



LGSETA
CREATING GREATER IMPACT

BID NO: LGSETA/BID 19 - 2025/2026

BID DESCRIPTION: PANEL OF EIGHT SERVICE PROVIDERS FOR THE INTERNAL AUDIT FUNCTION (IAF) TO EXECUTE ALLOCATED ASSURANCE AND ADVISORY ENGAGEMENTS FOR A PERIOD OF 5 YEARS

Bidder's name	
Bidder's address	
Bidder's contact person/representative	
Bidder's contact no & email address	
Category bidding for	
Bidder's total price (Vat Inclusive)	
SCM enquiries SCM 011-456-8579 Email: procurement@lgseta.org.za No later than 22 August 2025 @17:00 (Enquiries received after this date and time will not be attended)	Project Technical enquiries Hazel Madibana 011-456-8579 Email: procurement@lgseta.org.za No later than 09 September 2025 @17:00 (Enquiries received after this date and time will not be attended)
Compulsory briefing session	N/A
Bid closing date and time	16 September 2025 @ 12h00 pm
Preferential Procurement System Applicable	80/10
Validity period from date of closure:	120 working days
Bid documents delivery address	LGSETA Head Office 1 Osborne Lane Gillooly's View Office Park Bedfordview Tender Box A & B

NB: NO LGSETA OFFICIAL OR ANY INDIVIDUAL WILL SOLICIT ANY FORM OF MONEY FROM BIDDERS FOR ANY ADVERTISED BIDS

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PART 1

INSTRUCTION TO THE BIDDER

- Submission of completed and signed SBD documents (SBD 1, 4 and 6.1)
- Bid documents to be submitted at the LGSETA head office provided address on or before the closing date
- Bidders must ensure that bids are delivered timeously to the correct address. Late bids/bid document submitted after closing date will not be accepted
- No telegraphic, telefax and emailed tender documents will be accepted.
- Bid rigging/ collusive behaviour by the bidder will result in disqualification. A bidder is not permitted to submit proposal for more than one registered company with a common director/shareholder. In addition, bidders may not respond to the bid with more than one entity, if they do both companies will be disqualified
- Bidder will only be allowed to submit one (01) bid document per bid/project, either as an individual company or Joint Venture but not both
- Bidders will be required to comply with the all the set minimum requirements as contained in the bid document, if the bidders' proposal is not compliant with the LGSETA's scope of work/terms of reference, LGSETA reserves the right to disqualify the bid proposal.
- LGSETA reserves the right to reject submitted proposal when deemed necessary. Should it be discovered by the LGSETA that the bidder did not act in good faith and/or declare incorrectly/falsely, LGSETA reserves the right to disqualify or reject the bid.
- LGSETA will only do business with companies registered on CSD. Bidders must be registered on National Treasury Central Supplier Database (CSD) in order to do business with an organ of state or for the LGSETA to award a bid or contract. Bidders are therefore encouraged to register on the CSD (www.csd.gov.za) which provides a bidder with an opportunity to do business with all state organizations including provincial and municipal levels. National Treasury Contact Details: 012 406 9222 or email csd.support@treasury.gov.za
- This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations - 2022.
- Bid validity period in the bid document shall be 120 working days from the closing date of the bid.
- Bid validity period may be further extended subject to mutual consent in writing between LGSETA represented by the Manager: SCM and the bidder(s). All bidders shall have an opportunity to extend such period.
- In an event that bidders do not extend validity, LGSETA will deem that offers submitted have lapsed and will not evaluate further
- Bids will not be awarded to a persons in the service of the state.
- The LGSETA, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes where applicable, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in the bid documents. Should any of the fronting indicators as contained in the "Guidelines on complex Structures and Transactions and Fronting", issued by the Department of Trade and Industry, be established during such inquiry/investigation, the onus will be on the bidder to prove that fronting does not exist. Failure to do so within a period of 7 days from date of notification will invalidate the bid/contract and may also result in the restriction of the bidder to conduct business with the public sector for a period not exceeding 10 years, in addition to any other remedies the LGSETA may have against the bidder concerned.

- The successful bidder/s agrees to sign a general confidentiality agreement with the LGSETA.
- The LGSETA will not enter into any separate contracts with sub-contracted suppliers of its appointed bidders.
- All information contained in this document is solely for the purposes of assisting bidders to prepare their bids. The LGSETA prohibits bidders from using any of the information contained herein for other purpose than those stated in this document.
- The LGSETA reserves the right to withdraw and cancel the Bid Invitation at any time prior to the delegated official making an award.
- Any effort by Bidder/s to influence evaluation, comparisons, or award decisions in any manner will result in the rejection and disqualification of the bidder concerned.
- The bidder who scores the highest procurement points in terms of the preferential point system will be awarded the bid and the LGSETA reserves the right to accept where applicable a part or portion of any bid or where possible accepts bids or proposals from multiple bidders
- LGSETA will only communicate the outcome of the bid with the successful bidder.
- LGSETA reserves the right to negotiate market related prices with the preferred / successful bidder(s), and the lowest offer doesn't necessary mean that the bidder will be awarded the contract.
- This bid is subject to the General Conditions of Contract (GCC) and Special Conditions of Contract (SCC).

