and Barcoding

- Conduct a physical verification and labelling of all assets of the municipality to ensure completeness and existence of property, plant and equipment.
- Assign and effect a unique asset identification number by bar-coding, and capture new assets not included in the current FAR.
- Note: The municipality will provide barcodes or, alternatively, the appointed service provider must provide a separate quote for the provision of barcodes, subject to agreement.
- Obtain GPS co-ordinates for all immovable assets and update the GIS system where required.
- Reconcile the immovable asset register with the verification report to confirm that all infrastructure assets agree to the register, and update any changes in asset location, condition, or status.

4.2.3 FAR Compilation and Reconciliation

- Compile and maintain the asset register for all asset classes in accordance with GRAP standards, the MFMA, and National Treasury guidelines.
- Reconcile capital work in progress, noting amounts requiring capitalisation and unbundling, and process the required journals.
- Prepare reconciliation between the FAR and the General Ledger and process all required adjusting journals.
- Review contracts and payments for possible misallocation of asset-related expenditure; correct where applicable.
- Ensure that all information in the FAR supports the uploading and importing into the municipal asset management system.
- Review all reconciliations for completeness and accuracy.

4.2.4 Depreciation, Impairment, and Disposals

- Re-assess and update the useful lives, residual values, and depreciation methods of all PPE in accordance with GRAP 17.
- Calculate adjusting journals for re-assessments of useful lives, residual values, and depreciation methods.
- Provide a detailed methodology for the assessment and measurement of impairment of assets where applicable.
- Identify, measure, and record impairment losses in accordance with GRAP 21 and GRAP 26.
- Process journals for additions, disposals, write-offs, and reclassifications, with full supporting documentation.

4.2.5 Infrastructure Asset Unbundling and Componentisation

- Perform unbundling and componentisation of infrastructure assets and assets under construction in accordance with GRAP 17.
- Capture unbundled components into the FAR and, where applicable, into the GIS system.
- Prepare the required journals and supporting documentation for all unbundling adjustments.

4.2.6 Landfill Site Rehabilitation Provision

- Provide costs of rehabilitation of landfill sites and prepare provisions and depreciation reports.
- Calculate the provisions for rehabilitation and closure of landfill sites as at 30 June of each year, in compliance with NEMWA and GRAP 17/19.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

4.2.7 Property Valuation and GIS Services

- Provide property valuation services through a registered Professional Valuer (SACPVP) for assets requiring independent valuation.
- Provide GIS Professional services (Pr. GISc) to update, verify, and reconcile GPS coordinates and spatial data for immovable assets.

4.2.8 Asset Management Policy

- Review and update the Fixed Asset Management Policy to ensure full GRAP 17 compliance.
- Ensure alignment with the municipality's delegations, accounting policies, and AGSA requirements.

4.2.9 UIFWE Classification, Quantification, and Register

- Assist the CFO and Financial Control unit in classifying transactions as unauthorised, irregular, fruitless, or wasteful expenditure in terms of section 1(1) of the MFMA and MFMA Circular No. 68.
- Update and maintain the municipality's UIFWE register in accordance with Annexure A to MFMA Circular No. 68, ensuring completeness, accuracy, and monthly updating.
- Quantify the full extent of all UIFWE, including reconstruction of prior-period amounts and multi-year contract irregularities from inception.
- Ensure all UIFWE is recorded VAT-inclusive as required by MFMA Circular No. 68 (section 9.2).
- Distinguish between cash and non-cash unauthorised expenditure in the register and AFS disclosure notes.

4.2.10 AFS UIFWE Disclosure

- Ensure all UIFWE items are correctly disclosed in the AFS notes in terms of section 125(2)(d) of the MFMA, including amounts, recoverability status, and disciplinary/criminal steps taken.
- Verify that the cumulative UIFWE register closing balance reconciles to the AFS UIFWE disclosure notes at year-end.
- Prepare the UIFWE note distinguishing between cash and non-cash unauthorised expenditure to provide meaningful disclosure to readers of the AFS.

4.2.11 Audit File and Audit Support for Assets

- Prepare a complete asset audit file with supporting documents for all adjustments, additions, disposals, and revaluations.
- Provide audit support for all PPE-related audit queries, including accompanying auditors on site visits and attending meetings to resolve audit findings.
- Provide prior-year error correction documentation and assist with addressing all AGSA findings relating to PPE and the FAR.

4.3 Audit Support Services

- Attend and facilitate Request for Information (RFI) meetings with the AGSA throughout the audit process.
- Prepare responses to Communication of Audit Findings (COAF), draft management responses, and provide supporting evidence.
- Address audit queries within AGSA-stipulated timeframes; this is a non-negotiable performance obligation.
- Have designated internal staff shadow consultants during all audit support activities as a form of skills transfer.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- Ensure the pre-audit file is complete and submitted at least 10 working days before the AGSA commences the audit.
- Address issues raised by the AGSA in all prior financial year audit reports within the scope of this contract.
- Assist with the preparation of the annual Audit Action Plan (AAP) and assess and report on progress against the AAP quarterly.

4.4 Ad-Hoc UIFWE Investigation Support

IMPORTANT: This service component is engaged exclusively on a written-instruction, ad-hoc basis. No standing retainer is created for UIFWE work. Each instruction issued by the Accounting Officer or CFO must specify the scope, required deliverable, timeline, and applicable rate. UIFWE instructions will be issued only when the MPAC office and Financial Control unit lack the capacity to process the specific UIFWE matter independently. The cumulative cost of ad-hoc UIFWE instructions is included within the overall contract value.

The need for this service component is confirmed by the JMLM Gap Analysis Report (May 2026), which identifies significant UIFWE processing capacity constraints in both the Financial Control unit and the MPAC office. The service provider must be able to provide the following UIFWE services when instructed:

4.4.1 UIFWE Incident Report Compilation

- Compile UIFWE incident reports in accordance with section 4.5 of MFMA Circular No. 68 within 10 working days of each instruction.
- Reports must include a timeline of events, identification of breached regulations/budget provisions, root cause analysis (system deficiency, human error, negligence, or deliberate non-compliance), initial recoverability assessment, and recommended corrective actions.
- Where applicable, include in the incident report the written accounts of persons who may be liable for the UIFWE incurred.
- Where supplier misconduct, fraud, theft, or corruption is suspected, prepare a referral recommendation to SAPS in terms of section 32(6) of the MFMA.

4.4.2 MPAC Recovery Investigation Support

- Provide technical and legislative support to the MPAC in conducting UIFWE recovery investigations in terms of sections 32(2)(a)(ii) and 32(2)(b) of the MFMA.
- Prepare draft MPAC UIFWE recovery investigation reports (Annexure J format from Circular 68) with evidence-based recommendations covering: recoverability assessment, the Regulation 74 MBRR three-factor consideration, deliberate or negligent conduct assessment, and consequence management referral recommendations.
- Apply the joint and several liability framework (section 3.4 of Circular 68) where multiple officials contributed to the UIFWE.
- Assist MPAC in assessing prescription risk on historical UIFWE balances applying the guidance in Annexure H to Circular 68 and section 11(d) of the Prescription Act 68 of 1969.
- Prepare consolidated UIFWE evidence packages to support MPAC deliberations and Council resolution-making in terms of section 32(2) of the MFMA.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

4.4.3 UIFWE Policy Review

- Review and update the municipality's UIFWE Policy to align with MFMA Circular No. 68 (April 2026 revision), to be completed within 60 days of appointment.
- The updated policy must incorporate the 12-step UIFWE process cycle (Diagram 1 of Circular 68), MPAC terms of reference provisions, reporting obligations under section 32(4) of the MFMA, the ratification of minor SCM breaches (Regulation 36 SCM Regulations), and the processing of UIFWE for municipal entities.

4.5 Mandatory Annual Multi-Departmental Training Programme

IMPORTANT: The annual training programme is a mandatory, ring-fenced deliverable. It must be delivered to Finance, Technical Services, and MPAC personnel at least once per financial year throughout the contract period. All evidence listed in the table below must be submitted to the CFO before the corresponding annual invoice tranche is certified for payment. Failure to deliver the training programme constitutes non-performance and triggers the fee retention clause.

