



ONCE OFF TENDER

BID NUMBER: ERW2306/02

**THE APPOINTMENT OF AN INDEPENDENT REGULATORY BOARD OF
AUDITORS (IRBA) REGISTERED AUDIT FIRM TO PROVIDE QUALITY
ASSURANCE ON THE DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE
2022/2023 FINANCIAL PERIOD**

PUBLISH DATE: WEDNESDAY, 28TH JUNE 2023

NAME OF BIDDING COMPANY:

CSD NUMBER: MAAA_____

BIDDER'S OFFER: R_____
(INCL. VAT)

ERWAT STAMP

Bidder Information	
Name of Bidding Company	
Company physical address	
Company postal address	
Contact details	Company Representative (Name):
	Telephone:
	Cell phone:
	E-mail address:
National Treasury Central Supplier Database number: (Compulsory)	MAAA
CIDB Grading CRS number	N/A
Vat registration number	
Tax Compliance status	TCS Pin:
Are you the accredited representative in South Africa for the goods/ services/ works offered? If yes, attach proof from the agency your company is accredited to represent	
Total number of items offered	
Total price (including VAT)	R
SCM related enquiries:	Ms Brenda Matlala or Ms P Mdlalose E-mail: Brenda.matlala@erwat.co.za E-mail: Phumzile.mdlalose@erwat.co.za Tel: 011 929-7000
Technical enquiries	Mr Albert van der Merwe E-mail: albert.vandermerwe@erwat.co.za Tel: 011 929-7032

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

NB: Failure to provide any of the above particulars may result in your bid being disqualified.

Name& Surname of Representative: _____

Signature Of Bidder: _____

Capacity Under Which This Bid Is Signed: _____

Date: _____

NOTICE TO BIDDERS

1. VERY IMPORTANT NOTICE ON DISQUALIFICATIONS:

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

"Acceptable bid" means any bid which, in all respects, complies with the conditions of the bid and specifications as set out in the bid documents.

To ensure that your bid is not exposed to invalidation, documents are to be completed in accordance with the conditions and bid rules contained in the bid documents. The lowest or any bid will not necessarily be accepted, and ERWAT reserves the right not to consider any bid not or a bid not comprehensively completed as well as the right to accept a bid in whole or part. ERWAT reserves the right to appoint more than one bid for this contract.

2. A BID WILL BE REJECTED:

- If bidders are not compliant with all applicable legislative requirements, as per CSD. National Treasury in partnership with the Provincial Treasury have developed municipalities and municipal entities with a Central Supplier Database (CSD) for the registration of prospective suppliers in line with Section 14(1) (b) of the Municipal Supply Chain Management Regulations (MSCMR). (Tax compliance will be dealt with in terms of MFMA Circular No. 90)
- Non-compliance with the Value Added Tax Act, 1991; i.e. In terms of this Act, it is mandatory for any business to register for VAT if the income earned in any consecutive twelve (12) month period exceeds or is likely to exceed R 1 million. NB: Bidder/s failing to comply with this provision of the Value Added Tax Act, 1991 WILL NOT BE CONSIDERED, therefore rejected.
- Non-compliance with the Municipal Supply Chain Management Regulations, 2005; i.e. All sections affecting the evaluation of the bid must be indicated on the bid document and must be submitted and completed in full. All bidder's information must be accurate and correct.
- In the event of a failure to complete and sign in full the pricing schedule as required (unless indicated otherwise).
- In the event of there being scratching out, writing over or painting out rates or information, affecting the evaluation of the bid, without the authorised person initialling next to the amended rates or information. However, in cases where the total amount (aggregated) has not been affected, the bid will still be acceptable.
- In the event of the use of correction fluid (e.g., tippex), any erasable ink, or any erasable writing instrument (e.g., pencil). Bid documents to be completed in ink.
- If the Bid has not been properly signed by a person having the authority to do so. (Refer to Declaration).
- Where the recommended bidder is not tax compliant, the bidder should be notified of their non-compliant status and the bidder will be requested to submit to the municipal entity, within 7 working days. The bidder will be rejected if they fail to provide proof of tax compliance status within the 7 working days after recommendation.
- If the bidder attempts to influence or has in fact influenced the evaluation and/or awarding of the contract.
- If the bid has either been submitted in the wrong bid box or after the relevant closing date and time.
- If any municipal rates and taxes or municipal service charges owed by the bidder or any of its directors/members to the municipality or municipal entity, or to any other municipality or municipal

entity, are in arrears for more than three months (unless if the bidder has attached proof of the payment arrangement of the arrears to the bid document as at the closing date of the submission of bids).