PART 2

PROJECT SCOPE AND EVALUATION CRITERIA

- **OVERVIEW OF THE LGSETA**

- The Local Government Sector Education and Training Authority (LGSETA) is a public entity established in terms of Section 9 (1) of the Skills Development Act, No 97 of 1998. The Mandate of the LGSETA is to facilitate skills development for local government sector. The Local Government Sector Education and Training Authority (LGSETA) is a statutory body established in terms of the Skills Development Act (No. 97 of 1998) as amended, to advance skills levels in accordance with the National Skills Development Strategy III.

- **BACKGROUND/INTRODUCTION TO THE PROJECT**

The Local Government Sector Education and Training Authority (LGSETA) is a public entity established under the Skills Development Act of 1997. LGSETA's mission is to support skills development and workforce enhancement within the local government sector in South Africa, contributing to efficient service delivery and the socio-economic growth of communities. Through training programs, partnerships, and capacity-building initiatives, LGSETA addresses skills gaps and strengthens local government capabilities. Various Legislations are also applicable in the business operations of the SETA, such as the following:

- Higher Education Act, 1997 (Act No. 101 of 1997) (HE Act)
- National Student Financial Aid Scheme Act, 1999 (Act No. 56 of 1999) (NSFAS Act)
- National Qualifications Framework Act, 2008 (Act No. 67 of 2008) (NQF Act)
- Skills Development Levies Act, 1999 (Act No.9 of 1999) (SDL Act)
- Public Finance Management Act
- All related Regulations of this Acts
- National Treasury Regulations
- National Treasury Frameworks for Strategic Plans (SP) and Annual Performance Plans (APP)

In terms of Sections 51(1) (a) (ii) of the PFMA, the Accounting Authority "must ensure that the public entity has and maintains a system of internal audit under the control and direction of an Audit Committee complying with and operating in accordance with regulations and instructions in terms of Sections 76 and 77 of this Act".

The current in-house Internal Audit function is not adequately capacitated in terms of the number of resources, and all required the skills and competencies to fulfil the approved internal audit operational plan, specifically around the IT skills and Forensic Investigations, additionally the quantum of audit engagements as approved does not commensurate to the appointed current permanent staff.

Due to the highly legislated, government and political environment that Lgseta operates within, specialised skills such as Forensic, IT and Risk expertise are required to adequately respond to these challenges and augment the capacity, scope of current Internal Audit team.

Additionally, certain unplanned special advisory and/or ad-hoc services are required by business during the year which are not part of planned Internal Audit projects, this requires more staff members to conduct these audits, hence the need to have a panel of Internal Audit field which will be utilised as and when needed based on the volume, time and complexity of audit work to be performed.

The objective of the IAF is to review the adequacy, reliability and effectiveness of internal controls within the audited areas by conducting testing, to assist management and those charged with governance in monitoring whether these control systems are operating effectively and efficiently.

• **SCOPE OF WORK**

The selected service provider/s must maintain full support services which include management of own resources, guarantee of quality in the product developed and services rendered and contractual control for resources applied for the services as required. The Chief Audit Executive will oversee the work performed by the service providers. services that we are requesting will include adequacy and effectiveness assessments on the following activities but not limited to:

Category A - Internal Audit Services

- Assist with the review and alignment to the new legislation of all Internal Audit Strategies, Methodologies, Policies and Procedures and Framework, Internal Audit Charters, and ARC Charters as and when required.
- Assist with the review of the Three-year rolling internal audit and one-year operational plan.
- Conduct allocated assurance and advisory audit engagements as and when required in line with the approved internal audit operational plan.
- Assist with capacitation of the in-house internal audit function by providing resources as secondments as and when required.

Category B - Risk Management Services

- Assist with the review and alignment to the new legislation on all ERM and BCMS strategies, frameworks and policies and terms of reference as and when required.
- Facilitate the annual board strategic, fraud, compliance, and opportunity risks risk workshop.
- Assist and participate in the annual and continuous trainings, fraud anti-corruption programme, and workshops.
- Assist with the development of operational risk registers.
- Conduct Risk, Fraud, and other Maturity assessment as and when required.
- Review and align the Business Continuity Management System (BCMS) to new legislation and business needs and changes and all related strategies and plans.
- Assist to test the BCMS strategies and plans as and when required.
- Assist with capacitation of the in-house ERM function by providing resources as secondments as and when required.

Category C – Information Technology Services

- Conduct all IT related audit engagements (IT General Controls, IT Application Controls, IT Security Management and advisory services and follow-ups of both AGSA and Internal Audit Findings
- Conduct specific and various Cloud audit engagements and advisory services as and when required.
- Conduct SDLC reviews for any new systems as and when required.

