

## REQUEST FOR PROPOSALS

**YOU ARE HEREBY INVITED TO SUBMIT A BID TO MEET THE REQUIREMENTS OF THE DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED**

<b>BID NUMBER:</b>	<b>RFP054/2024</b>
<b>COMPULSORY BRIEFING SESSION DETAILS:</b>	<b>03 April 2024</b> <a href="#">Click here to join the meeting</a>
<b>CLOSING DATE:</b>	<b>16 April 2024</b>
<b>CLOSING TIME:</b>	23H55 (Midnight)
<b>PERIOD FOR WHICH BIDS ARE REQUIRED TO REMAIN OPEN FOR ACCEPTANCE:</b>	120 days
<b>DESCRIPTION OF BID:</b>	<b>PROFESSIONAL SERVICE PROVIDER (PSP) TO SUPPORT WITZENBERG LOCAL MUNICIPALITY (WLM) WITH THE DEVELOPMENT AND IMPLEMENTATION OF A REVENUE ENHANCEMENT PROGRAMME.</b>
<b>BID DOCUMENTS ELECTRONIC SUBMISSION:</b>	<p><b>ELECTRONIC SUBMISSIONS</b></p> <p><b><u>INSTRUCTIONS:</u></b></p> <ul style="list-style-type: none"> <li>➤ Bidders are required to submit written requests for clarification via e-mail to <a href="mailto:lihlescm@dbsa.org">lihlescm@dbsa.org</a> <b>ONLY</b>, quoting the RFP Number on the subject of the e-mail. This must be done three (3) working days submission day.</li> <li>➤ Bidders will thereafter receive a OneDrive Link to upload their submission documents electronically.</li> <li>➤ Written requests for clarification will be considered up to and including <b>12 April 2024 16:30</b> Johannesburg time. Requests received after this date may not be attended to.</li> <li>➤ Any requests after the stipulated date and time may be disregarded.</li> </ul> <p><b>NB: Electronic submission is encouraged for all bidders interested in this tender.</b></p> <p><b>Closing date of this RFP054/2024 is 16 April 2024 before 23:55PM.</b></p> <p><b>No physical bids will be received or accepted at the DBSA offices</b></p>
<b>NAME OF BIDDER:</b>	
<b>CONTACT PERSON:</b>	
<b>EMAIL ADDRESS:</b>	
<b>TELEPHONE NUMBER:</b>	

<b>FAX NUMBER:</b>	
<b>BIDDER'S STAMP OR SIGNATURE</b>	



The Development Bank of Southern Africa has a Zero Tolerance on Fraud and Corruption. Report any incidents of Fraud and Corruption to Whistle Blowers on any of the following:

TollFree : 0800 20 49 33  
 Email : [dbsa@whistleblowing.co.za](mailto:dbsa@whistleblowing.co.za)  
 Free Post : Free Post KZN 665 | Musgrave | 4062  
 SMS : 33490

## Table of Contents

**PART A ..... 3**  
**PART B ..... 6**  
**PART C ..... 7**  
**PART D ..... 9**

**(Note: This page must be separated from the pre-qualifying and functional proposal. Failure to separate this, will lead to disqualification of the bid)**

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**Fees and Assumptions..... 90**  
**Annexure B ..... 92**  
**Annexure C..... 99**  
**80/20 or 90/10 ..... 101**  
**80/20 or 90/10 ..... 101**  
**Annexure D ..... 108**  
**Annexure E..... 109**  
**Annexure F..... 110**  
**Annexure G ..... 111**  
**Annexure H ..... 112**  
**Annexure I ..... 113**

**PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED ("DBSA")**

**BID NUMBER: RFP054/2024**

**DESCRIPTION: PROFESSIONAL SERVICE PROVIDER (PSP) TO SUPPORT WITZENBERG LOCAL MUNICIPALITY (WLM) WITH THE DEVELOPMENT AND IMPLEMENTATION OF A REVENUE ENHANCEMENT PROGRAMME.**

**COMPULSORY BRIEFING: 03 April 2024** Tender briefing will be done online via Microsoft teams.

**COMPULSORY BRIEFING LINK:** [Click here to join the meeting](#)

**Time: 10H00 AM Johannesburg time (Microsoft Teams)**

**Closing time for the OneDrive Link submissions - 23h55 on the 12 April 2024 (Telkom Time)**

**CLOSING DATE:** 16 April 2024

**CLOSING TIME:** 23H55PM

Name

 Bidder Name

Name

 Folder 1\_Financial Proposal

 Folder 2\_Technical Proposal

- a) It remains the bidder's responsibility to ensure that the bid submission is uploaded using the correct bidder document and tender link.
- b) Should a bidder encounter an issue with the system, the bidder must provide sufficient evidence as proof of attempting to upload their submission before the cut-off time and the error received.
- c) Faxed, emailed bids will not be accepted, only an electronic submission received via the link will be accepted.
- d) It is therefore the responsibility of the bidder to request for a link to participate.
- e) The DBSA assumes no responsibility if a Bidder's designated email address is not correct, or if there are technical challenges, including those with the Bidders computer, network, or internet service provider (ISP).

**BID SUBMISSION LINK REQUESTS:**

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT, WHICH ARE SET OUT IN PART C OF THIS DOCUMENT.

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED).

BIDDERS THAT ARE UNINCORPORATED CONSORTIA CONSISTING OF MORE THAN ONE LEGAL ENTITY MUST SELECT A LEAD ENTITY AND FURNISH THE DETAILS OF THE LEAD ENTITY, UNLESS OTHERWISE SPECIFIED.

<b>NAME OF BIDDER AND EACH ENTITY IN CONSORTIUM:</b>				
<b>POSTAL ADDRESS:</b>				
<b>STREET ADDRESS:</b>				
<b>CONTACT PERSON (FULL NAME):</b>				
<b>EMAIL ADDRESS:</b>				
<b>TELEPHONE NUMBER:</b>				
<b>FAX NUMBER:</b>				
<b>BIDDER REGISTRATION NUMBER OR REGISTRATION NUMBER OF EACH ENTITY IN CONSORTIUM</b>				
<b>BIDDER VAT REGISTRATION NUMBER OR VAT REGISTRATION NUMBER OF EACH ENTITY IN CONSORTIUM</b>				
<b>BBBEE STATUS LEVEL VERIFICATION CERTIFICATE /BBBEE STATUS LEVEL SWORN AFFIDAVIT SUBMITTED?</b>	<b>YES</b>		<b>NO</b>	

<b>1..1.1 ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES/WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]			
<b>1..1.2 ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES/WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW ]			
<b>1..1.3 SIGNATURE OF BIDDER</b>				
<b>1..1.4 DATE</b>				
<b>1..1.5 FULL NAME OF AUTHORISED REPRESENTATIVE</b>				
<b>1..1.6 CAPACITY UNDER WHICH THIS BID IS SIGNED</b> (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)				
<b>[TICK APPLICABLE BOX]</b>				
<b>IF YES, WHO ISSUED THE CERTIFICATE?</b>				
<b>REGISTERED WITH THE NATIONAL TREASURY CSD</b> <b>[TICK APPLICABLE BOX]</b>	<b>YES</b>		<b>NO</b>	
<b>CSD REGISTRATION NUMBER</b>				
<b>TAX COMPLIANCE STATUS PIN (TCS) NUMBER ISSUED BY SARS</b>				

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<p><b>1. BID SUBMISSION:</b></p> <p>1.1. BIDS MUST BE SUBMITTED ELECTRONICALLY BY THE STIPULATED TIME TO THE LINK PROVIDED. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED)</b></p> <p>1.3. <b>SOUTH AFRICAN BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED BY BIDDING INSTITUTION.</b></p> <p>1.4. <b>WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MUST BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.</b></p>
<p><b>2. TAX COMPLIANCE REQUIREMENTS</b></p> <p>2.1 ALL BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS IN THEIR COUNTRY OF RESIDENCE.</p> <p>2.2 SOUTH AFRICAN BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 SOUTH AFRICAN BIDDERS CAN APPLY FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 SA BIDDERS' MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER (TAX COMPLIANCE) IN ACCORDANCE WITH APPLICABLE LEGISLATION IN THEIR COUNTRY OF RESIDENCE.</p> <p>2.6 WHERE SA BIDDERS HAVE NO TCS AVAILABLE BUT ARE REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
<p><b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b></p> <p>3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p>

**IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE 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.**

**PART C**

**CHECKLIST OF COMPULSORY RETURNABLE SCHEDULES AND DOCUMENTS**

**Please adhere to the following instructions:**

- Tick in the relevant block below;
- Ensure that the following documents are completed and signed where applicable; and
- Use the prescribed sequence in attaching the annexes that complete the Bid Document

**NB:** Should all these documents not be included, the Bidder may be disqualified on the basis of non-compliance

**YES      NO**

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | One original Bid document in separate folders; Folder 1 - for Pre-Qualifying Criteria and Functional Evaluation and Folder 2 - Price / Financial Proposal – <b>Electronic submission</b> |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Part A:</b> Invitation to Bid   |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Part B:</b> Terms and Conditions of Bidding   |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Part C:</b> Checklist of Compulsory Returnable Schedules and Documents  |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Part D:</b> Conditions of Tendering and Undertakings by Bidders   |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Part E:</b> Specifications/Terms of Reference and Project Brief   |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Annexure A:</b> Price Proposal Requirement  |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Annexure B:</b> SBD4 Declaration of Interest  |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Annexure C:</b> SBD6.1 and B-BBEE status level certificate  |
| <input type="checkbox"/> | <input type="checkbox"/> | <b>Annexure F:</b> Certified copies of your CIPC company registration documents listing all members with percentages, in case of a lose corporation                                      |
| <input type="checkbox"/> | <input type="checkbox"/> |  |

**Annexure G:** Certified copies of latest share certificates, in case of a company.

 

**Annexure H: (if applicable):** A breakdown of how fees and work will be spread between members of the bidding consortium.

 

**Annexure I:** Supporting documents to responses to Pre-Qualifying Criteria and Functional Evaluation Criteria.

 

**Annexure J:** General Condition of Contract

 

**Annexure K:** CSD Tax Compliance Status and Registration Requirements Report

## PART D

### CONDITIONS OF TENDERING AND UNDERTAKINGS BY BIDDER

#### 1. DEFINITIONS

In this Request for Proposals, unless a contrary intention is apparent:

- 1.1 **B-BBEE** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act, 2003;
- 1.2 **B-BBEE Act** means the Broad-Based Black Economic Empowerment Act, 2003;
- 1.3 **B-BBEE status level of contributor** means the B-BBEE status received by a measured entity based on its overall performance used to claim points in terms of regulation 6 and 7 of the Preferential Procurement Regulations, 2022.
- 1.4 **Business Day** means a day which is not a Saturday, Sunday or public holiday in South Africa.
- 1.5 **Bid** means a written offer in the prescribed or stipulated form lodged by a Bidder in response to an invitation in this Request for Proposal, containing an offer to provide goods, works or services in accordance with the Specification as provided in this RFP.
- 1.6 **Bidder** means a person or legal entity, or an unincorporated group of persons or legal entities that submit a Bid.
- 1.7 **Companies Act** means the Companies Act, 2008.
- 1.8 **Compulsory Documents** means the list of compulsory schedules and documents set out in Part B.
- 1.9 **Closing Time** for the OneDrive Link submissions - 23h55 on the **16 April 2024 @ 23:55** (Telkom Time)
- 1.10 **DBSA** means the Development Bank of Southern Africa Limited.
- 1.11 **DFI** means Development Finance Institution.
- 1.12 **Evaluation Criteria** means the criteria set out under the clause 26 (Evaluation Process) of this Part C, which includes the Qualifying Criteria, Functional Criteria and Price and Preferential Points Assessment (where applicable).
- 1.13 **Functional Criteria** means the criteria set out in clause 27 of this Part C.
- 1.14 **Intellectual Property Rights** includes copyright and neighbouring rights, and all proprietary rights in relation to inventions (including patents) registered and unregistered trademarks (including service marks), registered designs, confidential information (including trade secrets and know how) and circuit layouts, and all other proprietary rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

- 1.15 **PFMA** means the Public Finance Management Act, 1999.
- 1.16 **PPPFA** means the Preferential Procurement Policy Framework Act, 2000.
- 1.17 **PPPFA Regulations** means the Preferential Procurement Regulations, 2022 published in terms of the PPPFA.
- 1.18 **Pre-Qualifying Criteria** means the criteria set out in clause **Error! Reference source not found.** of this Part C.
- 1.19 **Price and Preferential Points Assessment** means the process described in clause **Error! Reference source not found.** of this Part C, as prescribed by the PPPFA.
- 1.20 **Proposed Contract** means the agreement including any other terms and conditions contained in or referred to in this RFP that may be executed between the DBSA and the successful Bidder.
- 1.21 **Request for Proposal** or **RFP** means this document (comprising each of the parts identified under Part A, Part B, Part C and Part D) including all annexures and any other documents so designated by the DBSA.
- 1.22 **SARS** means the South African Revenue Service.
- 1.23 **Services** means the services required by the DBSA, as specified in this RFP Part D.
- 1.24 **SLA** means Service Level Agreement.
- 1.25 **SOE** means State Owned Enterprise, as defined by the Companies' Act.
- 1.26 **Specification** means the conditions of tender set and any specification or description of the DBSA's requirements contained in this RFP.
- 1.27 **State** means the Republic of South Africa.
- 1.28 **Statement of Compliance** means the statement forming part of a Tender indicating the Bidders compliance with the Specification.
- 1.29 **Tendering Process** means the process commenced by the issuing of this Request for Proposals and concluding upon formal announcement by the DBSA of the selection of a successful Bidder(s) or upon the earlier termination of the process.
- 1.30 **Website** means a website administered by DBSA under its name with web address [www.dbsa.org](http://www.dbsa.org)

## 2. INTERPRETATIONS

In this RFP, unless expressly provided otherwise a reference to:

- 2.1 "includes" or "including" means includes or including without limitation; and
- 2.2 "R" or "Rand" is a reference to the lawful currency of the Republic of South Africa.