Mod.	TARGET GROUP	TITLE	CORE CONTENT	MIN. DURATION	EVIDENCE REQUIRED
A	Finance Staff (Financial Control, Budget, Revenue)	GRAP & mSCOA Update	Updated GRAP standards; mSCOA Chart of Accounts changes; AFS preparation methodology and year-end timetable; CaseWare refresher	1.5 days	Signed attendance register; post-training assessment; training manual
B	Finance Staff (Financial Control, CFO Office, SCM)	UIFWE Awareness and Recording	Circular 68 definitions; 5-working-day reporting duty; register maintenance; VAT-inclusive recording; AFS note disclosure; cash vs non-cash UE; SCM minor breach ratification	0.5 days	Signed attendance register; Circular 68 quick-reference guide
C	Technical Services (PMU, Assets, O&M)	GRAP 17, FAR & Asset Lifecycle Compliance	GRAP 17 practical application; capitalisation thresholds; depreciation and impairment; infrastructure unbundling; capital budget controls; FAR GL reconciliation	1 day	Signed attendance register; GRAP 17 summary guide; post-training assessment
D	Technical Services (Project managers, contract administrators)	UIFWE in Infrastructure Projects	UIFWE triggers in infrastructure procurement and contract management; fruitless and wasteful expenditure indicators; duty to report within 5 working days; consequence management overview	0.5 days	Signed attendance register; UIFWE quick-reference checklist for Technical Services
E	MPAC Councillors and MPAC Office Staff	UIFWE Circular 68 Process and Recovery Investigation	Full Circular 68 12-step UIFWE process cycle; section 32 MFMA framework; deliberate vs negligent conduct; joint and several liability; MPAC recovery	1 day	Signed attendance register; MPAC UIFWE procedure manual; Annexure J templates; post-training assessment

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

Mod.	TARGET GROUP	TITLE	CORE CONTENT	MIN. DURATION	EVIDENCE REQUIRED
			investigation; Regulation 74 MBRR; Annexure J report format; council resolution wording		
F	MPAC Councillors	Consequence Management and UIFWE Policy	Section 171 MFMA disciplinary referrals; Financial Misconduct Regulations; Code of Conduct for Councillors; SAPS criminal referral obligations; prescription risk; UIFWE Policy provisions and MPAC terms of reference	0.5 days	Signed attendance register; UIFWE Policy and consequence management reference guide

All training sessions must comply with the following minimum standards:

- Written training agenda submitted to the CFO and Contract Manager at least 5 working days before each session.
- Training delivered by a suitably qualified member of the consultant's team with demonstrable knowledge of the subject matter.
- Post-training knowledge assessment or evaluation per participant, results submitted to the CFO.
- Training manual, slide deck, and applicable circular or policy reference guide handed to each participant.
- Post-training report submitted to the CFO within 5 working days of each session, summarising attendance, assessment results, and recommended follow-up actions.

.6 Ad-Hoc Asset Management Plan, Asset Maintenance Plan, and Infrastructure Plan Services

IMPORTANT: This service component is engaged exclusively on an ad-hoc, written-instruction basis. No standing retainer is created. Each instruction issued by the Accounting Officer, CFO, or Director: Technical Services must specify the scope, required deliverable, applicable rate, and timeline. All rates for this component are capped at the hourly/day rates on which this bid is appointed, as confirmed in the BOQ. The cumulative cost of ad-hoc instructions under this section is included within the overall contract value ceiling.

The service provider must demonstrate the capability and maintain the professional capacity to provide the following asset planning and infrastructure management services when instructed. Tenderers must include a methodology for this service component in their submission, and it will be assessed as part of Evaluation Criterion 3.

4.6.1 Asset Management Plan (AMP) – Drafting and Review

The service provider may be instructed to draft, review, update, or assess the municipality's Asset Management Plan in accordance with the following requirements:

- Draft or update the municipality's Asset Management Plan (AMP) in accordance with the MFMA, National Treasury Asset Management Framework for Municipalities, and applicable GRAP standards.
- The AMP must cover all asset categories in scope (refer to Section 4.2.1 table) and address the full asset lifecycle: acquisition, operation, maintenance, rehabilitation, and disposal.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- Align the AMP with the municipality's Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP), and Medium-Term Revenue and Expenditure Framework (MTREF).
- Include a current asset inventory summary, asset condition assessment findings, risk profile per asset category, and capital investment priorities linked to the FAR.
- Ensure the AMP addresses GRAP 17 compliance requirements including useful life assessments, residual values, depreciation methodology, and impairment indicators.
- Incorporate a financial sustainability analysis: maintenance cost projections, replacement cost modelling, and affordability assessment against the municipality's capital budget.
- Review and assess an existing AMP against National Treasury guidelines and provide a gap analysis with recommended improvements where the municipality already has an AMP in place.
- Present the draft or reviewed AMP to Technical Services management and senior management for comment and refinement before finalisation.
- The final AMP must be presented in a format suitable for submission to Council and for integration into the IDP review process.

4.6.2 Asset Maintenance Plan – Drafting and Review

The service provider may be instructed to develop, review, or update the municipality's Asset Maintenance Plan in accordance with the following requirements:

- Develop or update a comprehensive Asset Maintenance Plan covering all asset categories, aligned to the AMP and the municipality's operational budget constraints.
- The maintenance plan must distinguish between: (a) routine/preventive maintenance; (b) corrective/reactive maintenance; (c) rehabilitation and renewal; and (d) planned major maintenance.
- Conduct or review condition assessments for infrastructure assets (roads, water, sanitation, electricity, and community facilities) to inform maintenance prioritisation.
- Develop a maintenance backlog register quantifying deferred maintenance costs, risk exposure, and recommended remediation timelines, linked to the FAR asset condition data.
- Prepare annual and three-year maintenance cost projections aligned to the MTREF budget cycle, with clear linkage to mSCOA operating expenditure budget line items.
- Identify maintenance strategies per asset class (e.g. age-based, condition-based, failure-based) and recommend the most cost-effective approach for each category.
- Include key performance indicators (KPIs) for maintenance delivery: response times, backlog reduction targets, infrastructure availability metrics, and AGSA audit compliance indicators.
- Review and assess an existing Asset Maintenance Plan against best practice and regulatory requirements, and provide a prioritised corrective action plan where required.
- Assess the adequacy of the municipality's maintenance budget against the recommended maintenance programme and provide a funding gap analysis.

4.6.3 Infrastructure Plan – Drafting and Review

The service provider may be instructed to draft, review, update, or assess the municipality's Infrastructure Plan (or Capital Infrastructure Plan) in accordance with the following requirements:

- Develop or review a comprehensive Infrastructure Plan that integrates the municipality's capital infrastructure needs, current asset condition, service delivery backlogs, and growth projections.
- The infrastructure plan must align with the Municipal Infrastructure Grant (MIG) framework, the IDP, the SDBIP, and the National Treasury MFMA capital planning guidelines.
- Include a current infrastructure inventory per service sector (water and sanitation, roads and stormwater, electricity, community and social facilities, and solid waste management) linked to the FAR.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- Conduct or review infrastructure condition assessments and prepare a service delivery gap analysis identifying priority infrastructure investment areas.
- Develop a capital replacement and new infrastructure programme covering the current financial year and a five-year rolling horizon, with project costing, funding source identification, and implementation schedule.
- Assess the technical and financial feasibility of identified capital projects, including life-cycle cost analysis and affordability relative to borrowing limits and grant funding availability.
- Ensure alignment with the Infrastructure Development Improvement Programme (IDIP), National Treasury guidelines on infrastructure delivery management, and relevant sector master plans.
- Incorporate climate resilience and environmental compliance considerations (NEMWA, NWA, and applicable sector-specific legislation) into the infrastructure planning framework.
- Review an existing Infrastructure Plan against current asset data, approved budget, and IDP commitments; provide a gap analysis and an updated capital prioritisation matrix.
- Present draft outputs to senior management and, where required, facilitate stakeholder engagements with technical departments and community representatives.

4.6.4 General Requirements Applicable to All Section 4.6 Services

- All plans drafted or reviewed under Section 4.6 must comply with applicable legislation, National Treasury guidelines, GRAP standards, and sector-specific regulations.
- The professional team assigned to Section 4.6 work must include, at a minimum, a registered Civil Engineer (Pr. Eng or Pr. Tech. Eng) for infrastructure-related components and a CA(SA) or SAIPA-registered accountant for financial sustainability and budget alignment components.
- Each instruction issued under Section 4.6 must be accompanied by a scope of work document agreed between the Contract Manager and the service provider before commencement.
- All deliverables under Section 4.6 must be submitted in both soft copy (editable Word/Excel format) and PDF format, and become the property of the municipality upon submission.
- Skills transfer is required for Section 4.6 services: designated technical officials from the Technical Services and Financial Services departments must be included as counterpart staff throughout the engagement, and a handover report confirming knowledge transfer must accompany each final plan deliverable.

