

	REQUEST FOR QUOTATION		Form No: RW SCM 00016 F	
			Revision No: 09	
			Effective Date: 31 Jan 2023	

BID NUMBER:	10405399 RRRR	CLOSING DATE:	28 July 2023	CLOSING TIME:	23:59PM
DESCRIPTION:	APPOINTMENT OF EXTERNAL ASSURANCE PROVIDER TO PERFORM OTHER AUDIT RELATED SERVICES				
NON-COMPULSORY BRIEFING SESSION DATE AND TIME	N/A	BRIEFING SESSION VENUE	N/A		
ISSUE DATE	25 July 2023				

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			
BUYER		SOURCING MANAGER	
CONTACT PERSON	Vongani Mageza	CONTACT PERSON	Jabulile Molema
TELEPHONE NUMBER	011 682 0675	TELEPHONE NUMBER	011 682 0393
E-MAIL ADDRESS (Submissions must be made to this address)	vmageza@randwater.co.za	E-MAIL ADDRESS	jmolema@randwater.co.za

SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS 1				
E-MAIL ADDRESS 2				
VAT REGISTRATION NUMBER			CIDB GRADING	
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT (EMEs and QSEs)	[TICK APPLICABLE BOX] ☐ Yes ☐ No

BID SUBMISSION:
- Bids must be submitted by the stipulated time to the email address stipulated above. Late bids will not be accepted for consideration. - All bids must be submitted on the official forms provided (not to be re-typed) or in the manner prescribed in the bid document. - No bids will be considered from persons in the service of the state, companies with directors who are persons in the service of the state, or close corporations with members / persons in the service of the state." <i>Rand Water will provide any clarifications / addenda / extension of closing date by no later than one (1) calendar</i>

day before the closing date.

1. SCOPE OF WORK

1.1. DESCRIPTION

The scope of the appointment will incorporate other audit related services; included but not limited to:

1. Review Procedures in relation to the Rand Water Sustainability-Linked Bond

Rand Water tapped into the debt market in the last financial year to raise a bond linked to Rand Water's commitment to performing its part in implementing and achieving the United Nations Sustainable Development Goals (UN SDGs) 5, 6 and 7. The Rand Water Sustainability-Linked Bond was a first within the sector in Africa. This issuance requires Rand Water to appoint the services of independent auditor, where the Auditor-General of South Africa cannot perform this audit, to verify that, in relation to a Target Observation Date each of the Key Performance Indicators (and not only some of them) as at that Target Observation Date has achieved the respective Sustainability Performance Targets. The Target Observation Date means 30 June 2023 and 30 June 2025, being the date as at which the performance of each Key Performance Indicator against each Sustainability Performance Target is determined. The Applicable Pricing Supplement for Sustainability-Linked Bonds are available on Rand Water website under the investor link. <https://www.randwater.co.za/APS.php>

2. Review Procedures (Consolidated Interim Financial Statements) as per the International Standard on Review Engagements (ISRE) 2400.

3. Other audit related services, if applicable and where needed. These shall abide to the requirements of the International Standards of Auditing and may include financial statement audits, financial statement compilation, attestation services, extended assurance etc. This shall be determined in consultation and agreement with the AGSA, as it is dependent on Rand Water business needs and on the AGSA's resource allocation. The external assurance provider is required to provide expert and timely audit services to the Rand Water Group

Note:

A) Please complete and submit - Annexure A: Pricing Structure; for the proposed services above. Pricing structures shall be aligned to the guidelines as prescribed AGSA " Guideline On Fees For Audits Performed By Private Firms On Behalf Of The Auditor-General Of South Africa (AGSA)" [Circular 01/2023/24]. Quoted amounts must include costs for travel and subsistence disbursements. This shall be evaluated based on rates and pricing structures aligned to the above AGSA Circular, inclusion of normal pricing evaluation methodologies that is critical for compliance to National Treasury Instruction Note 3 of 2017-18 on Cost Containment Measures.

B) Please submit a presentation that encompasses the requirements of Annexure B: Assurance Provider Evaluation Presentation/ these include the following items:

- Audit Competency i.e. auditing skills, resources, capacity and tools
- Experience i.e. years of experience of audit team, public sector audit involvement, size of customer base
- Human resource capability in terms of the size, structure, skill and experience of the audit team
- Audit firms size, capacity, resources and technical skill,
- Audit approach/methodology
- Customer base
- Understanding of the PFMA, Water Services Act and any other applicable legislation.
- Demonstration of value added services
- Skills Transfer - Evidence required to indicate the level of skill and development of engagement members.

This would include the composition of audit teams in terms of experience to indicate the level of skill that can be transferred through on the job coaching and development. Any other evidence of firm's commitment to develop engagement teams can be provided too.