### **3. TENDER TECHNICAL AND GENERAL QUERIES**

Queries pertaining to this tender must be directed to:-

DBSA Supply Chain Management Unit

Email: [lihlescm@dbsa.org](mailto:lihlescm@dbsa.org)

No questions will be answered telephonically.

### **4. SUBMISSION OF TENDERS**

COMPULSORY BRIEFING: 03 April 2024 - Tender briefing will be done online via Microsoft teams.

LINK: [Click here to join the meeting](#)

Time: 10H00 AM Johannesburg time (**Microsoft Teams**)

**LINK REQUESTS:** Bidders are asked to nominate one dedicated contact person (name, email address and phone number).

CLOSING DATE: 16 April 2024

CLOSING TIME: 23H55PM

### **5. RULES GOVERNING THIS RFP AND THE TENDERING PROCESS**

5.1 Participation in the tender process is subject to compliance with the rules contained in this RFP Part C.

5.2 All persons (whether a participant in this tender process or not) having obtained or received this RFP may only use it, and the information contained herein, in compliance with the rules contained in this RFP.

5.3 All Bidders are deemed to accept the rules contained in this RFP Part C.

5.4 The rules contained in this RFP Part C apply to:

5.4.1 The RFP and any other information given, received or made available in connection with this RFP, and any revisions or annexure.

5.4.2 the Tendering Process; and

5.4.3 any communications (including any briefings, presentations, meetings and negotiations) relating to the RFP or the Tendering Process.

### **6. STATUS OF REQUEST FOR PROPOSAL**

6.1 This RFP is an invitation for person(s) to submit a proposal(s) for the provision of the services as set out in the Specification contained in this RFP. Accordingly, this RFP must not be construed, interpreted, or relied upon, whether expressly or implicitly, as an offer capable of acceptance by any person(s), or as creating any form of contractual, promissory or other rights. No binding contract or other understanding for the supply of services will exist between the DBSA and any Bidder unless and until the DBSA has executed a formal written contract with the successful Bidder.

## **7. ACCURACY OF REQUEST FOR PROPOSAL**

7.1 Whilst all due care has been taken in connection with the preparation of this RFP, the DBSA makes no representations or warranties that the content in this RFP or any information communicated to or provided to Bidders during the Tendering Process is, or will be, accurate, current or complete. The DBSA, and its officers, employees and advisors will not be liable with respect to any information communicated which is not accurate, current or complete.

7.2 If a Bidder finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this RFP or any other information provided by the DBSA (other than minor clerical matters), the Bidder must promptly notify the DBSA in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the DBSA an opportunity to consider what corrective action is necessary (if any).

7.3 Any actual discrepancy, ambiguity, error or inconsistency in this RFP or any other information provided by the DBSA will, if possible, be corrected and provided to all Bidders without attribution to the Bidder who provided the written notice.

## **8. ADDITIONS AND AMENDMENTS TO THE RFP**

8.1 The DBSA reserves the right to change any information in, or to issue any addendum to this RFP before the Closing Time. The DBSA and its officers, employees and advisors will not be liable in connection with either the exercise of, or failure to exercise this right.

8.2 If the DBSA exercises its right to change information in terms of clause 8.1, it may seek amended Tenders from all Bidders.

## **9. REPRESENTATIONS**

No representations made by or on behalf of the DBSA in relation to this RFP will be binding on the DBSA unless that representation is expressly incorporated into the contract ultimately entered between the DBSA and the successful Bidder.

## **10. CONFIDENTIALITY**

10.1 All persons (including all Bidders) obtaining or receiving this RFP and any other information in connection with this RFP or the Tendering Process must keep the contents of the RFP and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this RFP.

## **11. REQUESTS FOR CLARIFICATION OR FURTHER INFORMATION**

11.1 All communications relating to this RFP and the Tendering Process must be directed to the Tender Officer.

11.2 All questions or requests for further information or clarification of this RFP or any other document issued in connection with the Tendering Process must be submitted to the Tender Officer in writing, and most preferably by e-mail to [lihlescm@dbsa.org](mailto:lihlescm@dbsa.org)

11.3 Any communication by a Bidder to the DBSA will be effective upon receipt by the Tender Officer (provided such communication is in the required format).

11.4 The DBSA has restricted the period during which it will accept questions or requests for further information or clarification and reserves the right not to respond to any enquiry or request, irrespective of when such enquiry or request is received.

11.5 Except where the DBSA is of the opinion that issues raised apply only to an individual Bidder, questions submitted and answers provided will be made available to all Bidders by e-mail, as well as on the DBSA's website without identifying the person or organisation which submitted the question.

11.6 In all other instances, the DBSA may directly provide any written notification or response to a Bidder by email to the address of the Bidder (as notified by the Bidder to the Tender Manager).

11.7 A Bidder may, by notifying the Tender Officer in writing, withdraw a question submitted in accordance with clause 12, in circumstances where the Bidder does not wish the DBSA to publish its response to the question to all Bidders.

## **12. UNAUTHORISED COMMUNICATIONS**

12.1 Communications (including promotional or advertising activities) with staff of the DBSA or their advisors assisting with the Tendering Process are not permitted during the Tendering Process,

or otherwise with the prior consent of the Tender Officer. Nothing in this clause 12 is intended to prevent communications with staff of, or advisors to, the DBSA to the extent that such communications do not relate to this RFP or the Tendering Process.

12.2 Bidders must not otherwise engage in any activities that may be perceived as, or that may have the effect of, influencing the outcomes of the Tendering Process in any way.

### **13. IMPROPER ASSISTANCE, FRAUD AND CORRUPTION**

13.1 Bidders may not seek or obtain the assistance of employees of the DBSA in the preparation of their tender responses.

13.2 The DBSA may in its absolute discretion, immediately disqualify a Bidder that it believes has sought or obtained such improper assistance.

13.3 Bidders are to be familiar with the implications of contravening the Prevention and Combating of Corrupt Activities Act, 2004 and any other relevant legislation.

### **14. ANTI-COMPETITIVE CONDUCT**

14.1 Bidders and their respective officers, employees, agents and advisors must not engage in any collusion, anti-competitive conduct or any other similar conduct in respect of this Tendering Process with any other Bidder or any other person(s) in relation to:

14.1.1 the preparation or lodgement of their Bid

14.1.2 the evaluation and clarification of their Bid; and

14.1.3 the conduct of negotiations with the DBSA.

14.2 For the purposes of this clause 14, collusion, anti-competitive conduct or any other similar conduct may include disclosure, exchange and clarification of information whether or not such information is confidential to the DBSA or any other Bidder or any other person or organisation.

14.3 In addition to any other remedies available to it under law or contract, the DBSA may, in its absolute discretion, immediately disqualify a Bidder that it believes has engaged in any collusive, anti-competitive conduct or any other similar conduct during or before the Tendering Process.

### **15. COMPLAINTS ABOUT THE TENDERING PROCESS**

15.1 Any complaint about the RFP or the Tendering Process must be submitted to the Supply Chain Management Unit in writing, by email, immediately upon the cause of the complaint arising or becoming known to the Bidder, ([tenders@dbsa.org](mailto:tenders@dbsa.org))

15.2 The written complaint must set out:

15.2.1 the basis for the complaint, specifying the issues involved;

- 15.2.2 how the subject of the complaint affects the organisation or person making the complaint;
  - 15.2.3 any relevant background information; and
  - 15.2.4 the outcome desired by the person or organisation making the complaint.
- 15.3 If the matter relates to the conduct of an employee of the DBSA, the complaint should be addressed in writing marked for the attention of the Chief Executive Officer of the DBSA, and delivered to the physical address of the DBSA, as notified.

## **16. CONFLICT OF INTEREST**

- 16.1 A Bidder must not, and must ensure that its officers, employees, agents and advisors do not place themselves in a position that may give rise to actual, potential or perceived conflict of interest between the interests of the DBSA and the Bidder's interests during the Tender Process.
- 16.2 The Bidder is required to provide details of any interests, relationships or clients which may or do give rise to a conflict of interest in relation to the supply of the services under any contract that may result from this RFP. If the Bidder submits its Bid and a subsequent conflict of interest arises, or is likely to arise, which was not disclosed in the Bid, the Bidder must notify the DBSA immediately in writing of that conflict.
- 16.3 The DBSA may immediately disqualify a Bidder from the Tendering Process if the Bidder fails to notify the DBSA of the conflict as required.

## **17. LATE BIDS**

- 17.1 Bids must be delivered by the Closing Time. The Closing Time may be extended by the DBSA in its absolute discretion by providing written notice to Bidders.
- 17.2 Bids delivered after the Closing Time or lodged at a location or in a manner that is contrary to that specified in this RFP will be disqualified from the Tendering Process and will be ineligible for consideration. However, a late Bid may be accepted where the Bidder can clearly demonstrate (to the satisfaction of the DBSA, in its sole discretion) that late lodgement of the Bid was caused by the DBSA; that access was denied or hindered in relation to the physical tender box; or that a major/critical incident hindered the delivery of the Bid and, in all cases, that the integrity of the Tendering Process will not be compromised by accepting a Bid after the Closing Time.
- 17.3 The determination of the DBSA as to the actual time that a Bid is lodged is final. Subject to clause 17.2, all Bids lodged after the Closing Time will be recorded by the DBSA and will only be opened for the purposes of identifying a business name and address of the Bidder. The

DBSA will inform a Bidder whose Bid was lodged after the Closing Time of its ineligibility for consideration. The general operating practice is for the late Bid to be returned within 5 (five) working days of receipt or within 5 (five) working days after determination not to accept a late Bid.

## **18. BIDDER'S RESPONSIBILITIES**

### **18.1 Bidders are responsible for:**

- 18.1.1 examining this RFP and any documents referenced or attached to this RFP and any other information made or to be made available by the DBSA to Bidders in connection with this RFP;
  - 18.1.2 fully informing themselves in relation to all matters arising from this RFP, including all matters regarding the DBSA's requirements for the provision of the Services;
  - 18.1.3 ensuring that their Bids are accurate and complete;
  - 18.1.4 making their own enquiries and assessing all risks regarding this RFP, and fully considering and incorporating the impact of any known and unknown risks into their Bid;
  - 18.1.5 ensuring that they comply with all applicable laws in regard to the Tendering Process particularly as specified by National Treasury Regulations, Guidelines, Instruction Notes and Practice Notes and other relevant legislation as published from time to time in the Government Gazette; and
  - 18.1.6 submitting all Compulsory Documents.
- 18.2 South African bidders with annual total revenue of ZAR10 million or less qualify as Exempted Micro Enterprises (EMEs) in terms of the B-BBEE Act must submit a certificate issued by a registered, independent auditor (who or which is not the Bidder or a part of the Bidder) or an accredited verification agency.
- 18.3 South African bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy, or a sworn affidavit thereof, substantiating their B-BBEE status. The submission of such certificates must comply with the requirements of instructions and guidelines issued by National Treasury and be in accordance with the applicable notices published by the Department of Trade and Industry in the Government Gazette.
- 18.4 The DBSA 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 DBSA.
- 18.5 Failure to provide the required information may result in disqualification of the Bidder.

## **19. PREPARATION OF BIDS**

### **19.1 Bidders must ensure that:**

19.1.1 their Bid is submitted in the required format as stipulated in this RFP; and

19.1.2 all the required information fields in the Bid are completed in full and contain the information requested by the DBSA.

19.2 The DBSA may in its absolute discretion reject a Bid that does not include the information requested or is not in the format required.

19.3 Unnecessarily elaborate responses or other representations beyond that which is sufficient to present a complete and effective tender proposal are not desired or required. Elaborate and expensive visual and other presentation aids are not necessary.

19.4 Where the Bidder is unwilling to accept a specified condition, the non-acceptance must be clearly and expressly stated. Prominence must be given to the statement detailing the non-acceptance. It is not sufficient that the statement appears only as part of an attachment to the Bid or be included in a general statement of the Bidders usual operating conditions.

19.5 An incomplete Bid may be disqualified or assessed solely on the information completed or received with the Bid.

## **20. ILLEGIBLE CONTENT, ALTERATION AND ERASURES**

20.1 Incomplete Bids may be disqualified or evaluated solely on information contained in the Bid.

20.2 The DBSA may disregard any content in a Tender that is illegible and will be under no obligation whatsoever to seek clarification from the Bidder.

20.3 The DBSA may permit a Bidder to correct an unintentional error in its Bid where that error becomes known or apparent after the Closing Time, but in no event will any correction be permitted if the DBSA reasonably considers that the correction would materially alter the substance of the Bid or effect the fairness of the Tendering Process.

## **21. OBLIGATION TO NOTIFY ERRORS**

If, after a Bidder's Response has been submitted, the Bidder becomes aware of an error in the Bidders Response (including an error in pricing but excluding clerical errors which would have no bearing on the evaluation of the Bid), the Bidder must promptly notify the DBSA of such error.

## **22. RESPONSIBILITY FOR BIDDING COSTS**

- 22.1 The Bidders participation or involvement in any stage of the Tendering Process is at the Bidders sole risk, cost and expense. The DBSA will not be held responsible for, or pay for, any expense or loss that may be incurred by Bidders in relation to the preparation or lodgement of their Bid.
- 22.2 The DBSA is not liable to the Bidder for any costs on the basis of any contractual, promissory or restitutionary grounds whatsoever as a consequence of any matter relating to the Bidders participation in the Tendering Process, including without limitation, instances where:
- 22.2.1 the Bidder is not engaged to perform under any contract; or
  - 22.2.2 the DBSA exercises any right under this RFP or at law.

## **23. DISCLOSURE OF BID CONTENTS AND BID INFORMATION**

- 23.1 All Bids received by the DBSA will be treated as confidential. The DBSA will not disclose contents of any Bid and Bid information, except:
- 23.1.1 as required by law;
  - 23.1.2 for the purpose of investigations by other government authorities having relevant jurisdiction;
  - 23.1.3 to external consultants and advisors of the DBSA engaged to assist with the Tendering Process; or for the general information of Bidders required to be disclosed as per National Treasury Regulations, Guidelines, Instruction Notes or Practice Notes.