All Section 4.6 work is subject to the fee retention and performance evaluation provisions of this contract. Rates are capped at the BOQ-appointed rates and are not subject to re-negotiation per instruction

5. Deliverables and Timelines

#	DELIVERABLE	SECTION REF.	TARGET DATE / FREQUENCY
1	Inception Report: Project Plan, Skills Transfer Plan, UIFWE Plan, Training Schedule, and Section 4.6 Methodology	4.1 / 4.4 / 4.5 / 4.6	Within 14 days of appointment
2	GRAP-compliant draft AFS (all primary statements, notes, and disclosures) for each financial year	4.1	By 30 August each year
3	Supporting AFS schedules, reconciliations, and prior-year comparatives	4.1	By 30 August each year
4	Actuarial valuations – Long Service Awards (GRAP 25)	4.1.5	By 31 July each year

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

#	DELIVERABLE	SECTION REF.	TARGET DATE / FREQUENCY
5	Landfill site rehabilitation provision calculation and report	4.1.5 / 4.2.6	By 31 July each year
6	CaseWare working paper file (complete, reviewed, cross-referenced)	4.1.7	10 working days before AGSA audit
7	Pre-audit checklist and audit readiness confirmation	4.1.7	10 working days before AGSA audit
8	Updated GRAP 17-compliant Fixed Asset Register (all asset classes)	4.2	Monthly update / As agreed with Contract Manager
9	Physical verification report (reconciled to FAR) with GPS coordinates	4.2.2	Annually / As required
10	Infrastructure asset unbundling report and journals	4.2.5	As required / Before AFS finalisation
11	Asset audit file (supporting all adjustments, additions, disposals)	4.2.9	10 working days before AGSA audit
12	Responses to AGSA RFIs and COAFs	4.3	Within AGSA-stipulated timeframes
13	Quarterly Audit Action Plan progress report	4.3	Quarterly
14	UIFWE incident reports (Circular 68 Annexures E/F/G format) – ad-hoc	4.4.2	Within 10 working days of each instruction
15	MPAC UIFWE recovery investigation reports (Circular 68 Annexure J format) – ad-hoc	4.4.3	Per MPAC schedule / as instructed
16	Updated UIFWE register (Circular 68 Annexure A format) – VAT-inclusive and reconciled to AFS	4.4.1	Monthly update; reconciled at AFS finalisation
17	Reviewed and updated UIFWE Policy (aligned to Circular 68 April 2026)	4.4.4	Within 60 days of appointment
18	Fixed Asset Management Policy (updated, GRAP 17-compliant)	4.2.8	Within 90 days of appointment
19	Annual Training Programme – all 6 Modules (Finance, Technical Services, MPAC)	4.5	At least once per financial year
20	Monthly skills transfer log and attendance registers	4.1 / 4.2 / 4.5	By 5th of each month
21	Standard Operating Procedures (SOPs) for AFS preparation, FAR management, and UIFWE processing	All	Prior to contract end-date
22	Asset Management Plan (AMP) – draft, review, or update – per instruction (ad-hoc)	4.6.1	Per agreed instruction timeline
23	Asset Maintenance Plan – draft, review, or update including maintenance backlog register and cost projections – per instruction (ad-hoc)	4.6.2	Per agreed instruction timeline
24	Infrastructure Plan – draft, review, or update including capital programme and condition assessments – per instruction (ad-hoc)	4.6.3	Per agreed instruction timeline

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

#	DELIVERABLE	SECTION REF.	TARGET DATE / FREQUENCY
25	Section 4.6 Handover Reports – knowledge transfer confirmation and editable plan documents for each instruction	4.6.4	Accompanying each final plan deliverable
26	Exit Report and Knowledge Transfer Confirmation signed by CFO	All	Before final invoice certification

6. Performance Obligations and Contract Management

- The service provider must attend a monthly progress meeting with the Contract Manager and/or CFO to report on deliverable status, risks, and skills transfer progress.
- The Contract Manager must complete the monthly performance evaluation form (prescribed by the SCM Unit) and submit to the SCM Unit by the 10th of each month.
- The Performance of Consultants Committee (constituted in terms of the Consultant Reduction Plan 2025/26) must convene at least twice per year to evaluate progress.
- Consultants' rates are subject to negotiation and will not exceed the applicable rates prescribed by SAICA or the DPSA Guide on Hourly Fee Rates for Consultants.
- The contract must include a fee retention or penalty clause of not less than 10% for non-performance, specifically triggered by failure to deliver: AFS on time; training Modules A–F; monthly skills transfer logs; and UIFWE register updates.
- The contract price must specify whether travel and subsistence costs are inclusive or exclusive; if exclusive, such costs must comply with the National Travel Policy.

7. Professional Registrations and Awarding Bodies

IMPORTANT: Failure to comply with the minimum requirements for the professional services team will render the tender non-responsive and will result in disqualification. Tenderers must include CVs, certified copies of academic qualifications, proof of professional registration, and any other certification in their tender submissions.

PROFESSIONAL REGISTRATION / CERTIFICATION	ABBREVIATION	AWARDING BODY
Chartered Accountant	CA(SA)	South African Institute of Chartered Accountants (SAICA)
South African Institute of Professional Accountants member	SAIPA	South African Institute of Professional Accountants
Certified Senior Practitioner in Asset Management	CSAM	South African Asset Management Association (SAAMA)
Professional Engineer	Pr. Eng	Engineering Council of South Africa (ECSA)
Professional Engineering Technologist	Pr. Tech. Eng	Engineering Council of South Africa (ECSA)
Professional Valuer	Prof. Valuer	South African Council for the Property Valuers Profession (SACPVP)
Professional GISc Practitioner	Pr. GISc	South African Geomatics Council (SAGC)

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

8. Minimum Requirements for the Professional Services Team

The proposed Project Leader may fulfil one (1) additional key team role simultaneously only, provided that the Project Leader meets all requirements of both the Project Leader role and the additional role. The minimum team composition required is as follows:

ROLE	MINIMUM ACADEMIC QUALIFICATION	PROFESSIONAL REGISTRATION	MIN. YEARS EXPERIENCE	NOTE
Project Leader	Honours degree or higher in management sciences, accounting, or a built environment discipline	Any one of: CA(SA), CSAM, Pr. Eng, or Pr. Tech. Eng	8 years	May double in one other key role
Lead Accountant – AFS	Honours degree in Accounting	CA(SA)	5 years	Must have municipal AFS preparation experience
Second Accountant – FAR / UIFWE	Minimum Bachelor's degree in Accounting	CIMA or SAIPA/SAICA	5 years	Must demonstrate UIFWE processing and GRAP 17 experience
Asset Management Specialist	Minimum Bachelor's degree or equivalent	CSAM (SAAMA)	5 years	FAR, GIS, verification and GRAP 17 experience required
Civil Engineering Professional	Minimum Bachelor's degree in Civil Engineering	Pr. Eng or Pr. Tech. Eng (ECSA)	5 years	Infrastructure unbundling and asset componentisation experience required
Property Valuer	Minimum National Diploma in Real Estate Management or equivalent	Professional Valuer (SACPVP) – no restrictions	8 years	Required returnable – may be subcontracted
GIS Professional	Minimum Bachelor's degree or equivalent	Pr. GISc (SAGC)	3 years	Required returnable – may be subcontracted

Note on UIFWE competency: The Lead Accountant (AFS) and/or Second Accountant must be able to demonstrate specific knowledge of MFMA Circular No. 68 (April 2026), section 32 of the MFMA, the UIFWE incident report compilation process, and MPAC recovery investigation procedures. CVs must include at least one reference to UIFWE-related work at a municipality.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

9. Company Track Record Requirements

Given the importance of sound financial management and the impact of audit outcomes on JMLM's service delivery mandate, tenderers must demonstrate a track record of success specifically relating to this scope of work:

- A minimum of three (3) successfully completed AFS or FAR engagements at public sector clients within the past five (5) years, supported by appointment letters and signed reference letters from the relevant Accounting Officers.
- Reference letters from at least three (3) public sector clients confirming unqualified (clean or financially unqualified) audit outcomes on AFS or asset registers prepared by the tenderer.
- Reference letters must be on the client's official letterhead, signed, and stamped by the client. Generic or unsigned references will not be accepted.
- At least one reference letter must specifically confirm that the service provider assisted the client in improving an audit outcome from a prior qualified opinion.
- Where UIFWE support has been provided to prior clients, the tenderer should include a description of the nature of services rendered, with reference to MPAC recovery investigations and/or UIFWE register maintenance.