- Transformation of the Team - This requires clear valuation evidence of the percentage of the organizations structure or engagement teams' composition in terms of African, Coloured and Indian (ACI) members (executive to trainee level). Any other evidence of firm's commitment to transformation can be provided too.

This will be required for the purposes of the Group Audit and Risk Committee (GARC) review and assessment before appointment.

2. AWARDING STRATEGY

The maximum number of suppliers to be awarded this RFQ is 1]

3. EVALUATION CRITERIA

The RFQ will be evaluated based on the criterion below:

3.1. Test for Responsiveness/ Pre- qualification

The following criteria are minimum requirements as pre-qualifier that apply:

3.1.1. The assurance provider must be a registered auditing firm with the Independent Regulatory Board for Auditors (IRBA). Proof of registration certification with IRBA required.

3.1.2. Audit firm or engagement members to be accredited with the JSE. Confirmation letter from the JSE is required for the firm/engagement members.

Responses that fail to meet pre-qualifying criteria stipulated will not be further evaluated.

3.2. FUNCTIONALITY CRITERIA

3.2.1. The functionality evaluation criteria are as follows:

ADJUDICATION CRITERIA		WEIGHT
1.	Previous Related Experience (Similar to current RFQ Scope/Work) The rating of this item is based on a four-point scale: - None = 0 % - No submission - Weak = 33.3% - 1 Between One (1) Reference and Three (3) - Moderate = 66.7% - Between Four (4) References and Five (5) - Good = 100% - Good – 100% - Six (6) References and Above	25
2.	Human Resource Capacity Adjudicated based on Human Resource Capacity Schedule (including company's Project Team vs. Company Organogram; Project Team Member List including CV's, resource allocation). The purpose is to establish an overall picture of the company's human resource capacity and ability to undertake the work. The rating of this item is based on a four-point scale: - None = 0 % - No submission - Weak = 33.3% - Only company organogram provided - Moderate = 66.7% - Company organogram, project team including CVs - Good = 100% - Submission is detailed in terms of company organogram, project team including CVs, resource allocation for this project against any other projects currently managed by the bidder.	25
3.	Equipment Resource Capacity Adjudicated based on Equipment Resource Capacity (Office Space, requisite tools, vehicles, computers, software's etc.) The purpose is to establish an overall picture of the company's equipment resource capacity and ability to undertake the work and will therefore be services/goods specific. The rating of this item is based on a four-point scale: - None = 0 % - No submission - Weak = 33.3% - Minimal capacity in relation to the scope - Moderate = 66.7% - Capacity meets the scope requirements with some gaps	25

ADJUDICATION CRITERIA		WEIGHT
	Good = 100% - Capacity meets the scope requirements	
4.	Work Breakdown / Schedule / Project Programme Aligned with Contractual requirements, credible and acceptable The rating of this item is based on a four-point scale: - None = 0 % - No submission - Weak = 33.3% - The work breakdown/ schedule / project programme is submitted but is unclear. - Moderate = 66.7% - The work breakdown/ schedule / project programme is submitted and has some indication of the duration. - Good = 100% - The work breakdown/ schedule / project programme is submitted and has a clear indication of the duration and delivery date.	25
TOTAL		100

Responses are required to meet a **minimum of 70 percent** to be further evaluated.

3.3. PREFERENTIAL POINT SYSTEM

The (80/20) Preferential Point System will be used to evaluate price and specific goal on received written price quotations. Where 80 will be allocated for Price and 20 for the Specific goals.

3.3.1. PRICING SCHEDULE

The Supplier must complete the following pricing schedule:

	MILESTONES / LINE ITEMS	Estimated delivery period (where applicable)	UNIT PRICE (where applicable)	QUANTITY (where applicable)	COSTING
1.	Review Procedures over the Rand Water Sustainability-Linked Bond-	01 August - 31 October: 2023 and 2025]		2]	
2.	Review Procedure over the Consolidated Interim Financial Statements for Rand Water Group]	02 January - 31 March]		2]	
3.	Other audit related services]				
TOTAL					
VAT					
TOTAL [VAT INCLUDED]					

3.3.1. SPECIFIC GOALS

Rand Water specific goals is to empower previously disadvantaged designated groups. This specific goal will be evaluated and measured by using the SANAS accredited B-BBEE certificate or sworn affidavit for QSE or EME or the dtic B-BBEE certificate.

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points
1	20
2	18
3	14

B-BBEE Status Level of Contributor	Number of points
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Bidders will not be disqualified from the bidding process for not submitting a SANAS accredited B-BBEE certificate or sworn affidavit for QSE or EME or the dtic B-BBEE certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score zero (0) out of maximum of 20 for B-BBEE.