## **24. USE OF BIDS**

- 24.1 Upon submission in accordance with the requirements relating to the submission of Bids, all Bids submitted become the property of the DBSA. Bidders will retain all ownership rights in any intellectual property contained in the Bids.
- 24.2 Each Bidder, by submission of their Bid, is deemed to have licensed the DBSA to reproduce the whole, or any portion, of their Bid for the sole purposes of enabling the DBSA to evaluate the Bid.

## **25. BID ACCEPTANCE**

All Bids received must remain open for acceptance for a minimum period of 120 (one-hundred and twenty) days from the Closing Time. This period may be extended by written mutual agreement between the DBSA and the Bidder.

## 26. EVALUATION PROCESS

26.1 The Bids will be evaluated and adjudicated as follows:

### 26.1.1 First Stage – Test for administrative Responsiveness

The test for administrative responsiveness will include the following:

#### **Stage 1: Responsiveness**

The Tenderer should be able to provide all the relevant information required in the Supplier Information Form (SIF) which will include but not limited to;

**A. Tenderers who do not adhere to those criteria listed a PRE-QUALIFIER, will be disqualified immediately.**

Responsiveness Criteria		Prequalifying Criteria	Applicable to this Tender (Y/N)
1	Adherence to submitting Tender as a two-folder tender. Folder 1: Functionality and returnable submission separate from Folder 2: Pricing proposal submission	Pre-Qualifier	Y
2	Attendance Register of the Compulsory Briefing Session attended by the Tenderer.	Pre-Qualifier	Y

**B. Tenderers who do not adhere to the indicated response time for clarifications requested by the Employer will be deemed to be non-responsive and their submissions will not be evaluated further.**

Responsiveness Criteria		Clarification Time	Applicable to this Tender (Y/N)
1	Standard conditions of tender as required.	48 hours	Y
2	Returnable documents completed and signed.	48 hours	Y
3	Professional Indemnity Insurance –R 5 Million.	72 hours	Y
4	Submission of Registration with National Treasury Central Supplier Database (CSD) Summary Report: - Bidder must be fully registered & compliant in order to do business with the DBSA.	72 hours	Y
5	A valid and active Tax Compliance Status Pin issued by SARS for Tax compliance status verification.	48 hours	Y

**Only those Bidders which satisfy all the Pre-Qualifying Criteria of the First Stage will be eligible to participate in the Tendering Process further. Bids which do not satisfy all the Pre-Qualifying Criteria of the First Stage will not be evaluated further.**

**26.1.2 Second Stage – Eligibility criteria**

26.1.1 Only those Bidders which satisfy and adhere to all responsiveness criteria will proceed for further evaluation.

**NB: Failure to submit qualifications, cv's and professional memberships of any of the key resources listed above will lead to disqualification.**

No	KEY RESOURCE	MINIMUM QUALIFICATION FOR EACH KEY RESOURCES	SUPPORTING DOCUMENTS	BIDDER TO INDICATE COMPLIANCE (Y/N)
1.	<b>Project Manager / Team Leader</b>	<p><b>Professional Body:</b> Registered Professional Engineer or a Professional Engineering Technologist in terms of the Engineering Professions Act, 2000 (ECSA). Qualifications: BSc degree in Electrical / Civil Engineering or BTech in Electrical / Civil Engineering.</p> <p><b>Experience:</b> Must have Electrical / Civil engineering experience in municipal infrastructure services provision.</p> <p>Must have at least 5 years post registration experience and must have minimum three (3) completed relevant projects.</p> <p><b>Note:</b> Proof of each relevant project completed in South Africa i.e. Reference Letters must be attached. The Reference Letters must confirm the individual's role as the project leader, be on the company's letter head and signed.</p> <p><b>OR</b></p> <p><b>Professional Body:</b></p>	<p>A minimum of three (3) reference letters from the employer or client company confirming the individual's role as the project leader in each relevant project must be attached.</p> <p>The following documents must be attached:</p> <ul style="list-style-type: none"> <li>• Curriculum vitae.</li> <li>• Proof of qualification for the proposed candidate.</li> <li>• Reference letters for each relevant project (related to the scope) that the person worked on.</li> <li>• Proof of professional registration.</li> </ul>	

		<p>Professional membership with the South African Institute of Chartered Accounts (SAICA), ACCA, CIGFARO or similar bodies in the financial environment.</p> <p><b>Qualifications:</b> An appropriate National Diploma / Degree in BCom: Accounting / Auditing /Public Finance /Financial Management.</p> <p><b>Experience:</b> Must have at least 5 years post registration experience and must have minimum completed 3 projects in Revenue Enhancement.</p> <p><b>Note:</b> Proof of each relevant project completed in South Africa i.e. Reference Letters must be attached.) The Reference Letters must confirm the individual's role as the project leader, be on the company's letter head and signed.</p>		
2.	Municipal Financial Expert or Revenue Enhancement Specialist	<p><b>Professional Body:</b> Professional membership with the South African Institute of Chartered Accountants (SAICA), ACCA, CIGFARO or similar bodies in the financial environment.</p> <p><b>Qualifications:</b> An appropriate National Diploma / Degree in BCom: Accounting/ Auditing /Public Finance /Financial Management.</p> <p><b>Experience:</b> Must have minimum 5 years 'experience in relevant Revenue Enhancement projects completed in South Africa, on CV.</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

3.	<b>Electrical Engineer</b>	<p><b>Professional Body:</b> Registration as a Professional Engineer or as a Professional Engineering Technologist in terms of the Engineering Professions Act, 2000 (ECSA)</p> <p><b>Qualifications:</b> BSc degree in Electrical / or BTech in Electrical (Pr. Eng Electrical or Pr. Tech Eng Electrical).</p> <p><b>Experience:</b> Must have 5 years' experience in infrastructure services provision projects for public or private sector entities in South Africa.</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	
4.	<b>Geo-information Science (GISc) Expert</b>	<p><b>Professional Registration Body:</b> Must be registered as a Professional Geo-Information Science Practitioner PrGISc by the South African Council of Professional and Technical Surveyors (PLATO) established in terms of Act 40 of 1984, and preferably be a member of the Geo-Information Society of South Africa (GISSA).</p> <p><b>Qualifications:</b> Bachelor's Degree in Geo-Information Science or in Land surveying.</p> <p><b>Experience:</b> Must have minimum 5 years' experience in the planning and establishment of the GIS systems for public or private sector entities in South Africa.</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

5.	<b>Town Planner (Municipal Infrastructure)</b>	<p><b>Professional Body:</b> Professional registration with SACPLAN as a Professional Town and Regional Planner/Urban and Regional Planner in terms of the Planning Act, Act 6 of 2003.</p> <p><b>Qualification:</b> Must have a degree / BTech in Town &amp; Regional Planning/Urban &amp; Regional Planning/City Planning.</p> <p><b>Experience:</b> Must have minimum 5 years 's experience in in Town &amp; Regional Planning/Urban &amp; Regional Planning/City Planning in the public or private sector entities in South Africa.</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	
6.	<b>Legal Expert</b>	<p><b>Registration Body:</b> Must be registered as an attorney by the Law Society of South Africa.</p> <p><b>Qualifications:</b> bachelor's degree in law (LLB).</p> <p><b>Experience:</b> Must have minimum 5 years' experience in contract law in relation to the delivery of infrastructure programmes and projects. Experience in developing agreements and contracts /on public /private sector infrastructure delivery in entities in South Africa.</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

### 26.1.2 Third Stage – price

26.1.2.1 Those Bidders which have passed the First Stage (Responsiveness Test) and Second Stage (Eligibility criteria) of the tender process will be eligible to be evaluated on the Third Stage, based on price, in accordance with the PPPFA regulations.

26.1.2.2 The recommended preferred Bidder will be the Bidder with the lowest overall price in the Third Stage of the Bid evaluation, unless the DBSA exercises its right to cancel the RFP, in line with the PPPFA Regulations.

**26.2 NB: Bidders are required to submit, as Annexure J to their Bids, any documentation which supports the responses provided in respect of the Eligibility Criteria below.**

## **27. Risk Analysis and Objective Criteria**

Risk Analysis and Objective Criteria *(This must only be included in the tender document if it is applicable, ensure that the list is specific as to what your objective criteria are)*

The DBSA reserves the right to award the tender to the tenderer who scores the highest number of points overall in line with Section (2) (1) (f) of the PPPFA, unless there are objective criteria which will justify the award of the tender to another tenderer. The objective criteria that the DBSA may apply in this bid process includes:

- i. Any bidder that has a cumulative order book totaling 3 Awards with outstanding value, **may be excluded from further evaluation.**
- ii. Where a bidder has 3 active Awards with an outstanding value and the outstanding value is 10% or less, indicating the project is nearing completion, the bidder may be included **for further evaluation and/or recommendation for award.**
- iii. Where a bidder has 3 active Awards with an outstanding value and at least one of the projects has stalled for a period of 6 months or more, or the client has placed the project on hold indefinitely, the bidder may be included **for further evaluation and/or recommendation for award.**
- iv. The DBSA has the discretion to apply an objective criterion.

## **28. Due Diligence**

DBSA shall perform a due diligence exercise on the preferred bidder to determine its risk profile. The due diligence exercise may take the following factors into account inter alia.

### **a. Judgements and criminal convictions**

DBSA may consider previous civil judgements against the preferred bidder as part of its risk assessment. DBSA may also consider whether the preferred bidder or any of its directors have been convicted of a serious offence.

### **b. Pending litigation/liquidation/business rescue (distinct from Working Capital)**

DBSA may consider any pending litigation in a court of law or administrative tribunal as part of its risk assessment.

### **c. Performance**

DBSA will not consider the Service provider having a history of poor performance on any task orders/purchase orders or contracts, including poor performance in respect of compliance with policies or procedures regarding safety, health, quality control or environment, or having committed a serious and gross breach of contract.

### **d. Reputational harm**

If DBSA is likely to suffer substantial reputational harm because of doing business with the preferred service provider, it may take this into account as part of its risk assessment.

**e. Restricted/Blacklisted**

Is not under restrictions, or has principals who are under restrictions, preventing participating in the employer's procurement.

**f. Vetting**

The DBSA reserves the right to conduct vetting on the tenderer or any of its directors.

**g. PEP Checks for both Companies and Individual directors, as well as Procure Check and or any other systems that the DBSA may choose to utilize (which may be conducted by an authorized third party) that would be done to assess all risks, including but not limited to**

- a. Financial stability of the bidder based on key ratio analysis ;
- b. Efficiency ;
- c. Profitability ;
- d. Financial Risk;
- e. Liquidity ;
- f. Acid Test ;
- g. Solvency; and
- h. Commercial relationship with a politically exposed and brand risk

- i. The DBSA reserves the right to award the scope in full or part thereof, subject to budget availability.
- ii. The DBSA reserves the right to negotiate to ensure the value for money principle is not compromised.

**29.** Generally, suppliers have their own business standards and regulations. Although DBSA cannot control the actions of our suppliers, we will not tolerate any Illegal activities. These include, but are not limited to:

- Misrepresentation of any kind (e.g. origin of manufacture, specifications, intellectual property rights, etc.);
- Collusion;
- Failure to disclose accurate information required during the sourcing activity (ownership, financial situation, BBBEE status, etc.);
- Corrupt activities listed above; and
- Harassment, intimidation or other aggressive actions towards DBSA's employees.

**30. STATUS OF BID**

30.1 Each Bid constitutes an irrevocable offer by the Bidder to the DBSA to provide the Services required and otherwise to satisfy the requirements of the Specification as set out in this RFP.

30.2 A Bid must not be conditional on:

- 30.2.1 the Board approval of the Bidder or any related governing body of the Bidder being obtained.
- 30.2.2 the Bidder conducting due diligence or any other form of enquiry or investigation.

- 30.2.3 the Bidder (or any other party) obtaining any regulatory approval or consent.
  - 30.2.4 the Bidder obtaining the consent or approval of any third party; or
  - 30.2.5 the Bidder stating that it wishes to discuss or negotiate any commercial terms of the contract.
- 30.3 The DBSA may, in its absolute discretion, disregard any Bid that is, or is stated to be, subject to any one or more of the conditions detailed above (or any other relevant conditions).
- 30.4 The DBSA reserves the right to accept a Bid in part or in whole or to negotiate with a Bidder in accordance with the provisions of this RFP and the applicable laws and regulations.

### **31. CLARIFICATION OF BIDS**

- 31.1 The DBSA may seek clarification from and enter into discussions with any or all of the Bidders in relation to their Bid. The DBSA may use the information obtained when clarification is sought or discussions are held in interpreting the Bid and evaluating the cost and risk of accepting the Bid. Failure to supply clarification to the satisfaction of the DBSA may render the Bid liable to disqualification.
- 31.2 The DBSA is under no obligation to seek clarification of anything in a Bid and reserves the right to disregard any clarification that the DBSA considers to be unsolicited or otherwise impermissible or irrelevant in accordance with the rules set out in this RFP.

### **32. DISCUSSION WITH BIDDERS**

- 32.1 The DBSA may elect to engage in detailed discussions with any one or more Bidder(s), with a view to maximising the benefits of this RFP as measured against the evaluation criteria and in fully understanding a Bidder's offer.
- 32.2 Where applicable, the DBSA will invite Bidders to give a presentation to the DBSA in relation to their submissions.
- 32.3 The DBSA is under no obligation to undertake discussions with, and Bidders.
- 32.4 In addition to presentations and discussions, the DBSA may request some or all Bidders to:
- 32.4.1 conduct a site visit, if applicable.
  - 32.4.2 provide references or additional information; and/or
  - 32.4.3 make themselves available for panel interviews.

### **33. SUCCESSFUL BIDS**

- 33.1 Selection as a successful Bidder does not give rise to a contract (express or implied) between the successful Bidder and the DBSA for the supply of the Services. No legal relationship will exist between the DBSA and a successful Bidder for the supply of the Services until such time as a binding contract is executed by them.

33.2 The DBSA may, in its absolute discretion, decide not to enter into pre-contractual negotiations with a successful Bidder.

33.3 A Bidder is bound by its Bid and all other documents forming part of the Bidder's Response and, if selected as a successful Bidder, must enter into a contract on the basis of the Bid with or without further negotiation.