10. Evaluation Process

The tender will be evaluated in two stages:

1. Functionality Evaluation: A minimum score of 70 out of 100 points is required to proceed to Stage 2. Failure to achieve 70% on functionality will result in disqualification from further consideration.
2. Price and B-BBEE Evaluation: Evaluated on the 80/20 preference points system (80 points for price; 20 points for B-BBEE status level). Pricing low does not guarantee appointment.

Any false information provided by a tenderer will result in automatic disqualification. All supporting documents must be submitted at the time of tender submission and indexed accordingly.

11. Functionality Evaluation Criteria (Stage 1 – 100 Points)

#	EVALUATION CRITERION	SCORING GUIDE	POINTS
1.1	Organisational Experience in Similar Projects (AFS and/or Asset Register) Evidence: Appointment letters and reference letters		40
	Over 5 similar projects (minimum 2 AFS and 3 Assets) in the public sector	30	30
	3–5 similar public sector projects	20	20
	1–2 similar public sector projects	10	10
1.2	Reference Letters – Unqualified Audit Outcomes Stamped, signed reference letters from public sector clients confirming unqualified audit outcomes on AFS or assets prepared by the tenderer. At least one letter		10

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

#	EVALUATION CRITERION	SCORING GUIDE	POINTS
	must confirm improvement from a qualified to an unqualified outcome.		
	6 or more qualifying reference letters submitted	10	10
	1–5 qualifying reference letters submitted	5	5
2	Qualifications and Experience of Key Personnel Evidence: CVs and certified qualification copies		35
	2x Chartered Accountants CA(SA) with municipal AFS experience (5 points each)	Max 10	10
	Asset Management Specialist: CSAM (SAAMA certified) – Not a CSAM: 0 Is a CSAM: 15	0 or 15	15
	1x Civil Engineer (ECSA member: Pr. Eng or Pr. Tech. Eng)	5	5
	UIFWE Competency: Lead Accountant or Second Accountant demonstrates specific MFMA Circular 68 UIFWE processing experience (documented in CV with municipal reference)	0 or 5	5
	3	Methodology, Skills Transfer Plan, and Training Programme Evidence: Methodology document, Skills Transfer Plan, and Training Programme submitted	15
	No methodology submitted	0	0
	Basic methodology submitted, unclear or incomplete; does not address full scope; no project plan; no skills transfer plan; no UIFWE methodology	5	5
	Adequate methodology addressing most areas; project plan submitted; basic skills transfer plan included; limited UIFWE methodology	10	10
	Clear, robust methodology fully addressing AFS, FAR, Audit Support, UIFWE ad-hoc services, and annual training (Modules A–F);	15	15

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

#	EVALUATION CRITERION	SCORING GUIDE	POINTS
	project risks identified with mitigations; project plan aligned to statutory dates; comprehensive skills transfer and training plan included; UIFWE process aligned to Circular 68		
TOTAL FUNCTIONALITY SCORE			100
Minimum pass mark: 70 out of 100 points on functionality to qualify for Stage 2 (Price and Specific Goals evaluation)			

12. Skills Transfer – General Requirements

In accordance with the Cost Containment Policy and the Consultant Reduction Plan 2025/26, skills transfer is a non-negotiable obligation that runs throughout the contract period. The following requirements form part of the contract conditions and the Service Level Agreement:

- A formal Skills Transfer Plan must be submitted as part of the tenderer's methodology (Returnable 4) and is evaluated under Criterion 3 of the functionality assessment.
- The Skills Transfer Plan must be updated and resubmitted at the commencement of each financial year covered by the contract.
- The minimum frequency of structured skills transfer sessions (exclusive of training Modules A–F) is two (2) sessions per month per functional area (AFS, FAR, and UIFWE respectively), each of at least 2 hours' duration.
- All skills transfer sessions must be documented in a Monthly Skills Transfer Log, signed by the consultant and the trainees, and submitted to the CFO/Contract Manager by the 5th of each month.
- SOPs for AFS preparation, FAR management, and UIFWE processing must be drafted and handed over to the municipality prior to the contract end-date.
- An Exit Knowledge Transfer Report must be compiled and signed off by the Senior Manager: Financial Control before the final invoice is certified for payment. The exit report must confirm that all SOPs, training materials, CaseWare files, and the UIFWE register have been handed over to the municipality.

13. Designated Internal Counterpart Staff

The following municipal officials are designated as the primary counterpart staff for skills transfer purposes. The consultant must ensure that at least one designated counterpart shadows each key task:

POST	FUNCTIONAL AREA	TARGET COMPETENCY (END OF CONTRACT)
Asst Manager: Financial Control (T12)	AFS Lead; Audit Support; UIFWE Register	Level 4/5 – lead AFS compilation independently by Year 2
Officer: Budget Management (T10)	AFS Supporting Schedules; Budget Disclosures	Level 3 – prepare supporting schedules independently
Accountant: Income (T12)	Revenue Notes;	Level 3 – GRAP revenue

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

POST	FUNCTIONAL AREA	TARGET COMPETENCY (END OF CONTRACT)
	mSCOA Revenue Mapping	note preparation
Manager: Assets (T15)	FAR Oversight; GRAP 17; Asset Audit Queries; UIFWE PPE	Level 4 – oversee and review FAR management by Year 2
Asset Mgmt Accountant (T12)	Daily FAR Maintenance; GRAP 17 Compliance; Unbundling	Level 3/4 – maintain FAR independently by Year 2
Accountant: Expenditure (T12)	PPE Note in AFS; UIFWE Register Maintenance	Level 3 – prepare PPE note and UIFWE register entries
MPAC Officer (T10)	UIFWE Oversight; Section 32 Reporting; Policy Review	Level 5 – full UIFWE process oversight without consultant
Finance Trainee (Contract)	CaseWare Working Papers; Lead Schedules	Level 2/3 – working papers under supervision
Director: Technical Services	AMP; Asset Maintenance Plan; Infrastructure Plan oversight (Section 4.6)	Level 4 – able to manage plan updates independently by Year 2
Technical Services Manager (O&M, Water Quality, PMU and Roads & Stormwater)	Capital investment programme; condition assessments; infrastructure plan data inputs (Section 4.6)	Level 3/4 – able to compile infrastructure plan data inputs independently

14. Insourcing Roadmap

The following phased insourcing roadmap applies to this contract and must be recognised by the appointed service provider as the overarching objective of the engagement:

PHASE	PERIOD	MILESTONE	RESPONSIBLE
1	2025/26	Full AFS and FAR compilation by consultant; structured skills transfer commenced; first annual training cycle (Modules A–F) delivered; UIFWE Policy updated; UIFWE register current; all SOPs in progress.	CFO; Sr Manager: Financial Control
2	2026/27	Internal team prepares first draft AFS; consultant in review/QA role. FAR managed internally; consultant reviews. Second annual training cycle. UIFWE ad-hoc at reduced frequency. Target: 40% scope reduction.	CFO; Asst Manager: Financial Control
3	2027/28	Internal team independently prepares and finalises AFS and FAR. UIFWE ad-hoc discontinued. Third training cycle (refresher). Consultant limited to technical review only. Target: 70–80% scope reduction.	CFO; All Finance Managers
4	2028/29+	Full insourcing of AFS, FAR, and UIFWE processing. Consultant engagement discontinued	CFO; Municipal Manager

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

PHASE	PERIOD	MILESTONE	RESPONSIBLE
		for routine services. Annual training self-delivered by municipal staff using transferred SOPs and materials.	

15. Tender Returnables

All supporting documents must be submitted at the time of tender submission. Incomplete submissions will be evaluated on the information provided. False information constitutes grounds for disqualification and may result in blacklisting.