- If any bidder who during the last five years has failed to perform satisfactorily on a previous contract with the municipality, municipal entity or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.
- The accounting officer must ensure that irrespective of the procurement process followed, no award may be given to a person –
 - who is in the service of the state, or;
 - if that person is not a natural person, of which any director, manager, shareholder or stakeholder, is a person in the service of the state; or; who is an advisor or consultant contracted with the municipality in respect of contract that would cause a conflict of interest.
- If the bidder is not registered in the required CIDB contractor grading designation (category) or higher, if required in this bid documentation. (only applicable to construction projects)
- If the bidder or any of its directors is listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- If more than one (1) company quotes and the Director/s are the same Person/s and the companies fail to disclose this in the MBD4; the bids will be rejected as a result of Anti-Competitive Behaviour.
- **NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 44 of the Local Government: Municipal Supply Chain Management Regulations).**
- If the bidder has failed to submit ALL required documents as specified on the bid document.
- If the following have not been fully completed and signed:
 - MBD 1 - General Declaration
 - MBD 3.3 – Pricing schedule (Professional Services (where applicable)
 - MBD 4 - Declaration of Interest
 - MBD 6.1 – Preference points claim form in terms of the Preferential Procurement Regulations 2022
 - MBD 7.2 - Contract Form: Rendering of Services
 - MBD 8 - Declaration of bidder's past supply chain management practices
 - MBD 9 - Certificate of Independent Bid Determination
- If any pages have been removed from the bid document, and have therefore not been submitted, or a copy of the original bid document has been submitted (all signatures to be original on each page).
- If the bidder fails to achieve the minimum score in terms of the functionality evaluation.

3. EVALUATION PROCESS AND CRITERIA

All bids will be evaluated in the following three phases:

3.1 Phase I: Initial screening process

In terms of National Treasury Instruction No. 4A of 2016/2017 regarding the National Central Supplier Database (CSD), all bidders must register on the CSD to provide the following information to be verified through the CSD:

- a) Business registration, including details of directorship and membership;
- b) Bank Account holder information;
- c) In the service of the State status;

- d) Identity number;
- e) Tender default and restriction status;
- f) Any additional and supplementary verification information communicated by National Treasury.
- g) An administrative evaluation will be carried out on all the bids received based on the under mentioned documentation:
- h) Proof of company Central Supplier Database Registration (CSD).
- i) Submission of a valid SARS pin to validate Tax compliance status;
- j) Valid rates and taxes account not older than 3 months and not in arrears for more than 90 days. The rates and taxes accounts of a bidder as an entity must be in the name of the company. In the event that the bidding entity is renting the premises, a signed valid lease agreement must be submitted. The rates and taxes of a sole proprietor must be in the name of the individual bidder.
- k) Fully completed and signed MBD forms.
- l) In case of Joint Venture, Consortium, Trust, or Partnership a Valid Tax Clearance Certificate and/or SARS issued pin code (which will be verified) for both companies must be submitted.
- m) In case of Joint Venture, Consortium, Trust, or Partnership, a signed teaming agreement must be submitted.
- n) In case of Joint Venture, Consortium, Trust, or Partnership a Consolidated Central Supplier Database Registration (CSD) is required.

FAILURE TO ADHERE TO THE CONDITION WILL LEAD TO THE BID BEING INVALIDATED.