#### **34. NO OBLIGATION TO ENTER INTO CONTRACT**

34.1 The DBSA is under no obligation to appoint a successful Bidder or Bidders (as the case may be), or to enter into a contract with a successful Bidder or any other person, if it is unable to identify a Bid that complies in all relevant respects with the requirements of the DBSA, or if due to changed circumstances, there is no longer a need for the Services requested, or if funds are no longer available to cover the total envisaged expenditure. For the avoidance of any doubt, in these circumstances the DBSA will be free to proceed via any alternative process.

34.2 The DBSA may conduct a debriefing session for all Bidders (successful and unsuccessful). Attendance at such debriefing session is optional.

#### **35. BIDDER WARRANTIES**

35.1 By submitting a Bid, a Bidder warrants that:

35.1.1 it did not rely on any express or implied statement, warranty or representation, whether oral, written, or otherwise made by or on behalf of the DBSA, its officers, employees, or advisers other than any statement, warranty or representation expressly contained in the RFP;

35.1.2 it did not use the improper assistance of DBSA's employees or information unlawfully obtained from them in compiling its Bid;

35.1.3 it is responsible for all costs and expenses related to the preparation and lodgement of its Bid, any subsequent negotiation, and any future process connected with or relating to the Tendering Process;

35.1.4 it accepts and will comply with the terms set out in this RFP; and

35.1.5 it will provide additional information in a timely manner as requested by the DBSA to clarify any matters contained in the Bid.

#### **36. DBSA'S RIGHTS**

36.1 Notwithstanding anything else in this RFP, and without limiting its rights at law or otherwise, the DBSA reserves the right, in its absolute discretion at any time, to:

36.1.1 cease to proceed with or suspend the Tendering Process prior to the execution of a formal written contract.

36.1.2 alter the structure and/or the timing of this RFP or the Tendering Process;

- 36.1.3 vary or extend any time or date specified in this RFP
- 36.1.4 terminate the participation of any Bidder or any other person in the Tendering Process.
- 36.1.5 require additional information or clarification from any Bidder or any other person;
- 36.1.6 provide additional information or clarification.
- 36.1.7 negotiate with any one or more Bidder;
- 36.1.8 call for new Bid.
- 36.1.9 reject any Bid received after the Closing Time; or
- 36.1.10 reject any Bid that does not comply with the requirements of this RFP.

**37. GOVERNING LAWS**

- 37.1 This RFP and the Tendering Process are governed by the laws of the Republic of South Africa.
- 37.2 Each Bidder must comply with all relevant laws in preparing and lodging its Bid and in taking part in the Tendering Process.
- 37.3 All Bids must be completed using the English language and all costing must be in South African Rand (ZAR).



# Terms of Reference

## **1. INTRODUCTION**

The Development Bank of Southern Africa (DBSA) is one of Africa's leading Development Finance Institutions (DFIs) in infrastructure financing, planning, project preparation and institutional development for municipal infrastructure. Owned by the Government of South Africa, the DBSA seeks to support the shareholder's social and economic development imperatives partnering with both the public and the private sectors.

In responding to the shareholder's imperatives, the DBSA is positioned to provide dedicated support to municipalities through the Local Government Support Unit (LGSU) under the Coverage Division which facilitates an integrated delivery approach that includes lending and non-lending services and products offered by the Project Preparation Division, Transacting Division, Infrastructure Delivery Division, Innovation Unit, Investment Support Unit, and the Research Unit. In each of these areas there are dedicated skills focused on municipal built infrastructure development supported by the Local Government Support Unit in extending non-lending capacity development including revenue enhancement, project and contract management, and technical advisory support.

The goal of the DBSA is to approach the project in an integrated, analytic, and multidisciplinary nature. In line with this goal, the DBSA requires the services of a Professional Service Provider (PSP) who possess relevant and appropriate skills, including project management, electrical engineering, Municipal finance expertise, legal expertise, town planning and Geo - Information Science (GIS) expertise in the area of municipal revenue enhancement environment and all its associated disciplines to provide proposals for the development and implementation of the Revenue Enhancement Programme in support of the WITZERNBURG Local Municipality (EPMLM).

It is the minimum requirement that the procured team of a Professional Service Provider should be experienced, competent, adequately qualified and registered with professional body(ies) to be able to execute the scope of work outlined below in the subsequent sections.

## **1.1 WITZENBURG LOCAL MUNICIPALITY BACKGROUND**

Witzenberg Local Municipality (WLM) The WLM is a Category B municipality located within the Cape Winelands District. It is the largest municipality of five in the district, making up half of its geographical area. The municipality is situated about 150km north-east of Cape Town.

Rural areas within the municipal boundary are Warm Bokkeveld, Koue Bokkeveld, Agter-Witzenberg and the northern portion of Breede River Valley (Het Land van Waveren).

The municipality is responsible for basic service provision to the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred Hamlet, Wolseley and Op-die-Berg.

WLM is a Water Service Authority (WSA) and a Water Service Provider (WSP) and it provides refuse removal, sewerage services and is licensed to distribute electricity to the areas under its area of supply.

### **2.2 The Project objectives**

This request is for a written proposal based on these Terms of Reference. The PSP will be responsible to:

- Analyse the revenue environments in the targeted local municipalities. The assessment will be holistic dealing with all the key elements of the Revenue Management Value Chain.
- Evaluate the risks and potential returns of various scenarios of revenue enhancement support.
- Conduct a cost-benefit analysis for the revenue enhancement management process in the municipalities. The benefits of the proposed support actions will be compared to the costs associated with the support to confirm feasibility.
- Based on the findings of the assessment and the cost-benefit-analysis, a Revenue Enhancement Plan will be prepared with short, medium- and long-term interventions.
- Implement short term revenue enhancement projects following from the REP.

### **2. Project Deliverables (Outputs)**

The following key overall deliverables are required:

## 2.1 Deliverable 1: Assessment Report

A detailed “AS-IS” analysis report on the current state of the key revenue value chain elements per table below, outlining current effectiveness; the areas that require attention; broad recommendations in terms of optimizing the revenue value chain and a case for change. The Single and Integrated Revenue Management Framework (SIRMF) Assessment Tool developed by DBSA in partnership National Treasury will be utilised. The table below depicts some of the key elements of the revenue value chain as well as some considerations per component of revenue.

**Table 1: Key elements for the revenue value chain to be assessed:**

ID	Key focus area	Key elements for assessment/ review
1	Tariffs, Policies, Procedures, By-laws, Revenue Budgets	<ul style="list-style-type: none"> <li>• Existence of updated documents and review thereof</li> <li>• Alignment with municipality’s current operations</li> <li>• Compliance with the above</li> <li>• Tariff determination methods and levels vis-a-vis the cost of services</li> </ul>
2	Customer Data Quality and Consumer Management, Integrating geo-spatial information with billing systems and financial information.	<ul style="list-style-type: none"> <li>• Access and assess land information (sites) from the Registrar of Deeds and the Surveyor General</li> <li>• Reconciliation of Valuation Roll to Deeds Office and Surveyor General listings.</li> <li>• Compare the land information to usage by various consumer categories.</li> <li>• Compare the financial information and the billing systems to the updated land information.</li> <li>• Create linkages between the land information, financial and billing information</li> <li>• Completeness of customer information on billing system</li> <li>• Data integrity analysis</li> <li>• Current process performance level.</li> </ul>
3	Meter Audit	<ul style="list-style-type: none"> <li>• Confirm &amp; validate the existence and functionality of meters (domestic, commercial and industrial).</li> <li>• Identifying broken, faulty, and unread meters.</li> <li>• Mapping the physical location of meters.</li> <li>• Determining the match between type of meter and usage suitability.</li> <li>• Identifying solutions for revenue losses and security requirements.</li> </ul>
4	Indigent Management & Free Basic Services	<ul style="list-style-type: none"> <li>• Formal Indigent applications and verifications thereof.</li> <li>• Community awareness.</li> <li>• Status and completeness of Indigent register.</li> <li>• Billing of indigents.</li> </ul>

ID	Key focus area	Key elements for assessment/ review
		<ul style="list-style-type: none"> <li>• Restrictions of services to indigents</li> <li>• Accurate off-setting of indigents to Equitable Share allocations</li> <li>• Process &amp; mechanisms in place to deal with and manage indigents.</li> </ul>
5	Billing & Revenue Collection	<ul style="list-style-type: none"> <li>• Meter reading arrangements and meter reading inputs to billing.</li> <li>• Accuracy of billing.</li> <li>• Billed Revenue versus collection of revenue.</li> <li>• Returned Mail.</li> <li>• Return to Drawer (RD) Cheque register.</li> <li>• Unallocated receipts.</li> <li>• Clearing of suspense accounts.</li> <li>• Updating of Debtors Ledgers.</li> <li>• Review Current IT systems in place within the revenue function.</li> <li>• Review Current process performance levels.</li> <li>• Policies, by-laws and procedures in terms of legislative requirements.</li> <li>• Revenue Management Skills.</li> </ul>
6	Debt Management	<ul style="list-style-type: none"> <li>• Monthly review of debtors age analysis.</li> <li>• Percentage debt outstanding for more than 90 days.</li> <li>• Review of credit control measures.</li> <li>• Follow up on existing payment arrangements in place.</li> <li>• Ward Councilors' involvement</li> <li>• Current IT systems in place within the revenue function.</li> <li>• Current process performance levels.</li> <li>• Collection rates.</li> <li>• Management practices deployed and their impact on revenue management and collection.</li> <li>• Debt Management skills</li> </ul>

## 2.2 Deliverable 2: Revenue Enhancement Programme

Based on the findings of the 'AS-IS' assessment, the suggested interventions should be quantified and modelled into a scenario planning based on assumptions and realistic achievable targets demonstrating the impact on the overall financial position and performance of the municipalities. The scenario planning should present high, medium and low road scenarios with improved financial position over 10 years. The scenario planning should be based on the issues/ drivers identified in the 'AS-IS' report and should include (but not be limited) to:

- i. Protection and expansion of the current revenue base;

- ii. Stratification and recovery of outstanding debtors;
- iii. Implementation of legal actions and increased payment levels;
- iv. Improved billing processes and customer care;
- v. Impact of distribution losses (water and electricity); and
- vi. Cost reflective tariffs with a peer review (benchmark) comparison:
  - a. Do the current tariffs adequately recover costs (including overheads)?
  - b. To what extent does the equitable share pay for free basic services?

The findings from the As-Is assessment and scenario planning exercise must be used as the basis for mapping of plan and recommendations to address the issues/ gaps identified, presented as a 'Revenue Enhancement Intervention Plan' (business case detailing the intervention plan to meet the future requirements). The Revenue Enhancement Intervention Plan must be presented in a report format as well as in a presentation format for the key stakeholders in the municipality and the steering committee, covering the following areas:

- i. Analysis of findings/ issues and development of a plan on remedial actions and timeframes.
- ii. Responsibility and skills available to implement.
- iii. Financial implications (where applicable).
- iv. Outcome/ Benefits (what-if scenarios based on assumptions).
- v. Critical success factors.

The project approach must be closely aligned with the overall programme objective to enhance municipal revenue through billing efficiency, cost-reflective tariffs, improved data integrity, effective indigent management for free basic services, solutions for revenue and non-revenue losses, etc.

### **2.3 Deliverable 3: Implementation of Revenue Enhancement Interventions**

The appointed PSP is expected to support the municipality with the implementation of the interventions for revenue enhancement as outlined in the below **Table 2**. The PSP will be required to submit monthly progress reports to the DBSA and the Municipality focusing on the actual results of the implementation of the priority revenue enhancement strategies vis-à-vis the expected results.

### **3.4 Location of services**

The PSP is expected to provide the services to the Local Municipality of Witzenburg within the Cape Winelands district in the Province of Western Cape. The site information is illustrated below as follows



The appointed PSP is expected to execute the scope of work and achieve the corresponding deliverables as detailed in table 2 below:

**Table 1: Detailed scope of work and expected deliverables**

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
1.	<b>Inception meeting and development of the Project Implementation Plan (PIP)</b>	a) Inception meeting in which the appointed PSP will be introduced to the municipality, thereby kick starting the REP project. The PSP will then commence with the compilation of the Project Implementation Plan (PIP) informed by the scope of work to determine the work packages and how each work package will be rolled out. b) PSP to submit their information requirements to the municipality. c) Review the terms of reference establishing the PSCs.	a) Inception report b) Project Implementation Plan (PIP). c) PSC Terms of Reference adopted by all Parties.	<b>1. Inception and Project Implementation Plan (PIP) reports:</b> a. Context of the scope of work, b. Breakdown of work packages into specific milestones, along with the resources to be used per each milestone and timelines within which the milestones will be achieved. c. Type of Information requests per each milestone.
2.	<b>a) Analysis of the Existing situation / AS-IS analysis of the municipal revenue management value chain.</b>	The successful PSP will be required to utilize the Single and Integrated Revenue Management Framework (SIRMF) Assessment Tool developed	a) Comprehensive situation analysis/(AS-IS) report, with recommendations highlighting the areas that need to be	a. Comprehensive AS-IS situation analysis with the action plan to address the shortcomings /weaknesses/ gaps/revenue leakages in the

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
	<p><b>b) Stakeholder management plan</b></p>	<p>by DBSA in partnership with National Treasury. The tool is Excel-based and focuses on the following performance areas:</p> <p><b>a. Institutional:</b> institutional arrangements including legal compliance, policies, by-laws, MIS and database.</p> <p><b>b. Financial:</b> financial indicators, budgeting and long-term financial planning, tariffs, finance department functions and municipal revenue sources.</p> <p><b>c. Business Processes:</b> management standard operating procedures (SOP), spatial planning, customer care, asset management, loss management, trading services – electricity, and solid waste.</p>	<p>considered for the improvement of the revenue situation.</p> <p>The report should include inter alia diagrams, drawings, pictures etc. and must be presented in a word and presentation format for the key stakeholders in the municipality and the steering committees, covering the following areas:</p> <ul style="list-style-type: none"> <li>• Analysis of the findings/ areas of revenue leakages and development of a plan on remedial actions and timeframes.</li> <li>• Responsibility and skills and financial capacity available to implement.</li> <li>• Financial implications of the findings.</li> </ul>	<p>revenue management value chain of the municipality.</p> <p>b. Analysis of the findings, and their impact on the municipal revenue, presentation of the findings at the PSC, Municipal Council and at the DBSA.</p> <p>c. Stakeholder engagement report</p>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>The PSP will utilize the SIRMF Assessment Tool to obtain key and relevant existing information in respect of the existing revenue management situation including from the different systems such as billing and collection rates, investigate and reconcile pertinent information in respect of all properties owned within the boundaries of the municipality and undertake the steps below:</p> <p>a) <b>Billing and Revenue Collection</b></p> <ul style="list-style-type: none"> <li>• Meter reading arrangements and meter reading inputs to billing.</li> <li>• Accuracy of billing.</li> <li>• Meter reading capacity / organogram.</li> <li>• Billed Revenue versus collection (collection rates) of revenue,</li> <li>• Returned Mail.</li> <li>• Unallocated receipts.</li> </ul>	<p>b. Stakeholder engagement report</p>	