4. RETURNABLE DOCUMENTS

The following documents **must** be returned together with this RFQ:

Required for Evaluation

- 4.1. Functionality evaluation supporting documents.
- 4.2. A B-BBEE Status Level Verification Certificate (SANAS Approved) / Sworn Affidavit (For EMEs& QSEs) / *the dtic B-BBEE certificate* must be submitted in order to obtain preferential points. must be submitted in order to obtain preferential points.
- 4.3. Completed and signed SBD 4 Form (Declaration of Interest)
- 4.4. Company Resolution Letter (proof of authority).

Required for before award

- 4.5. Letter of good standing (COIDA)

SBD 4

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 interest¹ 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

- 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 consortium² will not be construed as collusive bidding.

¹ 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 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.

- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, 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.
- 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

5. GENERAL TERMS AND CONDITIONS

The following terms and conditions shall apply to the award. The Supplier agrees to adhere to the terms and conditions.

5.1. DEFINITIONS

5.1.1. In the General Conditions of Purchase, the terms below shall have the following meanings, unless it is inconsistent with the context of the Purchase Order:

"PURCHASE ORDER"	means the order between Rand Water and the Supplier;
"DELIVERY"	means delivery in accordance with the conditions of the Purchase Order at the stated delivery point;
"SUPPLIES"	means any services, equipment, goods, items or materials to be delivered by the Supplier in terms of the Purchase Order;
"SUPPLIER"	means the party appointed by Rand Water and with whom Rand Water places the Purchase Order.

5.2. FIXED PRICE

The price stated in the Purchase Order shall be regarded as fixed and is invariable and not subject to adjustments unless otherwise agreed between the parties in writing.

5.3. DELIVERY TIME OR DATE

The delivery time or date stated in the Purchase Order shall be regarded as fixed and the Supplier shall adhere strictly thereto. Rand Water reserves the right to cancel any order issued if delivery is not made as agreed and the Supplier will not be entitled to any cancellation fees.

5.4. PURCHASE ORDER

5.4.1. In terms of this order Rand Water undertakes to procure, and the Supplier undertakes to supply the products and/or services as contained on the Purchase Order. This however, does not prohibit Rand Water to procure additional products/services, and or to procure the same/similar products/services, from any other Supplier.

5.4.2. The Purchase Order number stated in the Order shall be indicated clearly on all documentation to be issued by either party to the other.

5.5. CANCELLATION OF ORDER

5.5.1. Should the Supplier fail to deliver the goods at the time agreed to, or should it not comply with any other essential condition of the Purchase Order, Rand Water shall be entitled in writing to cancel the Purchase Order, without any adverse cost implications for Rand Water.

5.5.2. The aforesaid cancellation shall not prevent Rand Water from exercising any of its rights available in terms of the Purchase Order.

5.6. DISPATCH OF SUPPLIES

Rand Water shall not be responsible for any risk in and to the goods before delivery of such goods has taken place.

5.7. SPECIFICATIONS

5.7.1. The Supplier shall ensure that the service to be rendered shall in all respects be in accordance with the requirements and stipulations set out in the Purchase Order. All materials and consumable items if applicable shall be new and unused, unless otherwise agreed to in writing.

5.7.2. Rand Water shall be entitled to return any goods with defects or deviations from the agreed specification within 7 days after date of delivery and will not be liable for any cost.

5.8. GUARANTEE

Save for consumables, the Supplier guarantees the workmanship and materials and any components thereof will be free of any defects for a period of at least 12 (twelve) months after the acceptance thereof by Rand Water, reasonable wear and tear will be accepted.

5.9. PAYMENT

Rand Water does not allow advance payments to the Supplier.

5.9.1. Payment of an invoice shall not prevent Rand Water from subsequently disputing all or any of the fees in good faith whether during or after the term of the Purchase Order.

5.12. FORCE MAJEURE

Any Force Majeure event experienced by the Supplier that is likely to affect the timeous delivery of any items on the Purchase Order shall be communicated to Rand Water in writing within forty-eight (48) hours of the Supplier becoming aware of such circumstance. Force Majeure event means:

- natural disasters
- war, act of foreign enemies
- riot, civil commotion
- strike, lockout, other labour disturbance (including those involving the Supplier's employees) or

any other circumstances beyond the control of the Supplier and which in the absence of this paragraph will operate to frustrate the timeous delivery of the item and/or service.

5.13. WARRANTY

5.13.1. The Supplier warrants that all goods and Services supplied under this Purchase Order will be in accordance with all contract requirements and free from defects or inferior materials, equipment, and workmanship for twelve (12) months after final acceptance of the goods or Services.

5.13.2. If Rand Water finds the warranted goods or Services need to be repaired, changed or re-performed, Rand Water shall so inform the Supplier in writing and the Supplier shall promptly and without expense to Rand Water replace or satisfactorily correct the goods or Services.

5.13.3. Any goods, services or parts thereof so corrected, shall also be subject to the provisions of this Clause, and the warranties for such goods, Services or part thereof shall be for twelve (12) months from the date of Rand Water's final acceptance of such corrected goods or Services.