3.2 Phase II: Functionality evaluation as per attached Terms of Reference:

- a) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference.
- b) Bidders must, as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. The panel responsible for scoring the respective bids will evaluate and score all bids based on their submissions and the information provided.
- c) Bidders will not rate themselves but need to ensure that all information is supplied as required. The Bid Evaluation Committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders.
- d) The panel members will individually evaluate the responses received against the following criteria as set out below:
 - (i) Evaluation Criteria as stipulated in the tender document
- e) Any proposal not meeting a minimum score on functionality proposal will be disqualified and the financial proposal will not be considered.

3.3 Phase III: Price/Financial stage and Specific goals:

- a) Price/ Financial proposals must be submitted in South African Rand.
- b) Evidence required to claim for specific goals will include, but not limited to CK document, Full CSD report, ID documents of company owners, MKVA force number, Municipal account/ lease agreement and Proof of disability issued by medical doctor.
- c) ERWAT reserves the right to verify the documents submitted as evidence.
- d) ERWAT reserves the right to negotiate rates submitted by bidders.

4. LEGISLATIVE AND REGULATORY FRAMEWORK

This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with of the Treasury Regulations 16A published in terms of the Municipal Finance Management Act (ACT 56 OF 2003).

The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. In the event of any contradiction between the GCC or any other applicable contractual agreement, the Municipal Financial Management Act and its applicable regulations will take precedence.

5. JOINT VENTURES, TRUSTS OR CONSORTIUM

A trust, consortium or joint venture, will be able to claim for points for their specific goals provided that the entity submits a valid signed agreement.

The information will be verified in accordance with the bidders B-BBEE certificate, and or a certificate from the companies and intellectual property commission (CIPC), the department of Military Veterans and or other supporting documents. All supporting evidence must be submitted in order to claim the preferential procurement points claimed. ERWAT reserves the right to verify the information submitted.

In the case of multi-parties (Joint ventures, consortiums, partnerships, etc.), allocation of points will be calculated by adding the individual parties in the JV, etc. ownership % together; divide the total by the number of parties in the respective joint ventures, consortiums, partnerships, etc. The average % will thus be the indicating factor for the number of points to be scored limited to the maximum available points.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. ERWAT will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, with the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

6. TAX COMPLIANCE STATUS

The designated ERWAT official(s) will verify the tax compliance status prior to the finalisation of the award of the bid or price quotation.

Where the recommended bidder is not tax compliant, the bidder will be notified of their non-compliant status and the bidder will be requested to submit to the municipal entity, within 7 working days, written proof from SARS of their tax compliance status or proof from SARS that they have made an arrangement to meet their outstanding tax obligations.

The proof of tax compliance status submitted by the bidder to the municipal entity will be verified via the CSD or e-Filing. The accounting officer will reject a bid submitted by the bidder if such a bidder fails to provide proof of tax compliance status within the timeframe stated above.

Where a supplier does not submit a tax compliance status PIN but provides a CSD number, ERWAT will utilise the CSD number via its website www.csd.gov.za to access the supplier records and verify tax compliance status. A printed screen view at the time of verification will be attached to the suppliers' records for audit purposes.

Where goods and services are procured from foreign suppliers with tax obligations in South Africa, proof of tax compliance status will be obtained from the supplier.

Foreign suppliers with neither South African tax obligations nor history of doing business in South Africa must complete a pre-award questionnaire on the MBD 1 for their tax obligation categorisation. Where a recommendation for award of a bid has been made to a bidder who is a foreign supplier and who completed the pre-award questionnaire on the MBD 1, ERWAT will submit a copy of the completed MBD 1 received from the bidder to SARS on the following email address:

GovernmentInstitute@sars.gov.za. SARS will issue a letter to the procuring entity confirming whether or not the foreign supplier has tax obligations in South Africa.

Where goods and services are procured from foreign suppliers with no tax obligation in South Africa, there is no need to request proof of tax compliance status.

Where goods and services are imported, all custom related taxes shall be applied as prescribed by SARS.

7. VALUE ADDED TAX

All bid prices must be inclusive of 15% Value-Added Tax where applicable.