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Clearing of suspense accounts.</li> <li>• Review debtors age analysis.</li> <li>• Review current IT systems in place within the revenue function.</li> <li>• Review current processes' performance levels.</li> <li>• Review Policies, by-laws and procedures in terms of legislative requirements,</li> <li>• Analyse the revenue management skills.</li> </ul> <p>b) <b>Debt Management</b></p> <ul style="list-style-type: none"> <li>• Review debtors age analysis.</li> <li>• Determine percentage debt outstanding for more than 90 days.</li> <li>• Review credit control measures.</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Follow up on existing payment arrangements that are in place.</li> <li>• Ward Councillors' involvement.</li> <li>• Current IT systems in place within the revenue function.</li> <li>• Current processes performance levels.</li> <li>• Collection rates.</li> <li>• Management practices deployed and their impact on revenue management and collection.</li> <li>• Debt Management skills.</li> </ul> <p><b>c) Analysis of the Tariffs, Policies, Procedures, By-laws, Revenue and Budgets:</b></p>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Access the tariffs book, revenue related policies and By-laws, procedures, revenue structure and budget and analyse same and highlight the gaps/discrepancies / inconsistencies and assist the municipality to update the documents accordingly.</li> <li>• Establish the revenue baseline indicating the sources of revenue and performance over the years.</li> <li>• Alignment with the municipality's current operations,</li> <li>• Compliance to relevant legislation, regulations, policies and procedures, NERSA framework, Eskom bulk purchase tariffs etc.</li> </ul> <p><b>d) Stakeholder engagement:</b></p>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>The PSP will engage with the relevant stakeholders such as the Municipal staff members including the customer care, electricity department and other departments in the municipality, Department of Energy (DOE), National Energy Regulator of South Africa (NERSA), Eskom, etc. and obtain information and documentation regarding the cost of supply, D- forms, bulk purchase tariffs, tariffs levied on various customer types, customer data and land use and zoning information etc.</p>		
3.	<p><b>Cost of Supply study, Tariff structure review and analysis and restructuring of the tariff codes for cost reflectiveness.</b></p>	<p>a) Ascertain the methodology or how the municipality base their tariffs in respect of land usage, land zoning and tariffs levied to different categories of the customers, including:</p> <ul style="list-style-type: none"> <li>• Tariff determination methods and levels vis-a-vis the cost of</li> </ul>	<p>a) Appropriate tariffs structure setting model report highlighting the appropriate tariffs / cost reflective tariffs structure , property rates and taxes that should be charged per customer type, consumption pattern, land</p>	<p>Tariff restructuring report, highlighting the following amongst others:</p> <ol style="list-style-type: none"> <li>a. Number and Percentage of customers incorrectly classified and charged the incorrect tariffs, and the revenue leakages resulting from the incorrect classification,</li> <li>b. Revenue as a percentage of cost of services.</li> </ol>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>services / cost reflective tariffs structure taking into consideration the NERSA guidelines and Eskom bulk purchases vs sales and analysis of the existing tariffs applications in the municipality.</p> <ul style="list-style-type: none"> <li>• Review service and tariff code structure, tariffs policy and tariffs bands and provide documentary support to the validity and completeness of all billable charges per customer category and per level of consumption.</li> <li>• Analysis of bulk purchases</li> <li>• Cost of supply study</li> <li>• Tariff structure analysis and tariffs levied to customers.</li> <li>• Identification of the gaps and proposal for a suitable tariff structure to close the gaps in</li> </ul>	<p>use/zoning as well as size of the property /improvements identified in respect of the properties.</p> <p>b) The roll out strategy for the implementation of the cost reflective tariff structure.</p>	<p>c. Percentage improvement in tariff structure.</p> <p>d. Revenue improvement realised resulting from the corrected tariffs, property rates and taxes and solid waste charged per customer category.</p> <p>e. Mapping out different tariffs scenarios to determine the current state of revenue, the stabilised state of revenue and the desirable state of revenue for the municipality.</p>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>the various types/categories of customers.</p> <ul style="list-style-type: none"> <li>Establish the revenue levels: including the current, stabilised level and desired level of revenue.</li> </ul>		
4.	<p><b>Audit of electricity meters, metering management and land use/ zoning.</b></p> <p><b>A 100% desktop audit will be conducted on all 16761 stands and 5500 physical verification / audit will be conducted on all the meters.</b></p> <p><b><u>1. Total electricity meters:</u></b></p> <p><b>a Total conventional:</b></p> <p><b>b. total pre-paid:</b></p> <p><b>c. Total smart meters: 0</b></p> <p><b>2. Total properties:</b></p> <p><b>3. Financial system in use:</b></p>	<p><b>a) Meter audit:</b></p> <p>100 % Desktop audit of all the stands, amongst others, investigating and analysing the following:</p> <ul style="list-style-type: none"> <li>Meter reading accuracies, frequency of meter reading, availability of meter</li> </ul>	<p>a) A comprehensive audit report with findings and remedial action to close the identified gaps. Amongst others, the following should be highlighted:</p> <ul style="list-style-type: none"> <li>Database of the meters within the municipality with cross validations to stand information.</li> <li>The findings and analysis of all deficiencies and discrepancies with the existing records. The billing information should be updated accordingly.</li> </ul>	<p>Audit of electricity meters report with findings, also highlighting the following:</p> <ol style="list-style-type: none"> <li>Number and percentage of unmetered consumers,</li> <li>Number and percentage of old meters requiring replacement,</li> <li>Value and percentage of technical electricity losses</li> <li>Value and percentage of uncounted for electricity,</li> <li>Total number of the broken, faulty, bypassed, tempered with inaccessible meters, estimated meters, inactive meters etc</li> <li>Analysis of the revenue losses resulting from the above meter situation and</li> </ol>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
	<p><b>4. GIS system that the municipality is using:</b></p>	<p>reading capacity, coverage, estimated accounts.</p> <ul style="list-style-type: none"> <li>• Mapping the physical location of meters.</li> <li>• Determining the match between the type of meter and</li> </ul>	<ul style="list-style-type: none"> <li>• Recommendations for optimal metering and meter management solutions.</li> <li>• Identifying solutions for revenue losses and security requirements.</li> <li>• Credible billable customer information/list.</li> </ul>	<p>recommendations for optimal metering and meter management solutions.</p>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>usage suitability, etc.</p> <p><b>b) The meter auditor will perform the following:</b></p> <ul style="list-style-type: none"> <li>• confirm and validate the existence and functionality of meters (domestic, commercial, and industrial etc.)</li> <li>• Identifying broken, faulty, and unread meters, inaccessible meters, bypassed meters, tampered with meters, illegal connections inactive meters, estimated meters etc.</li> </ul> <p><b>c) For the registered stands and meters, the following information will need to be collected and verified with a clear date and time of such verification:</b></p> <ul style="list-style-type: none"> <li>• Stand /ERF details.</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>● Electricity connection.</li> <li>● Status and number of connections.</li> <li>● Meter serial number for each metered connection,</li> <li>● Primary stand use - residential, institutional, commercial, industrial etc.</li> <li>● Stands/ERFs that are not connected and are not metered.</li> <li>● Stands/ERFs that are not serviced.</li> <li>● Meter reading accuracy, the linkage and alignment of the billing system with property/ land information, financial system, and GIS system.</li> <li>● Lifespan of the meters and the appropriateness of the metering technology used.</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Connection type (three phase or single phase) and appropriateness for the land use.</li> <li>• Service type (post-paid, prepaid).</li> </ul> <p>d) It is a requirement that the meter auditor shall verify at each property that the meters identified on the system are appropriately connected and metered and that there are no bypassed meters.</p>		
5.	<p><b>Customer billing data cleansing, and Consumer Management, integrating geo-spatial information with valuation, financial system, and billing system.</b></p>	<p><b>a) Complete and accurate billing data:</b></p> <ul style="list-style-type: none"> <li>• Undertake a Cadastral Audit,</li> <li>• Source, access and assess land information (sites) from the Registrar of Deeds and the Surveyor General.</li> </ul>	<p>a) Data cleansing report with updated customer billing information, highlighting integration with the property information, financial system, billing system and GIS.</p> <p>b) Analysis of the findings and the impact thereof in terms of</p>	<p>Consumer billing database cleansing report, highlighting the following:</p> <ol style="list-style-type: none"> <li>a. Number and Percentage of customers not billed but are receiving services.</li> <li>b. Number and Percentage of customers added to the system to improve the billing accuracy.</li> <li>c. Number and percentage of the customers with incomplete information.</li> </ol>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Reconciliation of Valuation Roll to Deeds Office and Surveyor General listings.</li> <li>• Compare the land information to usage by various consumer categories.</li> <li>• Compare the financial information and the billing systems to the updated land information,</li> <li>• Create linkages between the land information, financial and billing information.</li> <li>• Completeness of customer information on the billing system,</li> <li>• Investigate the various categories of the customers (including industrial, commercial/ business/residential and government, etc.) the customer personal information such as names, Identification Documents</li> </ul>	<p>revenue losses that the municipality is experiencing and</p> <p>c) Updating/uploading of the cleansed billing data into the billing system and bill accordingly</p> <p>d) Determine the revenue improvements resulting from the cleansed data.</p>	<p>d. Number and Percentage of unbilled properties on property rates.</p> <p>e. Number and Percentage of incorrectly billed properties on property rates.</p> <p>f. Value and Percentage revenue improvement resulting from the rectification of the above.</p>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>(ID) numbers, physical and postal addresses and contact details.</p> <ul style="list-style-type: none"> <li>• Conduct verification on the customer information, with Surveyor General and Registrar of Deeds information,</li> <li>• Undertake investigation on multiple ownership of properties by one individual, confirm ownership, addresses, and contact details etc. of each property.</li> <li>• Ensure that the billing system is aligned to the property/ land information and GIS system. Categorize land use, validate, and analyze billing information and bill accordingly.</li> <li>• Investigate and verify the application and use of correct tariffs, rates, and taxes, in line with the land use.</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Investigate consumption patterns in line with approved tariffs and regulations.</li> <li>• Investigate the customers who are not in the billing list and not metered but continue to receive the services.</li> <li>• Investigate the developed stands with no billing data.</li> <li>• Investigate the properties whose values have been improved but not aligned to the valuation roll.</li> </ul> <p><b>b) Tariff analysis, to compare the customer type to the tariffs being charged with the purpose to highlight whether the following have occurred:</b></p> <ul style="list-style-type: none"> <li>• Owners of properties not being billed for the electricity services they consume.</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>• Tenants being charged owner specific services.</li> <li>• Business consumers being charged domestic tariffs.</li> <li>• Domestic consumers being charged business tariffs.</li> <li>• Cost of service analysis and review tariff structure or appropriateness in terms of the customer type/category, usage in line with the land use etc., considering all costs.</li> <li>• Residential properties operating as business but not zoned as business and are being charged residential tariffs.</li> <li>• Investigation of the customers where estimates for meter reading for a period of three or more months are applied, revenue losses implications emanating from the application of</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>the estimates.</p> <p>Recommendations to remedy the situation.</p> <p><b>c) Metering and Property Valuation:</b></p> <ul style="list-style-type: none"> <li>• Investigate consumption patterns in line with approved tariffs, rates and taxes and regulations and update the billing system.</li> <li>• Determine the baseline data to reflect the magnitude of the improvement in the billing system.</li> <li>• Categorize land use, validate, and analyse billing information, update the billing information and bill accordingly.</li> <li>• Analyse the valuation roll to investigate pertinent information in respect of all properties owned within the boundaries of the municipality to ensure that the following are correctly recorded:</li> </ul>		

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<ul style="list-style-type: none"> <li>○ Name of the registered owner.</li> <li>○ Current usage of the property.</li> <li>○ How the property is zoned.</li> <li>○ Size of the property Land and improvement value of the property.</li> <li>○ The application of the tariffs, in line with the land use and type of customer.</li> <li>○ The alignment to each customer and within the system, linking each meter to an erf and owner, linkages to the land use information and recommending updating of the billing system.</li> </ul>		
6.	<b>Implementation of the low hanging fruits / initiatives quick wins (within budget of R500 000)</b>	a) The PSP is required to assist the municipality to implement the low hanging fruits that have been identified throughout the revenue	a) Low hanging fruits implementation report.	a. Action Plans for the implementation of the low hanging fruits developed. b. Progress Report in terms of implementing the low hanging fruits/quick wins.