Category D - Forensics Services

- Assist with the review and alignment to the new legislation on all Fraud strategies, frameworks and policies and terms of reference as and when required.
- Conduct Forensic Investigations as and when required.
- Conduct Life-Style Audits.
- Participate in the annual fraud anti-corruption programme, trainings, and workshops.
- Assist in Expert testimony in criminal proceedings as and when required.

STAGE 1- SCM MINIMUM REQUIREMENTS EVALUATION – MANDATORY

Compliant bidder/s with the below listed SCM minimum requirements will therefore qualify to be evaluated on stage 2

DESCRIPTION	YES	NO
Signed and completed Procurement Invitation (SBD 1) including the SBD4 and 6.1		
In bids where consortia / joint ventures / sub-contractors are involved; each party must be registered on National Treasury Central Supplier Database and must submit a separate tax compliance pin / CSD number report. Each party to the consortia / joint ventures / sub-contractors must submit completed SBD documents. Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties.		

STAGE 2 - MANDATORY PROJECT MINIMUM REQUIREMENTS

Compliant bidder/s with all set technical/ bid requirements will therefore qualify to be evaluated on stage 3

#	Description										
1.	<p>Bidder must ONLY choose two (2) categories bidding for from the below listed</p> <table><tr><th>Categories</th><th>Preference</th></tr><tr><td>Internal Audit</td><td></td></tr><tr><td>Risk Management</td><td></td></tr><tr><td>IT Audits</td><td></td></tr><tr><td>Forensic Investigations</td><td></td></tr></table>	Categories	Preference	Internal Audit		Risk Management		IT Audits		Forensic Investigations	
Categories	Preference										
Internal Audit											
Risk Management											
IT Audits											
Forensic Investigations											
2.	<p>Bidder must submit a certified copy (not older than 6 months) of the Certified Internal Auditors (CIA)/Chartered Accountant (CA) certificate for the following personnel:</p> <ul style="list-style-type: none">• Project Manager• Senior Quality Assurance Auditor. <p>NB: Bidders must clearly identify both Project Manager and Senior Quality Assurance Auditor, failure to adhere to the above will lead to the bidder to be disqualified</p>										

STAGE 3 – TECHNICAL FUNCTIONALITY

Compliant bidder/s obtaining 80 points or more will be therefore qualified to be evaluated on stage 4.

FUNCTIONALITY CRITERIA	PROOF MUST BE SUBMITTED	WEIGHT
<p>Company experience in executing any of the two (2) chosen categories</p> <ul style="list-style-type: none"> - Internal audit - Risk management and or and or BCMS - IT Audits - Forensic Investigations from 2014 to date. 	<p>Bidder must submit a valid reference letter/s demonstrating and accumulating 10 years of experience on completed project/s.</p> <p>A valid reference letter must have the following.</p> <ul style="list-style-type: none"> (i) Description of the project (ii) The project value (iii) Project duration (start to completion) (iv) On a company letterhead, be dated, and signed with contactable email address and telephone number/s <p>Points will be allocated as follows</p> <ul style="list-style-type: none"> • Submission of valid reference letter/s demonstrating and accumulating 10 years of experience = 20 Points • Failure to submit a valid reference letter/s demonstrating and accumulating 10 years of experience = 0 Points 	20.00
<p>Project Leader qualifications</p> <p>Bidder must clearly identify Project Leader, failure to adhere to will lead to points not to be awarded</p>	<p>Bidder must submit a Project Leader certified qualification not older than six (6) months from the closing of the tender</p> <p>a) <u>Category A - Internal Audit</u></p> <p>Points will be allocated as follows</p> <ul style="list-style-type: none"> • Submission of a Postgraduate Qualification in Internal Audit, Accounting and related, CA(SA) or CIA =10 points • Non-Submission of a Postgraduate Qualification in Internal Audit, Accounting and related, CA(SA) or CIA = 0 points <p>b) <u>Category B – Risk Management and or BCMS</u></p> <p>Points will be allocated as follows</p> <ul style="list-style-type: none"> • Submission of a Postgraduate Qualification in Internal Audit, Accounting and related, CA(SA) or CIA =10 points • Non-Submission of a Postgraduate Qualification in Internal Audit, Accounting and related, CA(SA) or CIA = 0 points <p>c) <u>Category C – IT Audits</u></p> <p>Points will be allocated as follows</p> <ul style="list-style-type: none"> • Submission of a Postgraduate Qualification in IT related or CISA certified =10 points • Non-Submission of a Postgraduate Qualification in IT related or CISA certified = 0 points <p>d) <u>Category D – Forensic Investigations</u></p> <p>Points will be allocated as follows</p> <ul style="list-style-type: none"> • Submission of a Postgraduate Qualification in Bcom or Forensic related or ACFE certified. =10 points • Non-Submission of a Postgraduate Qualification in Bcom or Forensic related or ACFE certified. = 0 points 	10.00