8. CLIENT BASE

ERWAT reserves the right to contact references during the evaluation and adjudication process to obtain information. In the event that a bidder is found to have submitted falsified documents during the bid evaluation/award phase the bidder will be disqualified and will not be considered for any further tenders submitted.

9. LEGAL IMPLICATIONS

Successful service providers will enter into a service level agreement with ERWAT. In the event that the provisions contradict each other between the tender document and service level agreement, the tender document will take precedence.

10. COMMUNICATION

ERWAT may communicate with bidders for, among others, where bid clarity is sought, to obtain information or to extend the validity period. Any communication either by facsimile, letter or electronic mail or any other form of correspondence to any ERWAT official, department or representative of a testing institution or a person acting in an advisory capacity for ERWAT in respect of this bid, between the closing date and the award of the bid by the bidder is strictly prohibited.

11. ATTENDANCE OF ERWAT BRIEFING SESSIONS

Bidders must take note of the provisions for site/briefing sessions as advertised in the media, ERWAT website and or on the e-tender portal.

In the event that a compulsory briefing session will be conducted, bidders must attend the session either on site or via zoom platform as indicated in the bid document and advertisement. Bidders will be given a link on the advert and tender document to register prior to the briefing session. On the day of the briefing session, bidders must log onto the link to attend. The zoom platform keeps record of bidders registered and in attendance.

Documents will only be accepted from bidders whose names appear on the attendance register. Failure to attend the compulsory briefing sessions whose names do not appear on the register, will render the bidder's submission invalid and will not be considered for evaluation.

Kindly note that the company representative that attends this session will be accepted as a person with the relevant technical expertise applicable to this bid.

Bidders are encouraged to collect/download bidding documents before the briefing session to allow them sufficient time to peruse the scope so that any queries can be dealt with at the briefing session. Bidders will be allowed 10 days from the date of the compulsory briefing session to direct further queries to the SCM department per e-mail. An addendum will be sent to the attending bidders with clarity on questions raised during these 10 days. A copy of the minutes and attendance register will be attached thereto for ease reference.

12. ELECTRONIC SUBMISSIONS:

- Bidders may submit tenders in electronic format; however, such bids must be supplemented by sealed hard copies and deposited in the tender box on the date and time as indicated in the tender document.
- Failure to submit in the tender boxes will render your bid non-responsive and will be disqualified.
- Each bidder will receive a link to upload files to the folder via a system generated email.
- Kindly note that only bidders who attended the compulsory briefing session will receive a link to Share Point (SP) platform.

- Bidder to click the upload link within the email and will be prompted to upload the files pertaining to the respective bid.
- Bidders must complete the section provided with a name and surname.
- Bidders must click "submit" to upload documents and will be notified on screen of the successful upload.
- ERWAT will receive an e-mail notification of each upload received for the respective bid from the bidders.
- Bidders will only be allowed to upload their document once. Kindly ensure that it is the final signed document and that all its' returnable and supporting documents are attached and uploaded before submitting. There will be no second link available.
- Closing time for electronic submissions is **12:00 am** the night before the official bid closing date and opening as set out in the advertisement.
- Any documents uploaded after the closing date and time of the official bid opening session, will not be accepted and will be disqualified.
- Bidders should note that SharePoint has an audit trail.
- In the event that bidders are required to submit samples, it is advised that they submit the bid document electronically as well as in the tender boxes and attend the opening session to hand over the samples.

B. Kindly note that the signed hard copy submitted in the tender box, will take precedence for evaluation purposes. The electronic copy is for back-up purposes only.

Bidders should note that if there are discrepancies between the original bid document submitted in the tender box and the electronic copy, the original bid document will take precedence.

The tender boxes will be opened first and recorded in the tender register on the date and time stipulated in the advertisement and or bid documents. The Supply Chain Staff will record the responses in the opening register in the presence of the public in attendance, the user department and security staff.

ERWAT will access electronic submissions received after the official bid opening session and a copy of the electronic submission trail will be attached to the relevant bidder's response received for audit trail.

13. LATE BIDS

Bids received at the address indicated in the bid documents, after the closing date and time, will not be accepted for consideration and where applicable, be returned unopened to the bidder.

14. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Special Conditions by bidders will result in such bids being disqualified.

15. PROHIBITION OF RESTRICTIVE PRACTICES

- a) In terms of section 4(1) 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:
- directly or indirectly fixing a purchase or selling price or any other trading condition;
 - dividing markets by allocating customers, suppliers, territories or specific types of goods or services; or
 - collusive bidding.

- b) If a bidder(s) or contractor(s), in the judgment of the purchaser, has/have engaged in any of the restrictive practices referred to above, the purchaser may, without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered or terminate the contract in whole or in part and 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.

16. FRONTING

ERWAT supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background ERWAT condemns any form of fronting.

ERWAT, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in 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, established during such enquiry/investigation, the onus will be on the bidder contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the National Treasury may have against the bidder/contractor concerned.

17. PRESENTATION, PLANT, EQUIPMENT, SITE OR WORKSHOP INSPECTIONS

ERWAT may require presentations/interviews from short-listed bidders as part of the bid process. ERWAT reserves the right to inspect the bidders premises, workshop or plant and equipment during the bid evaluation phase at a predetermined date and time.

18. ERWAT GENERAL NOTES:

ERWAT reserves the right to award the bid to one or more than one bidder.

- The number of bidders that will be appointed and the allocation of activities or items per bidder will be at ERWATs discretion (where applicable).
- The lowest bidding price will not necessarily be accepted and ERWAT reserves the right to determine market related rate to be offered to the successful bidders.

Appointed bidders and their personnel will be required to but not limited to:

- Attend site induction training before any work can be undertaken.
- Request and receive all the relevant work permits/access control and authorizations have to be obtained before any work can be undertaken after approval of the Safety and Health Plan.
- The relevant requirement with regards to the Occupational Health and safety act has to be complied with, with particular reference to the safety file in accordance with the relevant commodity and scope of work items covered by this document taking into consideration that the most current regulation will always take precedence.

19. PENALTIES – DELIVERY

The Contractor will be penalised in terms of Clause 22 of the National Treasury General Conditions of Contract attached hereto.

20. CONTRACT DOCUMENT

The contract document to be used for this tender will be the ERWAT standard SLA (Service Level Agreement) which will be the binding contract between ERWAT and the successful bidder. Reference will be made to the successful bidder's tender document.

21. PAYMENTS

- (a) All payments will be discussed and agreed upon on the SLA.
- (b) Standard payment terms are 30 Days from receipt of valid invoice/tax invoice and statement.

ERWAT will not accept any responsibility for the payment of any invoices submitted by a successful bidder(s) if the relevant invoice does not reflect an official ERWAT order number.

22. DISCLAIMER – WITHOUT PREJUDICE

While every effort is made to ensure that specifications are drafted in an unbiased manner to allow all potential suppliers to offer their goods or services as set in Regulation 27 of the MFMA Act - SCM Regulations, ERWAT assumes no liability or responsibility for the completeness, accuracy or usefulness of any of the information.

However, in the event that reference is made (intentional or non-intentional) to a particular trade mark, name, patent, design, type, specific origin or producer, ERWAT's intent is of such that there is no other sufficiently precise or intelligible way of describing the characteristics of the works/goods/services required, in which case the bidder must interpret such reference as indicative only and is thus required to offer such and or an equivalent.

Any reference to any of the above potential trade barriers must be seen to include the word "equivalent".

Bidders may submit alternative offers subject to such meeting all the minimum standards, specifications, technical data and or legislative provisions applicable to such.

ERWAT does however reserve the right to scrutinise any alternative offers but is under no obligation to accept or award on any alternative offer submitted.

23. CONFIDENTIALITY

Over and above the provisions of the general conditions the following will apply. In the process of representing the ERWAT in any matter the Bidder will have access to sensitive and confidential information. All information accessed, obtained or collected by Bidder and/or its employees must at all times be kept confidential and not be disclosed to any other person without the prior and written authorisation of the ERWAT.