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
	<p><b>and transfer of skills to the relevant municipal officials.</b></p>	<p>value chain assessment processes. The initiatives to be implemented should be agreed upon by the municipality and should be of the nature that they will have an impact in the municipality's revenue improvement.</p> <p>b) Transfer of skills to municipal officials who have been identified throughout the revenue value chain assessment processes.</p>	<p>b) Transfer of skills programme to the identified municipal officials.</p>	<p>c. Revenue improvement realised.</p>
7.	<p><b>Identification and prioritisation of the interventions /infrastructure projects implantable over the short term, medium to long term to broaden and protect the revenue base.</b></p>	<p>a) The PSP will Identify and prioritize the short, medium to long-term solutions/infrastructure projects that will assist the municipality to protect and broaden the revenue base.</p> <p>b) Determine the cost of the identified interventions /infrastructure projects</p>	<p>a) Short, medium to long term interventions/ infrastructure projects report identifying and prioritising the interventions /infrastructure projects that will ensure protection and broadening of the municipality's revenue.</p>	<p>a. List of infrastructure projects identified as recommendations from REP. Based on the identified list, how many projects were included in the IDP and budget process of the municipality.</p> <p>b. Business cases developed for the identified projects.</p>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
		<p>and model financial options other than the balance sheet for the financing of CAPEX programme that the municipality can access to be able to implement the identified interventions/projects.</p> <p>c) Assist the municipality to raise capital for the financing of the infrastructure by developing bankable business cases for funding of the identified short, medium to long term infrastructure requirements. This on the back of a detailed financial model. <b>A maximum of three (3) projects is anticipated.</b></p> <p>d) Assist the municipality to apply for appropriate grants to address systems development where relevant.</p>	<p>b) The cost implications of the identified and prioritised projects, mapping out of the various funding options that can be accessed by the municipality for the implementation of the prioritized interventions/infrastructure flowing from the REP.</p> <p>c) Bankable business cases for funding of the identified short, medium to long term infrastructure requirements. <b>A maximum of three (3) projects is anticipated.</b></p> <p>d) Completed application documents for accessing grants to address systems development.</p>	<p>c. Identified grants for the systems development.</p>

NO	KEY FOCUS AREAS	KEY ACTIVITIES	OUTPUTS	KEY PERFORMANCE INDICATORS
8.	<p>a) <b>A final consolidated Municipal Revenue Improvement Plan (MRIP) with fully costed recommendations/infrastructure projects list and various funding options that the municipality can access to be able to implement same.</b></p> <p>b) <b>Close out report</b></p>	<p>a) Compilation of a final consolidated Municipal Revenue Improvement Plan with different chapters and close out report and presenting findings and recommendations / solutions at the PSC, Municipal Council and at the DBSA for approval.</p>	<p>a) Municipal Revenue Enhancement Improvement Plan and close out report with findings, recommendations, cost implications for the prioritised interventions/ projects and funding options that can be accessed by the municipality.</p> <p>b) Reports to be approved at PSC and presented at Municipal Council and at the DBSA.</p>	<p>a. A consolidated MRIP report including the various sections /modules of the programme highlighting:</p> <ul style="list-style-type: none"> <li>• a summary of the recommendations.</li> <li>• Number of prioritised projects intended to improve the revenue situation of the municipality along with</li> <li>• The cost implications and a plan of action to include them in the IDP and Budget processes of the municipality.</li> </ul> <p>b. Close out report.</p>

It is envisaged that the implementation of the revenue enhancement interventions/projects that will be identified from the REP will assist the Municipality to improve billing accuracy and optimize revenue collection, thereby promoting sustainable service delivery.

The Project approach must be aligned with the overall programme objective to enhance municipal revenue through billing efficiency, cost-reflective tariffs, improved data integrity, solutions for revenue and non- revenue losses, etc.

### **3.5 IMPLEMENTATION TIME FRAME**

It is envisaged that it will take **18 months** to develop and implement REP with recommendations / initiatives / projects that are implementable over a short, medium- and long-term period. The cost of the identified and prioritised initiatives/ projects along with the various financial options that the municipality can access in order to implement same will be mapped out in the consolidated REP report.

### **3.6 Project Implementation Plan**

Within two week after the inception date, the successful Professional Service Provider will be required to provide a Project Implementation Plan (PIP) for the duration of the project. The PIP among others will include the activities that are listed in the scope of work including brief description and duration for each milestone, and this shall not exceed the total contract period. A schedule of submission of each part of the scope of work must also be included in the plan.

Furthermore, the PSP will also be expected to submit a Cash flow projection of the project deliverables / milestones and the risk management register.

### **3.7 Monthly Progress Reports**

The successful Professional Service Provider will be required to provide monthly progress reports in accordance with the stipulated timeframes. The Progress Report must give a summary of the following information:

- i. Amount of time spent by each project team member on a specific task.

- ii. Total amount of time spent on the project and cost to date.
- iii. Time cost since the previous report.
- iv. Percentage of work completed per specific task and the overall percentage completion.
- v. Other information that will be determined by either PSC or Service Provider.
- vi. Risks and mitigations.
- vii. Workshop PSC members and solicit comments and inputs.
- viii. Capture lessons learnt and presentation of the findings to Council.

### **3.8 Stakeholder Engagements**

The successful PSP must fully engage the stakeholders to ensure that any information that will assist in the development and implementation of the Revenue Enhancement Programme for the municipality is timeously made available. The Service Provider will document the date of the first request and the date when the information was received.

### **3.9 RISKS AND RISK MITIGATION**

The PSP is responsible for the identification of relevant risks to the project and is expected to take steps to mitigate these risks in their proposal. These may include:

- a) Lack of sufficient preparatory work by the key stakeholders.
- b) Insufficient stakeholder involvement and support.
- c) Delays in obtaining information and lack of input on draft documents submitted for comment and inputs from relevant key stakeholders.
- d) Change of scope.

**b)**

### **3.10 REPORTING**

The implementation of the project will be monitored by the Municipal PSC. The PSP will report progress and challenges to the MPSC. All reports will be presented and discussed at the MPSC between the Service Provider, stakeholders and role-players in the manner shown in the table below:

**Table 2: Schedule of Report Submissions and Meetings**

No	Description	Time frame	Stakeholder/Role-player
1.	An initial Project Briefing /Inception meeting between the appointed PSP, DBSA, and WLM.	One week after contracting between the DBSA and the appointed PSP.	PSC (DBSA, WLM, and PSP)
2.	Project Implementation Plan (PIP).	14 days after project inception meeting.	PSC (DBSA, WLM, and PSP)
3.	Progress Reports on milestones achieved.	On a monthly basis	PSC (DBSA, WLM, and PSP)
4.	Consolidated final REP /Municipal Revenue Improvement Plan (MRIP) and Close Out Reports	One month prior to completion date.	PSC (DBSA, WLM, and PSP)

### **3.11 ACCOUNTABILITY**

During the execution of this contract, the successful Service Provider will be required to work closely with the relevant municipal's officials and DBSA – Project Leader. The PSP will report to the PSC in accordance with meeting schedule as provided in Table 2 on paragraph 2.6 above.

### **3.12 CONTACT PERSON**

Technical queries to be directed to the DBSA technical team through the DBSA Procurement Unit via email to [lihlen@dbsa.org](mailto:lihlen@dbsa.org) and the tender reference number is to be quoted.

### **3.13 TERMS OF REFERENCE ESTABLISHING THE MUNICIPAL AND THE TECHNICAL PROJECT STEERING COMMITTEES**

The appointed PSP will be a member of both the Municipal Project Steering Committee (MPSC), chaired by the Accounting Officer, and the Technical Project Steering Committee (TPSC), chaired by the Project Champion. The terms of reference that will guide the operations of both the MPSC and TPSC are outlined below:

#### **Municipal Project Steering Committee Terms of Reference**

##### **1. Introduction:**

The Development Bank of Southern Africa (DBSA) has approved the development and implementation of a Revenue Enhancement Programme (REP) support for the Municipality.

It is a condition to the Agreement that a Project Steering Committee (PSC) be established between the DBSA and the Municipality to support the delivery of the Project funded by the DBSA accordingly, and to give effect to the above, the Parties agree as set out herein.

1.1 Establishment of the Project Steering Committee upon the Agreement becoming unconditional in accordance with its terms (save for any condition therein requiring the establishment of the PSC), it is agreed that:

1.1.1 the PSC is hereby established as the joint steering committee in terms of the Agreement; and

1.1.2 the role of the PSC is to provide strategic direction relating to the Project and to guide and coordinate the execution of the Project.

##### **2. Purpose of this Document**

The purpose of this document is to establish the terms of reference for the PSC. The terms of reference in turn establish the mandate roles and functions for the PSC.

The PSC is the key body within the Project governance structure responsible for the oversight and operational project issues associated with the implementation of Revenue Enhancement Programme.

**c) 3. Function of the Municipal PSC**

The function of the PSC is to provide oversight for the operational issues associated with the provision of Revenue Enhancement support to the municipality. The PSC is responsible for monitoring project's budget, progress, benefits realized and monitoring risks, quality, and timelines of delivery according to the Project Implementation Plan. The PSC's role is further elaborated below.

**d) 3.1 Role of the Municipal PSC**

The role of the PSC is to:

- 3.1.1 provide oversight on the implementation of the Project and on the achievement of the outcomes.
- 3.1.2 to identify potential risks arising from the implementation of the Programme and agree on mechanisms to mitigate such risks.
- 3.1.3 ensure conformity with the Project Implementation Plan.
- 3.1.4 advise on adjustments to be made to the Project to ensure that the Project is completed within budget and by the Project Completion Date.
- 3.1.5 recommend, after consultation between the members, the sign-off on the quality of work and reports completed by the Professional Services Provider.
- 3.1.6 oversee the Technical Project Steering Committee.
- 3.1.7 monitor compliance to legislation and regulations in the implementation of the Project.
- 3.1.8 providing guidance in addressing challenges/bottlenecks as they arise; and
- 3.1.9 approval and endorsements of completed milestones/deliverables for payments.

**3.2 The Principles guiding the MPSC.**

In performing the tasks assigned to the PSC, the members will observe the following principles, namely to:

- 3.2.1 work together in a spirit of transparency and openness in which the achievement of the Project to a standard of excellence is a prime consideration.
- 3.2.2 promote trust, fairness, cooperation, dedication to the agreed common goal while understanding each other's expectations and values.

- 3.2.3 be cognisant of the expectations and interests of each of the stakeholders and to seek to promote "win-win" solutions when balancing the interests of the stakeholders.
- 3.2.4 to accept that conflict is natural but, in such situations, to promote teamwork in order to work constructively through disagreements.
- 3.2.5 show flexibility whilst still ensuring that the project achieves excellence in its construction and operational standard.
- 3.2.6 promote a culture of zero tolerance towards corruption and other improper activities and ensure adherence to applicable anti-corruption legislation and
- 3.2.7 bring full commitment to achieving effective interfacing between the members and their respective stakeholders to make decisions with respect to the project and solve any issues that may arise in connection with the project in an effective and efficient manner.

### **3.3 The Role of Individual PSC Members**

The role of the individual members of the PSC includes the expectation that each member is to:

- 3.3.1 appreciate the significance of the Project for all stakeholders.
- 3.3.2 be an advocate for the Project's outcomes.
- 3.3.3 have a broad understanding of Project management issues and the approach being adopted to resolve such issues.
- 3.3.4 be committed to, and actively involved in pursuing the Project's outcomes.
- 3.3.5 help reconcile conflicting priorities and resources.
- 3.3.6 check adherence of project activities to standards and best practice, both within the organizations Municipality and DBSA and in a wider context.

## **4. General Administration of the PSC**

### **4.1 Membership**

The PSC shall be comprised of:

- 4.1.1 delegated representatives from the Municipality.
- 4.1.2 DBSA authorized representatives.
- 4.1.3 key members from the appointed Professional Service Provider (PSP); and
- 4.1.4 Further, the PSC will coopt other members as they see fit.

**e) 4.2 Changes in the PSC Membership**

Whilst the stakeholders remain cognisant of the need to maintain continuity in membership of the PSC, a stakeholder may replace a member at any time, upon written notice to the chairperson of the PSC.

**f) 4.3 Convener / Chairperson and the Secretariat**

The chairperson will be provided by the Municipality whilst the secretariat functions will be provided by the PSP.

**g) 4.4 Convener/Chairperson**

The Municipal Manager, or in his absence, the Executive Technical Director / Chief Financial Officer (CFO) will be the convener and chairperson of the PSC meetings. If the designated chairperson is not available, then any official from the CFO's office or the Technical Director's office (referred to as the Acting Chair) as delegated by the chairperson will be responsible for convening and conducting the meeting.

**h) 4.5 Secretariat**

The Secretariat will inter alia provide the following functions:

- 4.5.1 prepare and circulate the minutes for comments and inputs. Provide full copies of the minutes, including attachments to all the PSC members.
- 4.5.2 keep comprehensive records of all the deliberations and decisions of the PSC.
- 4.5.3 distribute copies of the minutes of the meetings for consideration and ultimately approval by the Chairperson.
- 4.5.4 prepare and finalise the minutes containing the proceedings and resolutions of the meetings which shall be signed by the Chairperson of the PSC and by the PSP and the DBSA.
- 4.5.5. Circulate the documents including completed milestones to the members at least 5 days prior to the meeting of the PSC and

4.5.6 the approval of the deliverables / milestones and invoice indicating the milestone and the number of the milestone that is being approved shall be recorded in the minutes. The deliverables and the minutes shall be signed by the chairperson of the PSC and by the PSP and the DBSA.

**i) 4.6 Language and Communication Formats**

English will be the preferred language for all dealings of the PSC. The format of communication of the PSC shall be by email messages, or letters. Correspondence requiring approvals shall be by email, or letter. Reports submitted by the PSP to the members shall be in both hard print and soft computer copy written in software that is used by the Municipality.

**j) 4.7PSC Meeting Agenda**

4.7.1 All PSC meeting agenda items must be forwarded to the Chairperson or the secretariat support by close of business seven (7) working days prior to the next scheduled meeting.

4.7.2 The PSC agenda with attached meeting documents will be distributed at least 5 working days prior to the next scheduled meeting.

4.7.3 The Chairperson has the right to list an item on the formal agenda, but members may raise an item under 'General / Other Business' if necessary and as time permits.

**k) 4.8 PSC Meeting Minutes and Meeting Documents**

The following administrative requirements apply:

4.8.1 the format of the PSC minutes shall be agreed at the first meeting of the PSC.

4.8.2 a schedule of PSC meetings to be discussed and agreed at the first PSC meeting and shall form part of all the meeting minutes.

4.8.3 the minutes of each PSC meeting will be prepared by the office of the PSP.

4.8.4 full copies of the minutes, including attachments, shall be provided to all PSC members no later than ten (10) working days following each meeting.

4.8.5 by agreement of the PSC, out-of-session decisions will be deemed acceptable upon confirmation in writing of the Municipality and the DBSA authorized representatives.

4.8.6 all out-of-session decisions shall be recorded in the minutes of the next scheduled PSC meeting; and

4.8.7 the minutes of each PSC meeting will be monitored and maintained by both the Municipality and the DBSA as a complete record as required under the respective document management provisions of the Municipality and DBSA.

**l) 4.9 Frequency of Meetings**

4.9.1 The PSC shall meet monthly on a date to be advised by the Chairperson in line with the meeting schedule to be agreed upon at the first meeting of the PSC.

4.9.2 Additional meetings outside of the scheduled meeting dates may be convened as circumstances may arise.

4.9.3 Meetings of the PSC shall be coordinated through and called on by the chairperson whenever required in accordance with the terms of reference.

4.9.4 Notice of any meeting of the PSC shall be sent to each member (and copied to the stakeholders) and shall confirm the venue, time, and date, together with the proposed agenda for the meeting (including any supporting papers) reasonably practicable, as far as is reasonably practicable, at least 14 (fourteen) days' notice shall be given of any meeting of the PSC.

4.9.5 The PSC meetings may be held in the offices of the Municipality and / or virtually, via telephone, teleconference, videoconference, Microsoft Teams or via Zoom etc.

**m) 4.10 Proxies to Meetings**

4.10.1 Members of the PSC shall nominate a proxy to attend a meeting if the member is unable to attend. The Chairperson will be informed of the substitution at least three (3) working days prior to the scheduled meeting.

4.10.2 The nominated proxy shall have voting rights at the attended meeting. The nominated proxy shall provide relevant comments/feedback of the PSC member they are representing to the attended meeting.

**n) 4.11 Quorum Requirements**

4.11.1 A meeting quorum shall have been formed if 50% of the PSC members plus one member is in attendance for the recommendations or resolutions to be valid.

4.11.2 The quorum must contain representatives from the DBSA, Municipality and PSP.

**o) 4.12 Governing Law**

This establishment and functioning of the PSC shall be governed by and interpreted in accordance with the Agreement between Municipality and DBSA, and substantive laws of the Republic of South Africa.

**p) 4.13 Confidentiality and Publicity**

Any confidential information obtained by any of the PSC members, or arising from the implementation of the Agreement, shall be treated as confidential by the Party receiving it and shall not be used, divulged, or permitted to be divulged to any person not being a member to the PSC, without the prior written consent of the PSC.

**5. PSC life span**

The PSC will be in existence until the Project Completion Date.

## **Technical PSC Terms of Reference**

### **1. Introduction**

- 1.1. It is a condition to the Agreement that the Municipality shall formally establish a Technical Steering Committee ("TPSC").
- 1.2. The TPSC shall comprise of the DBSA, municipality, and the appointed PSP.
- 1.3. Accordingly, and to give effect to the above, the Parties agree as set out herein.

### **2. Establishment of the Steering Committee**

Upon the Agreement becoming unconditional in accordance with its terms (save for any condition therein requiring the establishment of the TPSC, with the DBSA's membership of the TPSC), it is agreed that:

- 2.1. the TPSC is hereby established as the joint technical steering committee in terms of the Agreement.
- 2.2. the role of the TPSC is to provide technical direction relating to the Project and to guide and coordinate the execution of the Project; and
- 2.3. the TPSC shall adopt the terms of reference prior it carrying its mandate as contemplated in these Terms of Reference.

### **3. Mandate of the Steering Committee**

The mandate of the TPSC is to:

- 3.1. serve as the primary interface between the stakeholders in respect of the Project.
- 3.2. monitor the technical aspects of the Project; and
- 3.3. prepare and submit the technical progress report and recommendations to the Municipal Project Steering Committee.

### **4. Members of the TPSC**

- 4.1. The TPSC shall consist of representatives from relevant parties (each representative being a "Member").
- 4.2. The first meeting of the PSC shall confirm quorum members and ex-officio members.
- 4.3. Members shall remain as members of the TPSC until such time as their appointment is withdrawn by the stakeholder appointing that member on written notice to the chairperson of the TPSC. Members shall be entitled to nominate any representative to act as their proxy to attend and vote at any meeting of the TPSC.
- 4.4. Whilst the stakeholders remain cognisant of the need to maintain continuity in membership of the TPSC, a stakeholder may replace a member at any time upon written notice to the chairperson of the TPSC.

4.5. The Municipality shall select and appoint one of its members to act as chairperson of the TPSC.

4.6. The Municipality shall ensure that minutes of all meetings of the TPSC are duly recorded and circulated to the members and the stakeholders.

## **5. Meetings of the TPSC**

5.1. The TPSC meeting frequency will be determined and agreed upon at the 1st meeting of TPSC.

5.2. Meetings of the TPSC shall be co-ordinated through and called on by the chairperson whenever required in accordance with these Terms of Reference

5.3. Notice of any meeting of the TPSC shall be sent to each member (and copied to the stakeholders) and shall confirm the venue, time, and date, together with the proposed agenda for the meeting (including any supporting papers) reasonably practicable, as far as is reasonably practicable, at least 14 (fourteen) days' notice shall be given of any meeting of the TPSC.

5.4. The TPSC's meetings shall be held at municipal offices, or virtually via telephone, teleconference, videoconference Microsoft Teams or Zoom as agreed between the members.

5.5. From time to time the stakeholders may propose that additional representatives attend meetings of the TPSC, and such request shall not be unreasonably refused by the TPSC.

5.6. All costs associated with the attendance of meetings of the TPSC, unless otherwise specifically agreed between the members, shall be for the account of the member incurring the costs.

## **6. Recommendations of the Technical Project Steering Committee**

6.1. All recommendations of the TPSC shall be achieved by consensus, and if consensus cannot be reached, a majority vote (following reasoned discussion) of all members present at that meeting.

6.2. The chairperson shall not have a casting vote.

- 6.3. The chairperson shall ensure that the secretary of the TPSC accurately records all recommendations made and that copies of such decisions are provided to each member and the stakeholders as soon as is reasonably possible thereafter.
- 6.4. The PSP shall provide secretariat support.
- 6.5. The TPSC has no approval powers but recommends approval of reports / milestone / documents to the PSC chaired by the Accounting Officer.

## **7. Principles**

In performing the tasks assigned to the TPSC, the members will observe the following principles, namely to:

- 7.1. work together in a spirit of transparency and openness in which the achievement of the Project to a standard of excellence is a prime consideration.
- 7.2. promote trust, fairness, cooperation, dedication to the agreed common goal while understanding each other's expectations and values.
- 7.3. be cognisant of the expectations and interests of each of the stakeholders and seek to promote "win-win" solutions when balancing the interests of the stakeholders.
- 7.4. to accept that conflict is natural but, in such situations, to promote teamwork to work constructively through disagreements.
- 7.5. show flexibility whilst still ensuring that the project achieves excellence in its construction and operational standard; and
- 7.6. promote a culture of zero tolerance towards corruption and other improper activities and ensure adherence to applicable anti-corruption legislation.

### **3.14PROJECT PROPOSAL**

A detailed project proposal, project team structure, and project implementation schedule must be provided. The project proposal must describe and demonstrate the approach and methodology for carrying out of the outlined activities.

It will be expected from the Professional Services Provider to prepare a Project Implementation Plan (PIP) setting out the project deliverables against which to measure the progress of the project and the project budget and to ensure compliance with the obligations of the Professional Service Provider within 7 days after the inception meeting. This should be accompanied by a cash-flow projection and a risk management register.

### **3.14.1 WITZERNBURG LOCAL MUNICIPALITY**

Only bids that satisfy the following eligibility criteria will be evaluated further (for Price and Preference). Those who do not comply will be deemed non-responsive and be disqualified as per the requirements below:

#### **1. TENDERERS PROPOSED KEY RESOURCES/EXPERTS**

Curriculum Vitae, proof of qualifications and professional body registration of all team members must be attached. In the case of project manager, the project reference letters must also be attached. Professional Bodies and Qualifications obtained outside South Africa must be SAQA accredited.

A Resource Schedule (detailing the applicable resource's name, experience, and minimum qualifications) as depicted in the table below should be included in the Tenderer's Response:

**A. EXPERIENCE OF THE TENDERER'S PROPOSED KEY EXPERTS**

NO.	KEY RESOURCE	MINIMUM QUALIFICATION FOR EACH KEY RESOURCE	SUPPORTING DOCUMENTS	BIDDER TO INDICATE COMPLIANCE (Y/N)
1.	<p><b>Project Manager/ Team Leader: Civil or Electrical Engineering</b></p>	<p><b>Registration Body:</b> Registered Professional Engineer or a Professional Engineering Technologist in terms of the Engineering Professions Act, 2000 (ECSA).</p> <p><b>Qualifications:</b> BSc degree in Civil or Electrical Engineering or B Tech in Civil or Electrical Engineering.</p> <p><b>Experience:</b> Must have civil or electrical engineering experience in municipal infrastructure services provision. Must have at least 5 years post registration experience and must have minimum three (3) completed projects.</p> <p><b>OR</b></p>	<p>A minimum of three (3) reference letters from the employer or client company confirming the individual's role as the project leader in each relevant project must be attached.</p> <p>The following documents must be attached:</p> <ul style="list-style-type: none"> <li>• Curriculum Vitae</li> <li>• Proof of qualifications of the proposed candidate.</li> <li>• Reference letters for each relevant project (related to this scope) the person worked on.</li> <li>• Proof of professional registration.</li> </ul>	

		<p><b>Professional Body:</b> Professional membership with the South African Institute of Chartered Accountants (SAICA), ACCA, CIGFARO or similar bodies in the financial environment.</p> <p><b>Qualifications:</b> An appropriate National Diploma / BCom Degree in: Accounting / Auditing /Public Finance /Financial Management</p> <p><b>Experience:</b> Must have at least 5 years post registration experience and must have minimum completed 3 projects in Revenue Enhancement.</p>		
2.	<b>Municipal Financial Expert or Revenue</b>	<p><b>Professional Body:</b> Professional membership with the South African Institute of Chartered Accountants (SAICA), ACCA, CIGFARO</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

	<b>Enhancement Specialist</b>	<p>or similar bodies in the financial environment.</p> <p><b>Qualifications:</b> An appropriate National Diploma / BCom degree in: Accounting/ Auditing /Public Finance /Financial Management.</p> <p><b>Experience:</b> Must have minimum 5 years' experience in relevant RE projects on CV.</p>		
3.	<b>Electrical Engineer</b>	<p><b>Registration Body:</b> Registration as a Professional Engineer or as a Professional Engineering Technologist in terms of the Engineering Professions Act, 2000 (ECSA).</p> <p><b>Qualifications:</b> BSc degree in Electrical Engineering or B Tech in Electrical Engineering.</p> <p><b>Experience:</b></p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

		Must have minimum 5 years' experience infrastructure services provision projects.		
4.	<b>Geo-Information Science (GISc) Expert</b>	<p><b>Registration Body:</b> Must be registered as a Professional Geo-Information Science Practitioner PrGISc by the South African Council of Professional and Technical Surveyors (PLATO) established in terms of Act 40 of 1984 and be a member of the Geo-Information Society of South Africa (GISSA).</p> <p><b>Qualifications:</b> Bachelor's Degree in Geo-Information Science or in Land Surveying.</p> <p><b>Experience:</b> Must have minimum 5 years' experience in the planning and establishment of GIS</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

		systems for public or private sector entities in South Africa.		
5.	<b>Town Planner (Municipal infrastructure)</b>	<p><b>Registration body:</b> Registered with SACPLAN as a Professional Town and Regional Planner/Urban and Regional Planner in terms of the Planning Act, Act 6 of 2003</p> <p><b>Qualifications:</b> Bachelor's Degree in Town Planning.</p> <p><b>Experience:</b> Must have minimum 5 years' experience in town or regional development planning in the public / private sector environment.</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	
6.	<b>Legal Expert</b>	<p><b>Registration body:</b> Must be registered as an attorney by the Legal Practice Council (LPC).</p> <p><b>Qualifications:</b> Bachelor's degree in law (LLB).</p>	Attach a CV, proof of qualifications and professional registration of the proposed candidate.	

		<b>Experience:</b> Must have minimum 5 years' experience in contract law in relation to the delivery of infrastructure programmes and projects and experience in developing agreements and contracts / on public / private sector infrastructure delivery.		
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The tenderer shall provide information in respect of the key personnel who will be engaged on the contract by completing the schedule in 2.1 below:

- (a) The tenderer must consult the Tender Documentation which indicates the list of minimum key personnel required as well as qualifications.
- (b) All the key staff shall be proficient in the use (both verbal and written) English language.
- (c) In addition to the Personnel Schedule, the Tenderer shall also provide a Contract project organisational chart showing the team composition for each activity/phase/stage giving the team member names (only key team members need be included by name), position on team, and reporting relationship to other team members.
- d) Key professional staff of the tenderer should be permanently employed forming part of the Tenderer or have an extended and stable working relationship with the applicable Bidder. In addition, the staff should be readily available to the employer for discussions at, typically, less than a week`s notice.

**B. SUMMARY DETAILS OF QUALIFICATIONS AND EXPERIENCE OF TENDERER'S PROPOSED KEY RESOURCES / EXPERTS**

*Table 2.1 Summary details of qualifications and experience of tenderers proposed key resources / experts (to be completed for the Key Resources)*

<b>KEY EXPERT 1: PROJECT MANAGER/ TEAM LEADER</b>				
<b>Name</b>	<b>Current Job Title</b>	<b>Qualifications</b>	<b>Professional Registration &amp; Registration Nr.</b>	<b>Related work completed over the past 10 Years</b>
<b>KEY EXPERT 2: MUNICIPAL FINANCIAL EXPERT/ REVENUE ENHANCEMENT SPECIALIST</b>				
<b>Name</b>	<b>Current Job Title</b>	<b>Qualifications</b>	<b>Professional Registration &amp; Registration Nr.</b>	<b>Related work completed over the past 10 Years</b>
<b>KEY EXPERT 3: ELECTRICAL ENGINEER</b>				
<b>Name</b>	<b>Current Job Title</b>	<b>Qualifications</b>	<b>Professional Registration &amp; Registration Nr.</b>	<b>Related work completed over the past 10 Years</b>

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**KEY EXPERT 4: GEO-INFORMATION SCIENCE (GIS) EXPERT**

<b>Name</b>	<b>Current Job Title</b>	<b>Qualifications</b>	<b>Professional Registration &amp; Registration Nr.</b>	<b>Related work completed over the past 10 Years</b>

**KEY EXPERT 5: TOWN PLANNER (MUNICIPAL INFRASTRUCTURE)**

<b>Name</b>	<b>Current Job Title</b>	<b>Qualifications</b>	<b>Professional Registration &amp; Registration Nr.</b>	<b>Related work completed over the past 10 Years</b>

**KEY EXPERT 6: LEGAL EXPERT**

<b>Name</b>	<b>Current Job Title</b>	<b>Qualifications</b>	<b>Professional Registration &amp; Registration Nr.</b>	<b>Related work completed over the past 10 Years</b>

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**Note: A CV of each of the proposed team member of not more than 5 pages should be attached to this schedule after the above summary details tables.**

**C. EXPERIENCE OF THE TENDERER (LEAD TENDERER AND ENTITIES IN JV, CONSORTIUM, ASSOCIATION, ETC).**

DESCRIPTION	FOCUS AREAS	SUPPORTING DOCUMENTATION	BIDDER TO INDICATE COMPLIANCE (Y/N)
Experience of the tenderer (lead tenderer and entities in JV, consortium, association, etc).	<p>Tenderer has completed work in:</p> <ul style="list-style-type: none"> <li>a) The development and implementation of the revenue enhancement programme for ALL or any one category of the Engineering Services (e.g., Electricity, Sewer, and Electricity; or</li> <li>b) Tariff Review and structuring for trading services; or</li> <li>c) Cost of supply studies</li> <li>d) Billing Data Cleansing; or</li> <li>e) Meter audit.</li> </ul>	<p>Proof of each completed relevant revenue enhancement project within the municipal or similar environment in South Africa.</p> <p>The letters must provide a brief scope of each project relevant to the scope of this tender. All letters must be on the client’s letterhead and signed.</p> <p>A <b>minimum</b> of three (3) recommendation letters from the Employer where the projects were completed must be provided.</p>	

**D. TENDERER’S CONFLICT OF INTEREST**

Tenderers whose entities and/or employees are currently employed by or providing services to the DBSA directly or indirectly, and such relationship will pose a potential conflict of interest on this project, will be deemed non-responsive and not be evaluated further.

<p><b>1a.</b> Is the Tenderer, its entities and/or employees currently employed and or contracted by or providing services to the DBSA directly or indirectly:</p> <p>Yes or No: _____</p>
<p><b>1b.</b> If yes, please provide details:</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p><b>2a.</b> If yes, does the relationship(s) pose a potential conflict of interest on this project:</p> <p>Yes or No: _____</p>
<p><b>2b.</b> If no, please provide details:</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>

**E. EXPERIENCE / TRACK RECORD OF THE TENDERING ENTITY IN EXECUTING WORK OF SIMILAR NATURE**

- a) **The experience of the Tenderer (or that of the constituent member in a joint venture, consortium, or association) in the execution of projects within the provision of revenue enhancement planning and management in the municipal environment over the past 10 years will be evaluated.** Tenderers should very briefly describe their experience in this regard and attach same to this schedule. The description should be put in the Tables provided below and attached to this schedule.
- b) **Experience of Key Experts:** Provide CVs demonstrating experience of the resource where similar assignments were undertaken in the municipal environment over the past 10 years. Tenderers should very briefly describe the experience in this regard in the attached Schedule or separate document.

**Summarized Details of Experience / Track Record of the Tendering Entity in Executing Work of Similar Nature**

<b>EXPERIENCE / TRACK RECORD OF THE TENDERER OVER THE PAST 10 YEARS IN: DEVELOPMENT AND IMPLEMENTATION OF THE REVENUE ENHANCEMENT PROGRAMME FOR THE MUNICIPALITY (IES) OR SIMILAR ENVIRONMENT IN SOUTH AFRICA.</b>				
<b>Employer, contact person and telephone number and email address</b>	<b>Description of Professional Services Provided in Revenue Enhancement Development and Implementation</b>	<b>Value of Service provided (inclusive of VAT (Rand))</b>	<b>Date Service Commenced</b>	<b>Date Service Ended</b>

**EXPERIENCE / TRACK RECORD OF THE TENDERER OVER THE PAST 10 YEARS IN: DEVELOPMENT AND IMPLEMENTATION OF THE REVENUE ENHANCEMENT PROGRAMME FOR THE MUNICIPALITY (IES) OR SIMILAR ENVIRONMENT IN SOUTH AFRICA.**

Employer, contact person and telephone number and email address	Description of Professional Services Provided in Revenue Enhancement Development and Implementation	Value of Service provided (inclusive of VAT (Rand))	Date Service Commenced	Date Service Ended

The undersigned, who warrants that he / she is duly authorized to do so on behalf of the enterprise, confirms that the contents of this schedule are within my personal knowledge and are to the best of my

belief both true and correct.

<b>Signature:</b>	
<b>Date:</b>	
<b>Name:</b>	
<b>Position:</b>	
<b>Respondent:</b>	

# ANNEXURE A

## Fees and Assumptions

### FORM OF OFFER AND ACCEPTANCE (AGREEMENT)

#### FORM OF OFFER

#### THE CONSULTANT IS TO COMPLETE AND SIGN THE FORM OF OFFER

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following services:

**RFP054/2024 – PROFESSIONAL SERVICE PROVIDER (PSP) TO SUPPORT WITZENBERG LOCAL MUNICIPALITY (WLM) WITH THE DEVELOPMENT AND IMPLEMENTATION OF A REVENUE ENHANCEMENT PROGRAMME.**

The Tenderer, identified in the Offer signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all of the obligations and liabilities of the consultant under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

#### THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF ALL TAXES IS

.....  
..... (in words);                      ZAR                      (in figures),  
.....

This offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender Data, whereupon the Tenderer becomes the party named as the consultant in the Conditions of Contract identified in the Contract Data.

**Signature(s)** \_\_\_\_\_

**Name(s)** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**For the  
Tenderer** \_\_\_\_\_  
**(Name and address of organisation)**

**Name and  
signature of  
witness** \_\_\_\_\_ **Date** \_\_\_\_\_

## PRICING SCHEDULE

A financial proposal should be included in a separate electronic folder. Pricing evaluation will be based on a fixed amount for work conducted under the Revenue Enhancement Programme.

**(Note: This page must be separated from the pre-qualifying and functional proposal. Failure to separate this will lead to disqualification of the bid)**

This template must be completed in full and included as Annexure A to Pricing Proposal submitted. **Failure to complete this form (in respect of items 1 to 8 below) in full may result in the disqualification of the Bid.**

This assignment will be based on a lump sum (fixed price) contract in ZAR Rands. Bidders are required to price the total contract price using the following table:

ID	SCOPE OF WORK / KEY DELIVERABLE(S)	FEE BASIS	DURATION (Months)	TOTAL PROFESSIONAL FEE FOR SCOPE OF WORK (Excl. VAT) (Rand)
1.	Inception meeting and development of the Project Implementation Plan (PIP).	Lump sum	Two weeks	
2.	Analysis of the existing situation / AS-IS analysis of the municipal revenue management value chain and development of the stakeholder engagement plan.	Lump sum	1 month	
3.	Cost of supply studies, Tariff structure review and analysis and restructuring of the tariffs for cost reflectiveness.	Lump sum	3 months	

ID	SCOPE OF WORK / KEY DELIVERABLE(S)	FEE BASIS	DURATION (Months)	TOTAL PROFESSIONAL FEE FOR SCOPE OF WORK (Excl. VAT) (Rand)
4.	Audit of 5000 electricity meters, metering management and land use/ zoning	Lump sum	6 months	
5.	Customer billing data analysis and cleansing and integration with financial systems, property information and GIS.	Lump sum	3 months	
6.	Implementation of the low hanging fruits/ initiatives quick wins (within budget of R500 000) and transfer of skills to the relevant municipal officials.		3 months	R500 000
7.	Identification and prioritisation of the interventions/ infrastrucutre projects for the short, medium to long term. <b>Business cases to be developed.</b> <b>Total = (R Amount x 3 projects)</b>	Specify rate per project:	3 months	
8.	a) A final consolidated Municipal Revenue Improvement Plan (MRIP) with fully costed recommendations/project list and various funding options that the municipality can access to be able to implement same. b) Close out report	Lump sum	1.5 months	
<b>Sub-Total of Proposed Fees (Excl. VAT) -</b>				
<b>VAT @15%</b>				

ID	SCOPE OF WORK / KEY DELIVERABLE(S)	FEE BASIS	DURATION (Months)	TOTAL PROFESSIONAL FEE FOR SCOPE OF WORK (Excl. VAT) (Rand)
Total Proposed Fee (incl. VAT)				

\*\*\*\*\* prices quoted are inclusive of all costs including disbursements (travel, accommodation, printing and stationery, and any relevant administrative work)

***Note: The Tenderer is to attach a breakdown of the total proposed fee per deliverable to this page. The breakdown is to indicate the scope of work or key deliverable, the elements of the scope of work, the resources applied, the estimated duration and rates of the applied resources for each element of the scope of work.***

I, the undersigned, do hereby declare that the above is a proper pricing data forming part of this Contract Document upon which my/our tender for **RFP054/2024**

**SIGNED ON BEHALF OF TENDERER:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## BIDDER’S DISCLOSURE

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder’s declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

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<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any

interest in any other related enterprise whether or not they are bidding for this contract?**YES/NO**

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

I, \_\_\_\_\_ the \_\_\_\_\_ undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications,

<sup>2</sup> 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.

prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

**SBD 4**

- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

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

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

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

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**1. GENERAL CONDITIONS**

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

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

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

*(delete whichever is not applicable for this tender).*

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

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

- (a) Price; and
- (b) Specific Goals (namely, BBBEE status level of contributor).

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	80/90
PREFERENCE POINTS	20/10
<b>Total points for Price and Preference Points</b>	<b>100</b>

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

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

**2. DEFINITIONS**

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

### 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{P_s = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{P_s = 90 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)} \end{array}$$

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

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

##### 3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{P_s = 80 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{P_s = 90 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)} \end{array}$$

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{max}$  = Price of highest acceptable tender

#### 4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
1	10	20		
2	9	18		

3	6	14		
4	5	12		
5	4	8		
6	3	6		
7	2	4		
8	1	2		
Non-compliant contributor	0	0		

(Note: Bidders are required to submit their BBBEE certificates or sworn affidavits (in the case of EMEs/QSEs) in order to be eligible to claim points)

### DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name \_\_\_\_\_ of  
company/firm.....

4.4. Company registration number:  
.....

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

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

**SURNAME AND NAME:** .....

**DATE:**.....

**ADDRESS:**.....

.....

.....

.....

## RESTRICTED SUPPLIERS

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

Item	Question	Yes	No
4.1	<p><b>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</b>                      (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><b>The Database of Restricted Suppliers now resides on the National Treasury’s website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	<p>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.4.1	If so, furnish particulars:
-------	-----------------------------



## **Annexure D**

**Bidders are required to include, as Annexure F to their Bids, certified copies of all relevant CIPC registration documents listing all members with percentages, in the case of a close corporation**

## **Annexure E**

**Bidders are required, as annexure G to their Bids, to submit certified copies of the latest share certificates of all relevant companies**

## **Annexure F**

**Bidders which submit Bids as an unincorporated joint venture, consortium or other association of persons are required to submit, as Annexure H, a breakdown of how the percentage (%) fees and work will be split between the various people or entities which constitute the Bidder.**

## **Annexure G**

**Bidders are required to include, as Annexure I to their Bids, supporting documents to their responses to the Pre- Qualifying Criteria and Evaluation Criteria.**

**Where the supporting document is the profile of a member of the Bidder's proposed team, this should be indicated.**

**Annexure H**

**[General Conditions of Contract]**

**PLEASE NOTE THAT ALL BIDDERS ARE REQUIRED TO READ THROUGH THE GENERAL CONDITIONS OF CONTRACT PRESCRIBED BY THE NATIONAL TREASURY. SUCH GENERAL CONDITIONS OF CONTRACT CAN BE ACCESSED ON THE NATIONAL TREASURY WEBSITE.**

**PLEASE NOTE FURTHER THAT ALL BIDDERS MUST ENSURE THAT THEY ARE WELL ACQUINTED WITH THE RIGHTS AND OBLIGATIONS OF ALL PARTIES INVOLVED IN DOING BUSINESS WITH GOVERNMENT.**

NOTE: All Bidders are required to confirm *(Tick applicable box)* below:

<b>Item</b>	<b>YES</b>	<b>NO</b>
Is the Bidder familiar with the General Conditions of Contract prescribed by the National Treasury?		

## Annexure I

### Tax Compliant Status and CSD Registration Requirements

**ALL PROSPECTIVE BIDDERS MUST HAVE A TAX COMPLIANT STATUS EITHER ON THE CENTRAL SUPPLIER DATABASE (CSD) OF THE NATIONAL TREASURY OR SARS E FILING PRIOR TO APPOINTMENT/AWARD OF THE BID.**

**REGISTRATION ON THE CSD SITE OF THE NATIONAL TREASURY IS A COMPULSORY REQUIREMENT FOR A BIDDER TO BE APPOINTED, TO CONDUCT BUSINESS WITH THE DBSA. THE ONUS IS ON THE SUCCESSFUL BIDDER TO REGISTER ON THE CSD SITE AND PROVIDE PROOF OF SUCH REGISTRATION PRIOR TO APPOINTMENT/AWARD OF THE BID.**

**CSD Registration Number:**



The Development Bank of Southern Africa has a Zero Tolerance on Fraud and Corruption. Report any incidents of Fraud and Corruption to Whistle Blowers on any of the following:

TollFree : 0800 20 49 33  
Email : [dbsa@whistleblowing.co.za](mailto:dbsa@whistleblowing.co.za)  
Free Post : Free Post KZN 665 | Musgrave | 4062  
SMS : 33490