5.13.4. The Supplier further warrants the goods/services will meet and are suitable for the purpose intended. These warranties shall survive inspection, acceptance, and payment. Goods/services that do not conform to the above warranties may, at any time within 12 months after delivery to Rand Water, be rejected and returned to the Supplier, and if Rand Water has incurred any expenses as a result thereof, Rand Water will be entitled to recover same from the Supplier.

5.14. TERMINATION FOR CONVENIENCE

Rand Water reserves the right, at any time, in its own best interest, and without liability, to terminate a Purchase Order in whole or in part, by written notice of termination for convenience to the Supplier. If the Purchase Order is so terminated, then, within thirty (30) days following the Supplier's receipt of the termination notice, the Supplier shall submit a claim for equitable adjustment. If the termination involves only services, Rand Water shall be obligated to pay only for services performed satisfactorily before the termination date.

5.15. TERMINATION FOR DEFAULT

Rand Water may, without liability, and in addition to any other rights or remedies provided herein or by law, terminate a Purchase Order in whole or in part by written notice of default if the Supplier:

- fails to deliver in terms of the Purchase Order or perform the services within the time specified;
- fails to make sufficient progress with the work, thereby endangering completion of performance within the time specified; or
- fails to comply with any of the other instructions, terms, or conditions. Rand Water's right to terminate for default may be exercised if the Supplier does not cure the failure within ten (10) days after receiving the notice of such failure.

5.16. AMENDMENT OF ORDER

5.16.1. No amendment or variations to the Purchase Order shall be permitted without the written approval of Rand Water.

5.16.2. No price adjustments shall be accepted unless stipulated in the quotation document received. The Supplier shall be obliged to supply the goods and services on the quoted prices, if the Purchase Order was placed within valid time of quotation.

5.17. CESSION OF CONTRACTS

The Supplier may not, cede, delegate, relinquish or transfer to anyone his rights and/or obligations without the prior written consent of Rand Water.

5.18. DISPUTE RESOLUTION

All disputes between the parties shall, when all efforts to resolve such dispute by negotiation have failed shall be resolved by way of arbitration under the auspices of the Arbitration Foundation of Southern Africa ("AFSA") as per AFSA's rules, in Sandton, Johannesburg. Either party shall however be entitled to proceed to the South Gauteng High Court (to which jurisdiction the parties hereby consent) for any urgent, interim or interdictory relief, as that party may deem necessary in the circumstances in order to protect its rights or interests under a Purchase Order or these terms and conditions.

5.19. DOMICILIUM CITANDI ET EXECUTANDI AND NOTICES

5.19.1. The Parties hereto respectively choose as their *domicilium citandi et executandi* for all purposes of, and

5.9.2. Payments shall be effected within 30 days after submission of monthly statement.

5.9.3. Rand Water shall endeavour to make payment within 30 days from date of monthly statement, date of the aforesaid monthly statement should reflect the last day of the month wherein the services being invoiced were rendered.

5.10. LIABILITY FOR COSTS, DAMAGES OR EXPENSES

Rand Water may deduct all costs, damages or expenses, or any other amount for which the Supplier is liable in terms of the Purchase Order, from moneys due to or becoming due to the Supplier in terms of any subsequent Purchase Orders or the contract between the Supplier and Rand Water. Rand Water is herewith irrevocably and *in rem suam* authorized.

5.11. PENALTY AND PERFORMANCE CLAUSE

5.11.1. Should the Supplier fail to perform and make delivery in terms of the Purchase Order, exception of Force Majeure specified in Clause 8.13, Rand Water shall be entitled to impose a penalty, which shall be deducted from the payment statement. The imposition of such penalty shall no relieve the Supplier from its obligation to complete the services or from any of its obligations and liabilities under the Purchase Order.

5.11.2. Every day, following the day on which a Failure arose ("day 1"), that a Failure persists without being rectified, shall be deemed a new incidence of a Failure for which the Supplier shall incur a penalty deduction.

in connection with this Agreement, the physical addresses as they appear on the Purchase Order.

5.19.2. Any notice to be given hereunder shall be given in writing and may be given either personally (i.e. per hand or courier) or may be sent by registered post and addressed to the relevant party at its domicilium or to such other address as shall be notified in writing by either of the parties to the other from time to time. Any notice given by registered post shall be deemed to have been served on the expiry of 7 (seven) calendar days after same is posted. Any notice delivered personally shall be deemed to have been served at the time of delivery.

5.20. LAW

The Purchase Order shall be governed and interpreted in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the South African courts to which the Supplier hereby irrevocably submits but without prejudice to Rand Water's right to take proceedings against the Supplier in other jurisdictions.

SIGNED at _____ on _____

For and on behalf of Supplier

Who warrants being duly authorised

Name:

Designation: