

UTHUKELA WATER (PTY)LTD

FIN2024-NK-029

REQUEST FOR FORMAL WRITTEN QUOTATION

INVESTIGATION OF IRREGULAR AND FRUITLESS EXPENDITURE

UThukela Water hereby invites suitable qualifying service provider to submit formal written quotations for investigation of irregular and fruitless expenditure.

List of irregular expenditure is attached as Annexure A.

PURPOSE OF THE INVESTIGATION

To establish the facts about the transactions and to obtain recommendations on the next step (s) to be taken. The investigation must provide the Board with at least the following –

- (a) root causes that led to the transgression.
- (b) impact of the transgression.
- (c) whether there was fraudulent, corrupt or other criminal conduct.
- (d) whether any person(s) were responsible for the irregular and fruitless and wasteful expenditure;
- (e) whether the entity suffered a loss; and
- (f) any breakdowns in the designed internal controls and the impact thereof.

To recover irregular and fruitless and wasteful expenditure incurred by persons (s) liable for the expenditure.

To certify after the investigation the irrecoverable irregular and fruitless and wasteful expenditure.

LEGISLATIVE FRAMEWORK

- Constitution of Republic of South Africa
- Municipal Finance Management Act, Act 56 of 2003, and its regulations.
- Municipal Systems Act, Act 32 of 2000, and its regulations
- Public Office – Bearers Act, Act 20 of 1998 and its regulations; and
- The Entities Supply Chain Management Policy.

Section 32(2)(b) of the MFMA stipulates that the board must recover unauthorized, irregular or fruitless and wasteful expenditure from person(s) liable for the expenditure, unless the expenditure is, after investigation certified by the Board as irrecoverable and written off by the Board.

SCOPE OF WORK

1. Analysis and review of information which includes but not limited to the following documents to ensure completeness

- Irregular Expenditure Register
 - Fruitless and Wasteful Expenditure Register
 - Payments that correspond with the figures disclosed in various documents vs, the scope of work and the award value of each expenditure
 - Supply chain Management Policy
 - In year monitoring reports
 - Annual Financial statements
 - Internal and External Audit report issued
 - Board and Audit committee resolutions
2. Gather information through conducting interviews with relevant persons
 3. To establish any corrupt or / and fraudulent practices.
 4. Secure written sworn statements where there's suspicions of fraudulent and corrupt practices in the process of reviewing documents.
 5. Secure legal opinion on the legality of contracts awarded.
 6. Establish validity and correctness of contracts inherited from Local Municipality if there are any.
 7. Identify if any person(s) are liable in law for the irregular and fruitless and wasteful expenditure incurred
 8. Determine whether the amount of irregular and fruitless and wasteful expenditure resulted in any losses or damages suffered by uThukela Water.
 9. Ascertain whether the institution attained value for money from the relevant transactions.
 10. Compilation of a report with clear recommendations on whether the expenditure incurred must be recoverable from any person(s) identified as liable in law and classify irrecoverable expenditure to be considered by the Board

TIMELINES

The assistance is required immediately. The Successful service provider will be required to commence work immediately after appointment and the project period will not exceed 1 (one) month.

Quotations must be submitted in one of the following ways

- Bids will be adjudicated in terms of the Preferential Procurement Regulation, 2022 pertaining to Preferential Procurement Policy Framework Act, 5/2000, UTW SCM Policy and other applicable legislations, and will be based on 80/20 points system. Preference points will be awarded to service providers using their B-BBEE status level of contribution.
- All the above documents must be submitted via email to quotes@uthukelawater.co.za
OR

- Quotations in a sealed envelope marked with the relevant reference number for the attention of the Procurement Officer” may be placed in the tender box in the reception of uThukela Water **OR**
- Quotations in a sealed envelope marked with the relevant reference number for the attention of the Procurement Officer may be sent to the following address:
79 Harding Street
Newcastle, 2940
- The municipal Entity reserves the right to accept all, some or none of the bids submitted, either wholly or in part, and is not obliged to accept the lowest bid.
- The supplier of a successful quotation must be on the UTW financial system before an order will be issued. Please contact the Procurement Officer for details of the procedure to be included on the vendor’s list.

Please ensure the following is included:

- MBD 4 attached.
- MBD 9 attached.
- CSD Summary reports
- Tax clearance certificate.
- Company registration Certificate
- BBBEE Certificate
- For Procurement queries, please contact: Mrs Z. Mhlongo - Telephone no: 034 328 5000 / Zamantungwa.mhlongo@uthukelawater.co.za

CLOSING DATE: 13 SEPTEMBER 2023 12h00 PM