#	RETURNABLE DOCUMENT	MANDATORY / CONDITIONAL	DISQUALIFYING IF ABSENT
1	Tax Clearance Certificate / Tax Compliance Status PIN	Mandatory	Yes
2	Company Registration Certificate (CIPC) and B-BBEE Certificate	Mandatory	Yes
3	CVs of all key personnel (Project Leader, Lead Accountants, Asset Specialist, Engineer, Fraud Specialist) with certified copies of academic qualifications and professional registration certificates	Mandatory	Yes
4	CVs of Property Valuer and GIS Professional with certified qualifications and SACPVP/SAGC registration proofs	Mandatory	Yes
5	Appointment letters and reference letters for prior similar projects (minimum 3, public sector) – signed and stamped by client	Mandatory	Yes
6	Reference letters confirming unqualified audit outcomes on similar work (minimum 3, stamped and signed)	Mandatory	No (affects scoring)
7	Methodology document: covering AFS, FAR, Audit Support, UIFWE (Circular 68 aligned), and Annual Training Programme (Modules A–F)	Mandatory	No (affects scoring)
8	Skills Transfer Plan: covering all functional areas including UIFWE; aligned to designated counterpart staff; includes competency targets and timeline	Mandatory	No (affects scoring)
9	Project Plan: Gantt chart or equivalent; aligned to statutory AFS submission dates, audit timeline, and training delivery schedule	Mandatory	No (affects scoring)
10	Pricing Schedule: hourly rates for each team member and role (CA(SA), SAIPA, Civil Engineer, Asset Specialist, GIS Professional, Property Valuer, Training Facilitator, Fraud Specialist), per SAICA/DPSA guidelines	Mandatory	Yes
11	MBD Forms (4, 6.1, 7.1, 8, 9): SBD forms as prescribed in the tender advertisement	Mandatory	Yes
12	Declaration of past UIFWE-related work at municipalities (if applicable): brief description of MPAC support, UIFWE register work, or Circular 68-related engagements	Conditional	No (supports UIFWE scoring)
13	Section 4.6 Methodology: Tenderer's approach to drafting/reviewing Asset Management Plans, Asset Maintenance Plans, and Infrastructure Plans – including team	Mandatory	No (affects scoring)

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

#	RETURNABLE DOCUMENT	MANDATORY / CONDITIONAL	DISQUALIFYING IF ABSENT
	composition, reference to National Treasury frameworks, and integration with IDP/SDBIP/MTREF		
14	Portfolio of prior Asset Management Plan, Asset Maintenance Plan, or Infrastructure Plan work: examples with client references (if available) confirming delivery at public sector municipalities or entities	Conditional	No (supports scoring)

Note on Pricing of Section 4.6 Services: Asset Management Plan, Asset Maintenance Plan, and Infrastructure Plan services are priced as ad-hoc deliverables in the BOQ (Schedule 6 or as separately instructed). All rates are capped at the hourly or day rates on which this bid is appointed and are not subject to re-negotiation per instruction.

16. Conflict of Interest

- The service provider must provide professional, objective, and impartial advice at all times and must avoid conflicts with other assignments or their own corporate interests.
- A firm engaged to provide goods or works for a project may not provide consulting services for the same project. A firm providing consulting services may not subsequently provide goods or works related to the initial assignment.
- Consultants must not be hired for assignments that by their nature conflict with other current or prior obligations to other clients.
- All team members must complete a Conflict of Interest Declaration upon appointment.

17. Performance Management

- The performance of the service provider must be monitored by the Contract Manager on a monthly basis using the prescribed performance evaluation form.
- Quarterly performance meetings (minimum twice annually) must be held. The Performance of Consultants Committee, appointed by the Accounting Officer/Municipal Manager, must include at least one SCM representative and one representative from the relevant user department.
- The quarterly performance report must be submitted to the CFO with recommendations.
- Any instances of non-performance must be duly reported and a record maintained by the SCM Unit.

18. Remuneration

- The service provider will be remunerated at rates equal to or below those determined by SAICA (audit-related rates), the DPSA Guide on Hourly Fee Rates for Consultants, or rates prescribed by the relevant professional body.
- The contract price must specify whether travel and subsistence costs are inclusive or exclusive. If exclusive, such costs must comply with the Cost Containment Regulations.
- The contract must include an overall cost ceiling and fee retention or penalty clause.
- The service provider will be appointed on a time and cost basis with specific start and end dates per annual cycle, unless appointed on an output-specified basis by agreement.

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

19. Reporting and Disclosure

- The service provider must keep the municipality's UIFWE register updated and must disclose all UIFWE correctly in the AFS, with VAT-inclusive amounts as required by Circular 68.
- All consultant work must comply with the municipality's records management policy. All documents, reports, and files produced under this contract are the property of Joe Morolong Local Municipality.

20. Acceptance of Requirements

By submitting a tender offer in response to this specification, the tenderer confirms that it has read, understood, and accepted all requirements contained in this Terms of Reference and Technical Specification document, including the mandatory skills transfer obligations, the annual training programme requirements, the ad-hoc UIFWE service parameters, and the insourcing roadmap targets.

The municipality will give effect to this specification by including these compliance expectations in the scope of the tender. Acceptance of the requirements forms part of the contract upon appointment.

END OF TERMS OF REFERENCE AND TECHNICAL SPECIFICATION

Joe Morolong Local Municipality | Budget and Treasury Office | Financial Services Department | 2026

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 11: PRICING SCHEDULE (MBD3.1)

GENERAL GOODS AND SERVICES - FIRM PRICE

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder

Bid number: **B248-2026**
Closing day and time: **Friday, 26 June 2026 at 12h00**
Bid description: **Compilation of mSCOA and GRAP-Compliant Annual Financial Statements
Fixed Asset Register and Ad-Hoc Support for a period of 36 Months**

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

COLOUR CODING LEGEND AND INSTRUCTIONS TO TENDERERS

YELLOW	Rate Input Cell – enter your hourly / day / lump-sum rate (EXCL. VAT)
GREY	Estimated Quantity – pre-set by municipality; do not alter
LIGHT BLUE	Amount / Total – calculated by tenderer (Rate × Quantity)
NAVY	Grand Total Row – tenderer fills in totals from sub-totals

INSTRUCTIONS TO TENDERERS

1. Complete ALL YELLOW-shaded rate cells with your firm's hourly, day, or lump-sum rate (EXCLUSIVE of VAT). Leave no yellow cell blank.
2. Estimated quantities (GREY cells) are pre-populated by the municipality. Do NOT alter these cells.
3. Calculate the Amount columns (LIGHT BLUE) for each row: Amount = Rate × Estimated Quantity. Enter your calculated totals.
4. All rates must comply with or be below the SAICA / DPSA Guideline on Hourly Fee Rates for Consultants.
5. Rates will be used to evaluate price (80 points) in the 80/20 preference points system.
6. Complete the BOQ Summary on the following page by entering totals carried forward from each schedule.
7. UIFWE ad-hoc services (Schedule 4) and Asset Plans (Schedule 7) are priced as unit rates. Estimated volumes are indicative and NOT guaranteed by the municipality.
8. The Annual Training Programme (Schedule 5) is a MANDATORY deliverable. Failure to price it may affect evaluation.
9. Lump-sum items in Schedule 7 (plan drafts/reviews) are fixed-fee deliverables; they must not be exceeded without prior approval.
10. Pricing low does not guarantee appointment. The municipality evaluates functionality (minimum 70%) before price.
11. All amounts are in South African Rand (ZAR). VAT at 15% is added at Summary level.
12. Rates for Year 1 are firm. Years 2 and 3 are subject to CPI escalation of not more than 5% per annum, subject to agreement.
13. This BOQ, duly completed, signed, and stamped, must be submitted as a Returnable together with all other tender documents.
14. Any corrections or alterations must be initialled by the authorised signatory.

BOQ SUMMARY – TOTAL CONTRACT PRICING

Transfer the Grand Total from each Schedule into the Summary below. Calculate VAT at 15% and enter the Total Contract Price inclusive of VAT.

#	SCHEDULE	YEAR 1 2025/26 (Excl. VAT)	YEAR 2 2026/27 (Excl. VAT)	YEAR 3 2027/28 (Excl. VAT)	3-YEAR TOTAL (Excl. VAT)
1	Schedule 1 – AFS Compilation Services				
2	Schedule 2 – Fixed Asset Register Compilation and Maintenance				
3	Schedule 3 – Audit Support Services				
4	Schedule 4 – UIFWE Ad-Hoc Support (indicative)				
5	Schedule 5 – Annual Training Programme				
6	Schedule 6 – Specialised Valuations and Other Services				
7	Schedule 7 – Asset Management Plan, Asset Maintenance Plan and Infrastructure Plan (indicative)				
TOTAL CONTRACT PRICE – EXCL. VAT					
VAT @ 15%					
TOTAL CONTRACT PRICE – INCL. VAT					

NOTE: Schedules 4 and 7 are indicative. The municipality's actual liability is limited to written instructions actually issued. These amounts do not count toward the contract ceiling unless specifically authorised by the Accounting Officer.