<p>Project Leader Experience:</p> <p>Project Leader (PL) experience must be linked to Project Leader (PL) attached qualifications, failure to adhere to will lead to points not to be awarded</p>	<p>Bidder must submit a Project Leader detailed CV indicating experience.</p> <p>a) <u>Category A - Internal Audit</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> Submission of a CV with a minimum of 10 years of experience in Internal Audit =30 points Non-Submission of CV with less than 10 years of experience in Internal Audit = 0 points <p>b) <u>Category B – Risk Management and/or BCMS</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> Submission of a CV with a minimum of 10 years of experience in risk management and/or BCMS =30 points Non-Submission of CV with less than 10 years of experience in risk management and/or BCMS = 0 points <p>c) <u>Category C – IT Audits</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> Submission of a CV with a minimum of 10 years of experience in IT Audit =30 points Non-Submission of CV with less than 10 years of experience in IT Audit = 0 points <p>d) <u>Category D – Forensic Investigations</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> Submission of a CV with a minimum of 10 years of experience in Forensic Investigation =30 points Non-Submission of CV with less than 10 years of experience in Forensic Investigation = 0 points 	<p>30.00</p>
<p>Additional team members' qualifications: Minimum of two (2) team members</p> <p>Bidder must clearly identify additional team members as per category chosen, failure to identify team two (2) members will lead to points not to be awarded</p>	<p>Bidder must submit minimum of two team members certified qualification (not older than six (6) months from closing of the tender)</p> <p>a) <u>Category A - Internal Audit</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> Submission of a Degree Qualification in Internal Audit, Accounting and related =20 points Non-Submission of a Degree Qualification in Internal Audit, Accounting and related = 0 points <p>b) <u>Category B – Risk Management and or BCMS</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> Submission of a Postgraduate Qualification in Internal Audit, Accounting and related, CA(SA) or CIA =20 points Non-Submission of a Postgraduate Qualification in Internal Audit, Accounting and related, CA(SA) or CIA = 0 points 	<p>20.00</p>

	<p>c) <u>Category C – IT Audits</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> • Submission of a Postgraduate Qualification in IT related or CISA certified = 20 points • Non-Submission of a Postgraduate Qualification in IT related or CISA certified = 0 points <p>d) <u>Category D – Forensic Investigations</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> • Submission of a Degree Qualification in BCom = 20 points • Non-Submission of a Degree Qualification in Bcom = 0 points 	
<p>Additional team members' experience: Minimum of two (2)</p> <p>Additional two (2) team members experience must be linked to attached additional team members' qualifications, failure to adhere to will lead to points not to be awarded</p>	<p>Bidder must submit minimum of two team members CVs for category/ies bidding for</p> <p>a) <u>Category A - Internal Audit</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> • Submission of a CV with a minimum of 5 or more years in internal audit experience = 20 points • Non-Submission/submission of a CV with less than 5 years of experience in Internal Audit = 0 points <p>b) <u>Category B – Risk Management and or BCMS</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> • Submission of a CV with a minimum of 5 or more years in risk management and/or BCMS experience = 20 points • Non-Submission/submission of a CV with less than 5 years of experience in risk management and/or BCMS = 0 points <p>c) <u>Category C – IT Audits</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> • Submission of a CV with a minimum of 5 or more years in IT audit experience = 20 points • Non-Submission/submission of a CV with less than 5 years of IT audit experience = 0 points <p>d) <u>Category D – Forensic Investigations</u></p> <p><i>Points will be allocated as follows</i></p> <ul style="list-style-type: none"> • Submission of a CV with a minimum of 5 or more years in Forensic investigations experience = 20 points • Non-Submission/submission of a CV with less than 5 years of Forensic investigations experience = 0 points 	20.00
Functionality score		100.00
Functionality minimum threshold		80.00

STAGE4– 80/20 PRICE/PREFERENCE EVALUATION

The LGSETA compares each bidder’s pricing proposal on a fair and equal basis taking into account all aspects of the bid requirements. The LGSETA ranks the qualifying bids on price and preference points claimed in the following manner:

- Preference - preference points as claimed in the preference claim form (SBD 6.1) added to the price ranking scores; and **eight (8) bidders** will be recommended and be appointed for this project and will be as follows
 - Internal Audit– Two (2) bidders to be appointed
 - Risk Management and/or BCMS – Two (2) bidders to be appointed
 - IT Audits– Two (2) bidders to be appointed
 - Forensic Investigations– Two (2) bidders to be appointed
- Bidders will be allocated work on rotational bases
- The LGSETA recommends bidders with the highest combined score (price and preference) for the contract award subject to the bidder having supplied the relevant administrative documentation.

Pricing

Description	HOURLY RATE: (VAT Inc)
Project Director	
Project Leader/ Manager	
Senior Quality Assurance Auditors	

Name of the bidder: _____

Bidders representative name: _____

Designation: _____ **Signature:** _____

PART 3

SBD 1

INVITATION TO BID

THE BIDDERS PARTICULARS	
	Name Of Bidder (As stated on the Central Supplier Database registration report)
	Represented By

	Postal Address	
	Telephone Number	
	Cell Phone Number	
	Facsimile Number	
	E-Mail Address	
	VAT Registration Number	
	Total number of Employees	
	COMPANY REGISTRATION NUMBER	
	DESCRIBE PRINCIPAL BUSINESS ACTIVITIES	

TYPE OF COMPANY/FIRM [Tick applicable box]			
Partnership/Joint Venture/Consortium			
Close Corporation			
(Pty) Limited			
One person business/sole proprietor			
Company			
Other			
COMPANY CLASSIFICATION [Tick applicable box and provide short description]			
Manufacturer:			
Supplier:			
Professional Service Provider:			
Construction:			
Logistics:			
Other:			
TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS			
TAX CLEARANCE COMPLIANCE			
The National Treasury Supplier Database (CSD) report reflect an overall Tax Compliant Status.			Yes/No
Tax Clearance Certificate Expiry date:			
SUPPLIER IS ON THE NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE			
Supplier Number	M	Unique Registration Reference Number (36 digit)	
PREFERENCE CLAIM			
Preference claim form submitted for your preference points (Specific goals? (SBD 6.1)			Yes/No/NA
Are you the accredited representative in South Africa for the goods/services/works offered?			
YES or NO, If YES enclose proof in an annexure and summarized detail below			

PART 4

SBD 4

DECLARATION OF INTEREST

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**

- i. If so, furnish particulars:

.....

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.

(ii) **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;
- a. 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.
- b. 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.
- a. 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

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.

PART 5

SBD 6.1

PREFERENCE POINTS CLAIM FORM TO PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

- **GENERAL CONDITIONS**

- 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).
- The applicable preference point system for this tender is the **80/20** preference point system.
 - Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:
 - Price; and
 - Specific Goals.

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

- 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.
- 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.
- Bidders who wish to claim points in terms of table 4.2 below need to provide proof for each point claimed as guided below:
 - Who had no franchise in national elections before the 1983 and 1993 Constitution – attach certified copy of identity document (ID) and company registration documents / CSD report to show/ substantiate percentage ownership equity.
 - Who is female- attach certified copy of identity document (ID) and company registration

- document / CSD report to show/ substantiate percentage ownership equity.
- Who has a disability – attach doctor's letter confirming the disability
- Who is youth - attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.

• DEFINITIONS

- 3 **“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;
- 4 **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- 5 **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 6 **“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
- 7 **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

• FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

1.1 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:

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

POINTS AWARDED FOR PRICE

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

2. POINTS AWARDED FOR SPECIFIC GOALS

- 2.1 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:
- 2.2 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—
- 2 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
- 3 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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)
Black	10	
Woman	4	
Disabled	3	
Youth	3	
None of the above	0	

DECLARATION WITH REGARD TO COMPANY/FIRM

2.3 Name of company/firm.....

2.4 Company registration number:

2.5 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]

2.6 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:

- The information furnished is true and correct;
- The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- 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;
- 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 –
 - 1.11 disqualify the person from the tendering process;
 - 1.12 recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - 1.13 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;
 - 1.14 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
 - 1.15 forward the matter for criminal prosecution, if deemed necessary.

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

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

.....

PART 6

GENERAL CONDITIONS OF CONTRACT (GCC)

SPECIAL CONDITIONS FOR MANAGING CONTRACTUAL OBLIGATIONS

3 Contract Management

- 3.1. The LGSETA manages this contract fairly and objectively in accordance with the terms and conditions set out in this document.

4 Contract Manager

- 4.1. The LGSETA appoints a contract manager and notifies the other party in writing of the name and contact details of the appointed contract manager.

5 Contract Communication

- 5.1. The LGSETA communicates all communications in writing as well as through email.
- 5.2. The LGSETA maintains all contract documentation, correspondence, etc. in a defined contract file open for inspection.
- 5.3. The LGSETA states the contract number with secondary reference numbers i.e. purchase numbers on all communication, documentation such as purchase orders issued, etc. The LGSETA will consider any communication without the contract number as not being legal communication between the parties and not enacted by either party as a protection against fraud.

6 Communicating “As and When” in terms of the specific contract clauses

- 6.1. Where prices and/or availability need to be confirmed, a request for an updated detailed quotation/information is issued;
- 6.2. Where specific procurement items as specified in the contract are required, the LGSETA issues a purchase order stating the contract number for the requirement.
- 6.3. Such purchase order has the following detail (s) (where this is not provided, the purchase order is not a valid communication in terms of this contract):
- Purchase Order Number
 - Contract Number
 - Quantity
 - Description of the required procurement. Where detailed, reference must be made to the relevant technical document attached;
 - Catalogue number if applicable;
 - Unit price per this contract;
 - Delivery Date;
 - Business unit code; and
 - The specific delivery site.

7 Communicating where incidental services are required as listed in this document

	<p>5.1. Incidental services are specified in the incidental services clause</p> <p>5.2. Incidental services are priced in accordance with the incidental clause where such prices have not been set in the SBD form.</p> <p>7 Performance Management</p> <p>7.1. The LGSETA measures performance throughout the contract life.</p> <p>7.2. The LGSETA has regular performance review with the contractor.</p> <p>6.3 Where severe non-performance occurs, LGSETA will terminate the contract earlier in consultation with the Contractor.</p>		
	CONTRACTED BIDDER		
	<p>8 Managing the Contract</p> <p>8.1. The contracted party manages this contract fairly and objectively in accordance with the terms and conditions set out in this document.</p> <p>9 Contract Manager</p> <p>9.1. The contracted party appoints a contract manager and notifies the LGSETA in writing of the name and contact details of the appointed contract manager.</p> <p>10 Communication</p> <p>10.1. The contracted party communicates in writing and through email.</p> <p>10.2. The contracted party always states the contract number on communication, documentation such as correspondence, purchase orders issued, etc. and will not act upon any communication without the contract number or must verify such communication with the LGSETA prior to acting upon it.</p> <p>11 Managing Stages (if applicable), Delivery Scheduling (if applicable), Milestones (if applicable)</p> <p>11.1. Where different stages apply, the contracted party communicates in writing the commencement of the stage to the LGSETA.</p> <p>12 Health and Safety Requirements</p> <p>12.1. In terms of the Occupational Health and Safety Act (OHS Act No 85 of 1993 and its Regulations), the contracted supplier is responsible for the health and safety of its employees and those other people affected by the operations of the supplier.</p> <p>12.2. The contracted supplier ensures all work performed and/or equipment used on site complies with the Occupational Health and Safety Act (OHS Act No 85 of 1993 and its Regulations).</p> <p>12.3. To this end, the contracted supplier shall make available to LGSETA the valid letter of good conduct and shall ensure that its validity does not expire while executing this bid.</p> <p>12.4. [NOTE TO PREPARERS:] Additional Health and Safety documentation may be required prior to the commencement of the contract but mentioned at the bid stage. These include SHE Plan (Safety, Health and Environment Plan); SHE File which contains the names of people assigned for Safety responsibilities and their certificates, this may also include information regarding the organisational safety hierarchy – line of command, and contingency plans.</p>		
	SERVICE PERFORMANCE LEVELS (MANDATORY)		
	Pre-Qualification	Service being Measured	Measurement
	N/A	Conformance to specifications	Technical Specification
			Maximum level
			Minimum conformance to the LGSETA requirements as detailed in the Evaluation Criteria

GENERAL CONDITIONS OF CONTRACT

In this document words in the singular also mean in the plural and vice versa, words in the masculine mean in the feminine and neuter, and words such as “will/should,” mean, “must”. The LGSETA cannot amend the National Treasury’s General Conditions of Contract (GCC). LGSETA appends Special Conditions of Contract (SCC) providing specific information relevant to a GCC clause directly below the specific GCC clause and where the LGSETA requires a SCC that is not part of the GCC, the LGSETA appends the SCC clause after all the GCC clauses. No clause in this document shall be in conflict with another clause.

GCC1	1. Definitions - The following terms shall be interpreted as indicated:
	<p>8.7. “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.</p> <p>8.8. “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.</p> <p>8.9. “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.</p> <p>8.10. “Corrupt practice,” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.</p> <p>8.11. "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.</p> <p>8.12. “Country of origin” means the place where the goods were mined, grown, or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.</p> <p>8.13. “Day” means calendar day.</p> <p>8.14. “Delivery” means delivery in compliance with the conditions of the contract or order.</p> <p>8.15. “Delivery ex stock” means immediate delivery directly from stock actually on hand.</p> <p>8.16. “Delivery into consignee's store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.</p> <p>8.17. "Dumping" occurs when a private enterprise abroad markets its goods on its own initiative in the RSA at lower prices than that of the country of origin and which has the potential to harm the local industries in the RSA.</p> <p>8.18. "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars, or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.</p> <p>8.19. “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.</p> <p>8.20. “GCC” means the General Conditions of Contract.</p>

	<p>10.1. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.</p> <p>10.2. "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.</p> <p>10.3. "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.</p> <p>10.4. "Manufacture" means the production of products in a factory using labour, materials, components, and machinery and includes other related value- adding activities.</p> <p>10.5. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.</p> <p>10.6. "Project site," where applicable, means the place indicated in bidding documents.</p> <p>10.7. "Purchaser" means the organization purchasing the goods.</p> <p>10.8. "Republic" means the Republic of South Africa.</p> <p>10.9. "SCC" means the Special Conditions of Contract.</p> <p>10.10. "Services" means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.</p> <p>10.11. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.</p>
GCC2	2. Application
	<p>13.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>13.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>13.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
GCC3	3. General
	<p>14.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>14.2 With certain exceptions (National Treasury's eTender website), invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85,</p>

	Pretoria 0001, or accessed electronically from www.treasury.gov.za
GCC4	4. Standards
	4.1. The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
GCC5	5. Use of contract documents and information
	<p>15.3. The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>15.4. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>15.5. Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>15.6. The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p>
GCC6	6. Patent rights
	6.1. The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

GCC7	7. Performance security
	<p>16.1. Within thirty days (30) of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> <p>16.2. The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.</p> <p>16.3. The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:</p> <ul style="list-style-type: none"> • bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or • a cashier's or certified cheque <p>16.4. The performance security will be discharged by the purchaser and returned to the supplier no later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.</p>
GCC8	8. Inspections, tests and analyses
	<p>21.1. All pre-bidding testing will be for the account of the bidder.</p> <p>21.2. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the LGSETA or an organization acting on behalf of the LGSETA.</p> <p>21.3. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period, it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.</p> <p>21.4. If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.</p> <p>21.5. Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests, or analyses shall be defrayed by the supplier.</p> <p>21.6. Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.</p>

	<p>23.1. Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.</p> <p>23.2. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.</p>
GCC9	9. Packing
	<p>9.1. The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.</p>
	<p>9.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.</p>
GCC10	10. Delivery and Documentation
	<p>23.2. Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.</p> <p>23.3. Documents to be submitted by the supplier are specified in SCC.</p>
GCC11	11. Insurance
	<p>11.1. The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.</p>
GCC12	12. Transportation
	<p>12.1. Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.</p>

GCC13	13. Incidental services
	13.1. The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
	<p>23.6.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;</p> <p>23.6.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;</p> <p>23.6.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;</p> <p>23.6.4. performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and</p> <p>23.6.5. training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.</p> <p>13.2. Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.</p>
GCC14	14. Spare parts
	14.1. As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
	<p>27.1.1. such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and,</p> <p>27.1.2. in the event of termination of production of the spare parts:</p> <ul style="list-style-type: none"> • Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and • Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

GCC15	15. Warranty
	<p>15.1. The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.</p> <p>15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.</p>
	<p>28.1. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p>28.2. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.</p>
	<p>15.5. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights, which the purchaser may have against the supplier under the contract.</p>
GCC16	16. Payment
	<p>31.1. The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>31.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.</p> <p>31.3. Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>31.4. Payment will be made in Rand unless otherwise stipulated in SCC</p>
GCC17	17. Prices
	<p>17.1. Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p>
GCC18	18. Contract amendment
	<p>18.1. No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p>

GCC19	19. Assignment
	19.1. The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
GCC20	20. Subcontract
	20.1. The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
GCC21	21. Delays in supplier's performance
	<p>32.1. Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>32.2. If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration, and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>32.3. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>32.4. The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.</p> <p>32.5. Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.</p>
	21.6. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

GCC22	22. Penalties
	<p>22.1. Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.</p>
GCC23	23. Termination for default
	<p>34.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:</p> <ul style="list-style-type: none"> • if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, • if the Supplier fails to perform any other obligation(s) under the contract; or <p>23.1.3 if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.</p> <p>1.1. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.</p> <p>1.2. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.</p> <p>1.3. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.</p> <p>23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person, the first mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.</p>

	<p>3.1. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:</p> <ul style="list-style-type: none"> • the name and address of the supplier and / or person restricted by the purchaser; • the date of commencement of the restriction • the period of restriction; and • the reasons for the restriction. <p>These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.</p> <p>3.2. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.</p>
GCC24	24. Anti-dumping and countervailing duties and rights
	<p>24.1. When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.</p>

GCC25	25. Force Majeure
	25.1. Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
	25.2. If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
GCC26	26. Termination for insolvency
	26.1. The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
GCC27	27. Settlement of disputes
	<p>4.1. If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.</p> <p>4.2. If, after thirty (30) days, the parties have failed to resolve their dispute or Difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.</p> <p>4.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.</p> <p>4.4. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>4.5. Notwithstanding any reference to mediation and/or court proceedings herein,</p> <ul style="list-style-type: none"> • the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and • the purchaser shall pay the supplier any monies due the supplier.

GCC28	28. Limitation of liability
	<ul style="list-style-type: none"> ○ Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6; <ul style="list-style-type: none"> ▪ the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and ○ the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
GCC29	29. Governing language
	29.1. The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
GCC30	30. Applicable law
	30.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
GCC31	31 Notices
	<p>3.1. Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.</p> <p>3.2. The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.</p>
GCC32	32. Taxes and duties
	<ul style="list-style-type: none"> a. A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country. b. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser. c. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, the LGSETA must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services
GCC33	33 National Industrial Participation (NIP) Programme
	33.1. The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