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 1: ANNUAL FINANCIAL STATEMENTS (AFS) COMPILATION

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: Estimated hours are annual estimates. Rate = hourly rate excl. VAT.										
1.1 PRIMARY AFS COMPILATION – PROFESSIONAL STAFF										
1.1.1	Project Leader / Engagement Director (CA(SA)) – overall engagement oversight, quality review, accounting policy review, and sign-off	Hour								
1.1.2	Lead Accountant – AFS (CA(SA)) – full AFS compilation, year-end journals, reconciliations, and CaseWare lead	Hour								
1.1.3	Second Accountant (CIMA/SAIPA) – supporting schedules, note preparation, prior-year comparatives, and working paper management	Hour								
1.1.4	mSCOA Specialist / Data Mapper – mSCOA chart mapping, system data extraction, and reconciliation to AFS	Hour								
1.1.5	Junior Accountant / Working Paper Preparer – data capture, CaseWare file maintenance, lead schedule preparation	Hour								
SUB-TOTAL 1.1 Primary AFS Compilation										
1.2 ACCOUNTING POLICIES, DISCLOSURES, AND GRAP CHECKLIST										
1.2.1	Review and update of Accounting Policies (all GRAP-applicable policies for municipalities)	Hour								
1.2.2	GRAP disclosure checklist preparation and cross-referencing to AFS	Hour								
1.2.3	Preparation of 24 AFS note disclosures (as listed in Tender Specification, Section 4.1.4)	Hour								
1.2.4	MFMA statutory disclosure compliance review (sections 122–125 of the MFMA)	Hour								
SUB-TOTAL 1.2 Policies, Disclosures and GRAP Checklist										

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

1.3 AUDIT FILE AND PRE-AUDIT PREPARATION										
1.3.1	Full CaseWare working paper file compilation, cross-referencing, and completeness review	Hour								
1.3.2	Pre-audit checklist preparation and submission (10 working days before AGSA audit)	Hour								
1.3.3	Prior-year error correction – identification, journal preparation, and AFS adjustment	Hour								
1.3.4	Audit Action Plan preparation and quarterly progress reporting (4 reports per year)	Hour								
SUB-TOTAL 1.3 Audit File and Pre-Audit Preparation										
SCHEDULE 1 GRAND TOTAL – AFS COMPILATION (EXCL. VAT)										

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 2: FIXED ASSET REGISTER COMPILATION AND MAINTENANCE

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: Hours are annual estimates. Physical verification is performed annually.										
2.1 FAR COMPILATION AND RECONCILIATION										
2.1.1	Asset Management Specialist (CSAM) – FAR oversight, policy review, GRAP 17 compliance review, and sign-off	Hour								
2.1.2	Lead Accountant – FAR (CA(SA)/SAIPA) – FAR compilation, GL reconciliation, adjusting journals, and depreciation review	Hour								
2.1.3	Asset Management Technician – data capture, barcoding, asset movements, and additions/disposals processing	Hour								
2.1.4	GIS Professional (Pr. GISc) – GPS coordinate capturing, GIS system update, and spatial reconciliation	Hour								
2.1.5	Review of contracts/payments for misallocated capital expenditure	Hour								
2.1.6	Capital Work-in-Progress (CWIP) review, capitalisation assessment, and unbundling initiation	Hour								
SUB-TOTAL 2.1 FAR Compilation and Reconciliation										
2.2 PHYSICAL VERIFICATION AND BARCODING										
2.2.1	Physical asset verification team – verifying existence, condition, and location of all PPE (per diem day rate per team member)	Day								
2.2.2	Barcoding and unique asset ID assignment – new assets captured and labelled (rate per day)	Day								
2.2.3	Verification report preparation, reconciliation to FAR, and update of asset location/condition data	Hour								
SUB-TOTAL 2.2 Physical Verification and Barcoding										
2.3 INFRASTRUCTURE UNBUNDLING AND COMPONENTISATION										
2.3.1	Civil / Structural Engineer (Pr. Eng / Pr. Tech. Eng) – infrastructure assessment, componentisation schedule, and useful life	Hour								

	determination								
2.3.2	Lead Accountant – unbundling journals, FAR capture of componentised assets, and GRAP 17 disclosure update	Hour							
2.3.3	GIS data update for unbundled infrastructure assets (coordinates, spatial segment linkage)	Hour							
SUB-TOTAL 2.3 Infrastructure Unbundling									
2.4 DEPRECIATION, IMPAIRMENT, AND DISPOSALS									
2.4.1	Annual re-assessment of useful lives, residual values, and depreciation methods for all PPE classes	Hour							
2.4.2	Preparation of adjusting depreciation journals following re-assessments	Hour							
2.4.3	Impairment indicator review, impairment loss calculations (GRAP 21 and GRAP 26), and AFS disclosure	Hour							
2.4.4	Disposal and write-off processing – journals, supporting documents, and FAR update	Hour							
SUB-TOTAL 2.4 Depreciation, Impairment, and Disposals									
SCHEDULE 2 GRAND TOTAL – FIXED ASSET REGISTER (EXCL. VAT)									

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 3: AUDIT SUPPORT SERVICES

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: Audit support hours are estimated based on AGSA audit duration of approximately 90 days.										
3.1 AGSA AUDIT SUPPORT										
3.1.1	Lead Accountant (CA(SA)) – primary audit liaison, RFI management, and COAF response drafting	Hour								
3.1.2	Second Accountant – audit evidence preparation, working paper updates, and supporting documentation	Hour								
3.1.3	Asset Management Specialist – PPE-related audit queries, asset site visits with AGSA auditors	Hour								
3.1.4	Civil Engineer – infrastructure asset audit queries and site visits	Hour								
3.1.5	Project Leader – COAF review, management response sign-off, and strategic audit direction	Hour								
SUB-TOTAL 3.1 AGSA Audit Support										
3.2 PRIOR-YEAR FINDINGS AND AUDIT ACTION PLAN										
3.2.1	Review and clear all prior-year management report matters (estimated 30 matters per year)	Hour								
3.2.2	Preparation of and quarterly reporting on the Audit Action Plan (4 reports per year)	Hour								
SUB-TOTAL 3.2 Prior-Year Findings and AAP										
SCHEDULE 3 GRAND TOTAL – AUDIT SUPPORT (EXCL. VAT)										

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 4: UIFWE AD-HOC INVESTIGATION SUPPORT

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: AD-HOC BASIS ONLY. Rates are per deliverable. Estimated volumes are indicative and NOT guaranteed. Year 1 volumes are higher due to backlog of historical UIFWE matters.										
SUB-TOTAL 4.1 UIFWE Register and Classification										
4.1 UIFWE INCIDENT REPORTS AND MPAC SUPPORT										
4.1.1	UIFWE Incident Report – Irregular Expenditure (Circular 68 Annexure E format) per report compiled and submitted	Report								
4.1.2	UIFWE Incident Report – Unauthorised Expenditure (Circular 68 Annexure F format) per report	Report								
4.1.3	UIFWE Incident Report – Fruitless and Wasteful Expenditure (Circular 68 Annexure G format) per report	Report								
4.1.4	MPAC UIFWE Recovery Investigation Report (Circular 68 Annexure J format) – including deliberate/negligent conduct assessment, Regulation 74 MBRR analysis, and recommended Council resolution wording – per report	Report								
4.1.5	SAPS criminal referral recommendation memorandum (where fraud/theft/corruption suspected) – per referral	Referral								
4.1.6	Joint and several liability assessment memorandum (where multiple officials contributed to UIFWE) – per matter	Matter								
4.1.7	Prescription risk assessment and monitoring report per historical UIFWE balance (under Annexure H guidance)	Matter								
SUB-TOTAL 4.2 Incident Reports and MPAC Support										
4.2 UIFWE POLICY AND AFS DISCLOSURE										
4.2.1	UIFWE Policy review and update (aligned to Circular 68 April 2026) – Year 1 full review; Years 2–3 annual review	Lump Sum								
4.2.2	AFS UIFWE note disclosure preparation (MFMA section 125(2)(d)) – per AFS cycle	AFS Cycle								
SUB-TOTAL 4.3 UIFWE Policy and AFS Disclosure										

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

**SCHEDULE 4 GRAND TOTAL – UIFWE AD-HOC SUPPORT (EXCL. VAT)
[indicative]**

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 5: ANNUAL MULTI-DEPARTMENTAL TRAINING PROGRAMME

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: MANDATORY DELIVERABLE. All 6 Modules must be delivered at least once per financial year. Day rates must include all materials, assessments, and post-training report.										
5.1 FINANCE STAFF TRAINING										
Mod. A	Module A: GRAP & mSCOA Update Training Finance Staff Min. 1.5 days Includes: updated GRAP standards, mSCOA changes, AFS methodology, CaseWare refresher Training manual and assessment included	Day		1		1.5		1.5		
Mod. B	Module B: UIFWE Awareness and Recording Training Finance Staff (Financial Control, CFO, SCM) Min. 0.5 days Includes: Circular 68 definitions, reporting duty, register maintenance, VAT-inclusive recording, AFS note disclosure, minor breach ratification Reference guide included	Day		0.5		0.5		0.5		
SUB-TOTAL 5.1 Finance Staff Training (Modules A & B)										
5.2 TECHNICAL SERVICES STAFF TRAINING										
Mod. C	Module C: GRAP 17, FAR & Asset Lifecycle Compliance Training Technical Services Min. 1 day Includes: GRAP 17 practical application, capitalisation thresholds, depreciation, impairment, unbundling, capital budget controls GRAP 17 guide included	Day		1		1		1		
Mod. D	Module D: UIFWE in Infrastructure Projects Technical Services (project managers, contract administrators) Min. 0.5 days Includes: UIFWE triggers in procurement and contract management, fruitless & wasteful expenditure indicators, 5-working-day reporting duty Checklist included	Day		0.5		0.5		0.5		
SUB-TOTAL 5.2 Technical Services Training (Modules C & D)										
5.3 MPAC COUNCILLOR AND STAFF TRAINING										
Mod. E	Module E: UIFWE Circular 68 Process & MPAC Recovery Investigation Training MPAC Councillors and Office Staff Min. 1 day Includes: 12-step UIFWE process cycle, section 32 MFMA,	Day		1		1		1		

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

	deliberate vs negligent conduct, MPAC investigation, Reg. 74 MBRR, Annexure J format, council resolution wording MPAC procedure manual and templates included								
Mod. F	Module F: Consequence Management & UIFWE Policy Training MPAC Councillors Min. 0.5 days Includes: section 171 MFMA disciplinary referrals, Financial Misconduct Regulations, Code of Conduct for Councillors, SAPS criminal referral obligations, prescription risk Policy reference guide included	Day		0.5		0.5		0.5	
SUB-TOTAL 5.3 MPAC Training (Modules E & F)									
SCHEDULE 5 GRAND TOTAL – ANNUAL TRAINING PROGRAMME (EXCL. VAT)									

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 6: SPECIALISED VALUATIONS AND OTHER SERVICES

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: Per-engagement rates. Actuarial valuations and landfill provisions required annually.										
6.1 ACTUARIAL VALUATIONS										
6.1.1	Actuarial valuation – Long Service Awards (GRAP 25) including working papers, AFS disclosure note, and sensitivity analysis (per financial year)	Engagement		1		1		1		
SUB-TOTAL 6.1 Actuarial Valuations										
6.2 LANDFILL SITE REHABILITATION PROVISIONS										
6.2.1	Landfill site rehabilitation provision calculation as at 30 June each year (GRAP 17/19 and NEMWA compliant) – including full technical cost model, discount rate, and AFS disclosure note (per site per year)	Site/Year		2		2		2		
6.2.2	Landfill closure and post-closure cost assessment (civil engineering input) – per engagement	Engagement		2		2		2		
SUB-TOTAL 6.2 Landfill Site Rehabilitation										
SUB-TOTAL 6.4 Other Services										
SCHEDULE 6 GRAND TOTAL – SPECIALISED VALUATIONS & OTHER (EXCL. VAT)										

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

SCHEDULE 7: ASSET MANAGEMENT PLAN, ASSET MAINTENANCE PLAN, AND INFRASTRUCTURE PLAN SERVICES

Item	Description of Service / Deliverable	Unit	Rate (Excl. VAT)	YEAR 1 (2025/26)		YEAR 2 (2026/27)		YEAR 3 (2027/28)		3-YEAR TOTAL
			Rate Input (Yellow)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Est. Qty	Amount (R)	Total (R)
NOTE: AD-HOC BASIS ONLY. All rates capped at appointed BOQ rates. Each instruction must specify scope and timeline. Lump-sum items priced per engagement. Hourly/day items priced at the rates submitted in Section 7.1.										
7.1 PROFESSIONAL STAFF – HOURLY RATES (applicable to all Section 4.6 services)										
7.1.1	Project Leader / Engagement Director – overall management, quality assurance, and stakeholder facilitation for all Section 4.6 deliverables	Hour								
7.1.2	Professional Civil Engineer (Pr. Eng – ECSA) – infrastructure condition assessment, capital programme costing, lifecycle analysis, and engineering input to AMP and Infrastructure Plan	Hour								
7.1.3	Professional Engineering Technologist (Pr. Tech. Eng – ECSA) – technical condition assessments, maintenance planning, and infrastructure inventory compilation	Hour								
7.1.4	Asset Management Specialist (CSAM – SAAMA) – AMP framework drafting, asset lifecycle analysis, maintenance strategy development, and GRAP 17 financial sustainability modelling	Hour								
7.1.5	Senior Municipal Finance Specialist (CA(SA) / SAIPA) – financial sustainability analysis, MTREF budget alignment, funding gap assessment, and mSCOA budget mapping for maintenance and capital programmes	Hour								
7.1.6	GIS Professional (Pr. GISc – SAGC) – spatial mapping of infrastructure assets, GPS data capture, GIS-linked asset inventory, and condition mapping	Hour								
7.1.7	Infrastructure Planner / Built Environment Specialist – service delivery gap analysis, capital investment prioritisation, IDP/SDBIP alignment, and sector master plan review	Hour								
7.1.8	Technical Writer / Report Compiler – plan drafting, formatting,	Hour								

	editing, and Council/IDP submission preparation								
SUB-TOTAL 7.1 Professional Staff Hourly Rates (indicative)									
7.2 ASSET MANAGEMENT PLAN (AMP) – DRAFTING AND REVIEW SERVICES									
7.2.1	Full AMP DRAFTING – new or comprehensive redraft of the Asset Management Plan covering all asset categories: full lifecycle model, financial sustainability analysis, condition assessment integration, IDP/SDBIP/MTREF alignment, maintenance backlog quantification, and Council-ready final document including facilitated management presentation. (Lump sum per engagement)	Engagement		1		–		–	
7.2.2	Full AMP REVIEW AND UPDATE – comprehensive review of existing AMP: gap analysis against NT framework, data refresh from latest FAR and condition assessments, revised financial projections, updated capital prioritisation, and final updated document. (Lump sum per engagement)	Engagement		–		1		1	
7.2.3	AMP Gap Analysis Report only – assessment of existing AMP against National Treasury framework with prioritised corrective action plan and recommendations. Excludes full redraft. (Hourly rate × estimated hours)	Hour		24		16		16	
7.2.4	Financial Sustainability Analysis – maintenance cost projections, replacement cost modelling, funding gap assessment, and affordability analysis against the MTREF. Standalone or as component of AMP engagement. (Hourly rate × estimated hours)	Hour		24		20		20	
7.2.5	AMP Facilitation and Stakeholder Presentation – facilitated workshops with Technical Services, Finance, and senior management; preparation of presentation material; and incorporation of comments. (Day rate × estimated days)	Day		3		2		2	
7.2.6	Asset Condition Assessment – field inspection and rating of assets per sector (roads, water, sanitation, community facilities) to inform AMP and Maintenance Plan. (Day rate per day on-site)	Day		5		4		4	
SUB-TOTAL 7.2 Asset Management Plan Services									
7.3 ASSET MAINTENANCE PLAN – DRAFTING AND REVIEW SERVICES									
7.3.1	Full ASSET MAINTENANCE PLAN DRAFTING – new or	Engagement		1		–		–	

	comprehensive redraft covering all asset categories: routine/preventive/corrective/rehabilitation maintenance categories, maintenance backlog register, 3-year cost projections (mSCOA-aligned), KPIs, and Council-ready document including facilitated presentation. (Lump sum per engagement)								
7.3.2	Full ASSET MAINTENANCE PLAN REVIEW AND UPDATE – review of existing plan: data refresh, revised cost projections, updated backlog register, KPI performance review, and final updated document. (Lump sum per engagement)	Engagement		–		1		1	
7.3.3	Maintenance Backlog Register – compilation or update of deferred maintenance register quantifying backlog costs, risk exposure, and remediation timelines per asset class. (Hourly rate × estimated hours)	Hour		32		24		24	
7.3.4	Annual Maintenance Cost Projections – 3-year maintenance cost model aligned to MTREF, including mSCOA operating budget line mapping. (Hourly rate × estimated hours)	Hour		24		20		20	
7.3.5	Maintenance Budget Adequacy and Funding Gap Analysis – assessment of municipal maintenance budget against recommended maintenance programme and provision of funding gap quantification. (Hourly rate × estimated hours)	Hour		20		16		16	
7.3.6	Infrastructure Condition Assessment to support Maintenance Plan – on-site condition rating per sector to inform maintenance strategy and backlog register. (Day rate × days on-site)	Day		5		4		4	
SUB-TOTAL 7.3 Asset Maintenance Plan Services									
7.4 INFRASTRUCTURE PLAN – DRAFTING AND REVIEW SERVICES									
SCHEDULE 7 GRAND TOTAL – ASSET PLANS & INFRASTRUCTURE (EXCL. VAT) [indicative]									

Contractor Witness 1 Witness 2 Employer Witness 1 Witness 2

TENDERER DECLARATION AND AUTHORISATION

I/We, the undersigned, confirm that:

1. All rates submitted in this Bill of Quantities are EXCLUSIVE of VAT.
2. The rates submitted comply with or are below the applicable SAICA / DPSA Guideline on Hourly Fee Rates for Consultants.
3. The rates are firm for Year 1 (2025/26) and subject to CPI escalation of not more than 5% per annum for Years 2 and 3, subject to agreement with the municipality.
4. I/We understand that pricing low does not guarantee appointment and that functionality (minimum 70%) is evaluated before price.
5. I/We confirm that the information provided in this BOQ is true, accurate, and complete, and that no false information has been submitted.
6. I/We accept all conditions and requirements set out in the Terms of Reference and Technical Specification, including the mandatory skills transfer obligations, the annual training programme, the ad-hoc UIFWE service parameters, and the ad-hoc Asset Management Plan, Asset Maintenance Plan, and Infrastructure Plan service parameters.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

Required by:

At:

Does offer comply with the specifications? *YES / NO
* Delete if not applicable

If not to specification, indicate deviation(s):
.....

Period required for delivery: *Delivery: Firm / Not firm
* Delete if not applicable

Delivery basis:

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

SECTION 12: PREVIOUS WORK EXPERIENCE OF A SIMILAR NATURE

List main work experience of a **similar nature to this bid** successfully executed and completed (or on-going) in the last five (5) years:

No	Institution / client / employer	Project description	Date started	Date completed (indicate projected completion if on-going)	Project value in Rand	Name and contact details of contact person / reference at institution
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Proof (e.g. Appointment letters, etc.) to be attached.
 Representatives of the Joe Morolong Local Municipality are hereby authorized to contact the above contact persons / references of the various institutions to verify the correctness of the information as supplied.

Signature:		Date:	
Position:		Name of Bidder:	

<input style="width: 80px; height: 30px;" type="text"/>	<input style="width: 80px; height: 30px;" type="text"/>	<input style="width: 80px; height: 30px;" type="text"/>	<input style="width: 80px; height: 30px;" type="text"/>	<input style="width: 80px; height: 30px;" type="text"/>	<input style="width: 80px; height: 30px;" type="text"/>
Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

SECTION 13: DECLARATION OF INTEREST (MBD4)

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

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

3.2 Identity Number:

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

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.....

.....

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.....

.....

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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.....

.....

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

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

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

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



SECTION 14: DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED) (MBD5)

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
* Delete if not applicable

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
* Delete if not applicable

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.

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

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
* Delete if not applicable

3.1.1 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
* Delete if not applicable

4.1 If yes, furnish particulars

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

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

CERTIFICATION

I, THE UNDERSIGNED (NAME)

FULL NAME

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

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

Signature:		Date:	
Position:		Name of Bidder:	

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2



SECTION 15: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (MBD6.1)

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

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

1. GENERAL CONDITIONS

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

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

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

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
SPECIFIC GOALS (20)	
• Locality	10
• Women Youth or People with Disability	10
Total points for Price and Specific Goals must not exceed	100

1.5 Failure on the part of a bidder to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The 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) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



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

- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10	
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	

Where

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

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

3.2.1 POINTS AWARDED FOR PRICE

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

80/20	or	90/10	
$P_s = 80 \left(1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$	or	$P_s = 90 \left(1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$	

Where

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

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

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

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

The specific goals allocated points in terms of this bid	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the bidder)	Number of points claimed (80/20 system) (To be completed by the bidder)
1. Locality	N/A	10	N/A	
2. Women Youth or People with Disability	N/A	10	N/A	

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



4.3 SPECIFIC GOALS CLAIM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022:

4.3.1 NOTE: 1 – LOCALITY

It must be noted that total 100% points are obtainable in relation to the requirements. Proof of in the form of Updated record of Rates and Taxes, Lease Agreement, Affidavit and Tribal Authority Letter and Ownership Information contained in the Central Suppliers Database (CSD) full report. Failure to submit evidential supporting documents is not an eliminating factor BUT zero point will be scored

Category	Specific Goals Points
1. Enterprises located within the Joe Morolong Local Municipality	10
2. Enterprises located within the John Taolo Gaetsewe District Municipality	5
3. Enterprises located within the Northern Cape Province	3
4. Enterprises located outside the Northern Cape Province	1

4.3.2 NOTE: 2 – WOMEN YOUTH OR PEOPLE WITH DISABILITY

It must be noted that total 100% points are obtainable in relation to the requirements. Proof of in the form of ID Copy of business Owner (s) contained in the Central Suppliers Database (CSD) full report.. Proof of Medical Disability. Failure to submit evidential supporting documents is not an eliminating factor BUT zero point will be scored

Category	Specific Goals Points
1. Women Youth or People with Disability	10
2. Other	0

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



5. DECLARATION WITH REGARD TO COMPANY/FIRM

5.1 Name of company/firm:.....

5.2 VAT registration number:.....

5.3 Company registration number:.....

5.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the 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, if deemed necessary.

WITNESSES

1.

2.

.....

SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 16: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT (MBD6.2)

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left[\frac{x}{y} \right] 100$$

Where

- x imported content
y bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as required in paragraph 4.1 below.

1.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- this declaration certificate is not submitted as part of the bid documentation.

2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:

Description of services, works or goods	Stipulated minimum threshold
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

4. Does any portion of the services, works or goods offered have any imported content?

YES / NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER / PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO: B248-2026

ISSUED BY: JOE MOROLONG LOCAL MUNICIPALITY

NB: The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned,

FULL NAMES

--

do hereby declare, in my capacity as:

CAPACITY

--

of

NAME OF BIDDER ENTITY

--

, the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content (x)	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

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Contractor

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Witness 1

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Witness 2

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Employer

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Witness 1

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Witness 2

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.

- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE	DATE
WITNESS NO 1	DATE
WITNESS NO 2	DATE

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 17: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD8)

1. This serves as a declaration 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.
2. The bid of any bidder may be rejected if that 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 on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
3.1	<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 <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.1.1	If so, furnish particulars:		
3.2	<p>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)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3.2.1	If so, furnish particulars:		
3.3	<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>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Contractor
 Witness 1
 Witness 2
 Employer
 Witness 1
 Witness 2



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

CERTIFICATION

I, THE UNDERSIGNED

FULL NAME

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

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

Signature:		Date:	
Position:		Name of Bidder:	

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

SECTION 18: CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD9)

- 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.
- 2 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.
- 3 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.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

CERTIFICATE OF BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

B248-2026 : Compilation of mSCOA and GRAP-Compliant Annual Financial Statements Fixed Asset Register and Ad-Hoc Support for a period of 36 Months

in response to the invitation for the bid made by:

JOE MOROLONG LOCAL MUNICIPALITY

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

I certify, on behalf

of: _____ that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid;or
 - (f) bidding with the intention not to win the bid.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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:	

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.

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

ANNEXURE A: GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT (JULY 2010)

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

THE NATIONAL TREASURY Republic of South Africa

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT July 2010

TABLE OF CLAUSES

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5. Use of contract documents and information inspection
6. Patent Rights
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8. Inspections, tests and analyses
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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

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

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

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

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

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

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

1.7 "Day" means calendar day.

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

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

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

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

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

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

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 “Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 “Tort” means in breach of contract.
- 1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

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

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information inspection

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

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

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

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

6. Patent Rights

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

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

7. Performance security

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

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

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

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

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

8. Inspections, tests and analyses

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

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

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

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

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

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

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

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

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9. Packing

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

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental Services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;
- (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

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

16. Payment

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

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

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

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

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

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22. Penalties

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

23. Termination for default

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

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

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

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

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

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

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

24. Antidumping and countervailing duties and rights

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

25. Force Majeure

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

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

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

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party

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of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

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

31. Notices

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

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

32. Taxes and duties

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

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

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

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

33. Transfer of contracts

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

34. Amendment of contracts

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

35. Prohibition of restrictive practices

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

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

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

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