GCC34	34. Prohibition of restrictive practices
	<p>a. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).</p> <p>b. If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p>
	<p>34.3. If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.</p>
BID SCC 1	1. Delivery and Documentation
	<p>(a) All deliveries or despatchers must be accompanied by a delivery note stating the official order against which the delivery has been affected.</p> <p>(b) Deliveries not complying with the order will be returned to the contractor at the contractor's expense.</p> <p>(c) The LGSETA is under no obligation to accept any quantity which is in excess of the ordered quantity.</p> <p>(d) The supplier provides the following documentation per delivery:</p> <ol style="list-style-type: none"> i. Manufacturer's Warranty Certificates per machine; these Warranty Certificates must include, but is not limited to, the following information: <ol style="list-style-type: none"> 1. Hardware information and serial numbers. 2. Warranty agreement with warranty numbers. 3. Warranty period. 4. Manufacturer's South African support contact details. <p>(e) LGSETA representative verifies both delivery and performance prior to signing a certificate of delivery / installation / progress milestone / commissioning evidencing such performance.</p> <p>10.6. The Contractor must ensure such signed approved verification accompanies the subsequent supplier invoice.</p>

BID SCC 2	2. Incidental Services
	<p>Additional incidental services to those listed in clause GCC13.1 above are the following:</p> <p>2.1. The LGSETA may procure additional license, ad hoc development and consulting services from the successful bidder during the solution implementation period. These ad hoc developments and consulting services include, but are not limited to, additional solution development and technical support and maintenance. After the solution implementation period has lapsed, maintenance services will be solicited on an open quotation basis.</p>
BID SCC 3	Method and conditions of Payment
	<p>(a) The LGSETA only accepts invoices supported by signed delivery documents in accordance with this contract as valid payment requests.</p> <p>(b) The other party submits the above invoices to the appointed contract manager for submission to the respective finance unit.</p> <p>(c) The LGSETA does not settle invoices for outstanding goods or Services.</p> <p>(d) Payment is made in the South African Rands.</p>
BID SCC 4	Prices
	<p>(a) Where Cost Price Adjustments (CPA) are applicable and justifiable, the bidder must make representation to the LGSETA for consideration.</p> <p>(b) Incidental services may only be incurred on prior approval by the LGSETA.</p> <p>(c) Contract management verifies all cost adjustment applications prior to giving approval.</p> <p>(d) LGSETA reserves a right to negotiate any price escalation in subsequent years. If the proposed price increment is not in line with the market rate, LGSETA reserves the right to reject the price increments.</p>
BID SCC 5	Intellectual property provided in the bid invitation
	<p>5.1. The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation provided by the LGSETA to the Bidder, both successful and unsuccessful, remain the property of the LGSETA.</p>
BID SCC 6	Intellectual property contained in the deliverables
	<p>6.1. The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation required as part of the delivery to the LGSETA reside with the LGSETA.</p>

BID SCC 7	Third Party Warranty		
	7.1. Where the contracted party sources goods or services from a third party, the contracted party warrants that all financial and supply arrangements are agreed between the contracted party and the third party.		
BID SCC 8	Third Party Agreements		
	8.1. No agreement between the contracted party and the third party is binding on the LGSETA.		
BIDDERS DETAIL RESPONSE FORMING PART OF CONTRACT			
1	Proposal to Technical Specification		
BIDDERS DETAIL PRICE SCHEDULES			
2	Refer to attached payment/pricing module		
BID SUBMISSION CERTIFICATE FORM - (SBD 1)			
	I hereby undertake to supply all or any of the goods, works, and services described in this procurement invitation to the LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY in accordance with the requirements and specifications stipulated in this Bid Invitation document at the price/s quoted.		
	My offer remains binding upon me and open for acceptance by the LOCAL GOVERNMENT SECTOR EDUCATION AND TRAINING AUTHORITY during the validity period indicated and calculated from the closing time of Bid Invitation.		
	The following documents are deemed to form and be read and construed as part of this offer / bid even where integrated in this document:		
	1.	Invitation to Bid (SBD 1)	Specification(s) set out in the Bid Invitation inclusive of any annexures thereto
	2.	Bidder's response to specifications, capability requirements and capacity as attached to this document	Refer to attached payment/pricing schedule
	3.		CSD Compliance status as per CSD report form
	4.	Declaration of Interest (SBD4)	Preference points claim form in terms of the preferential
	5	Conditions of contract as set out in this document (GCC)	Procurement regulations 2022 - Specific goals (SBD6.1)
I confirm that I have satisfied myself as to the correctness and validity of my offer / bid in response to this Bid Invitation; that the price(s) and rate(s) quoted cover all the goods, works and services specified in the Bid Invitation; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.			

I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me in terms of this Bid Invitation as the principal liable for the due fulfilment of the subsequent contract if awarded to me.

I declare that I have had no participation in any collusive practices with any Bidder or any other person regarding this or any other Bid.

I certify that the information furnished in these declarations (SBD4, SBD6.1) is correct and I accept that the LGSETA may reject the Bid or act against me should these declarations prove to be false.

I confirm that I am duly authorised to sign this offer/ bid response.

NAME (PRINT)

CAPACITY

SIGNATURE

Witness 1

NAME

SIGNATURE

Witness 2

NAME

SIGNATURE

DATE