In addition, information may not be used for personal gain by the Bidder or the Bidder's business, any employee, sub-contractor or any agent of the Bidder or any other person, body or organisation, or family receiving the information or data through the Bidder, or any of their employees or agents.

Failure to observe these conditions will constitute a breach of contract, which could result in termination of this contract

24. PROMOTION OF ACCESS TO INFORMATION ACT, ACT 2 OF 2000

Bidder will be required to fully comply with the requirements of the Access to Information Act, Act 2 of 2000.

In terms of the Promotion of Access to Information Act, Act 2 of 2000, ERWAT is obliged and compelled to provide certain information to the general public.

The Bidder as part of his/her function in collecting data on behalf of ERWAT will be required to comply with the provisions of the Promotion of Access to Information Act, Act 2 of 2000.

The extent where to a bidder will be obliged to supply or refuse the supply of information in terms of the Act will be determined in consultation with ERWAT.

25. EXTRACTION OF AND DESTROYING OF DATA

Bidders are required to submit to ERWAT all data in a readable, accessible format at the end of their contract.

Bidders will be required to keep records of such data for a minimum period of 6 months where after such must be destroyed and proof thereof submitted to ERWAT.

26. CONTACT DETAILS

ERWAT Supply Chain Management
Hartebeestfontein Office Park
Bapsfontein/ Bronkhorstspruit Road
Norkem Park 12 June 2023

For SCM/ general enquiries:

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Tel: 011 929 7000
OR
E-Mail: Brenda.matlala@erwat.co.za
Tel: 011 929 7000

For technical enquiries:

E-mail: albert.vandermerwe@erwat.co.za
Tel: 011 929 7032

EKURHULENI WATER CARE COMPANY

PUBLISH DATE: WEDNESDAY, 28TH JUNE 2023

SCOPE OF WORKS

**ERW2306/02: THE APPOINTMENT OF AN INDEPENDENT REGULATORY
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1. INTRODUCTION

Ekurhuleni Water Care Company (hereinafter referred to as “ERWAT”) intends to appoint a registered, and experienced service provider to assist with quality assurance and compliance review of the draft Annual Financial Statements (AFS) of the 2022/2023 financial period, to determine whether it was prepared and presented in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and within the requirements of the Municipal Finance Management Act 56 of 2003, as amended and whether the AFS fairly present ERWAT’s financial results and its financial position as at the end of 30 June 2023.

The service provider should perform procedures that provide reasonable basis for obtaining limited assurance which will be concentrated in areas where there are enhanced risks of misstatement.

2. BACKGROUND

ERWAT is a municipal entity of the City of Ekurhuleni, established in 1992. ERWAT provides bulk wastewater conveyance and treatment to thousands of industries and more than 3,5 million of City of Ekurhuleni residents. ERWAT currently operates 19 wastewater treatment works that release between 700 to 1000 mega litres of wastewater, both domestic and industrial, per day.

As a municipal entity ERWAT’s operations are governed by the following legislations. Municipal Finance Management Act (Act 56 of 2003), Municipal Systems Act, Structure Act, National Water Act and the Companies Act (Act No 71 of 2008).

The Annual Financial Statements are prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB).

3. SCOPE OF WORK

The approach and objective of the scope of work is to evaluate and propose the required adjustments to ensure the compliance, completeness and accuracy of the draft Annual Financial Statements against the prescribed accounting framework (GRAP) and applicable laws and regulations.

The review should cover the draft Annual Financial Statements (AFS) as prepared by ERWAT Management for the year ended 30 June 2023.

The review should focus on the following elements but not limited to:

- 3.1 Conducting a technical review of the draft Annual Financial Statements for compliance with the prescribed accounting framework and applicable laws and regulations and propose quality adjustments.
- 3.2. Perform procedures to confirm the accuracy and completeness of the opening balance as per draft AFS for 2022/23 financial year and propose adjustments as required.
- 3.3. Perform a cast and call exercise on the draft AFS 2022/2023.
- 3.4. Review of the Trial Balance for the year ended 30 June 2023.
- 3.5. Review of the Asset Register for the year ended 30 June 2023.
- 3.6. Perform procedures to confirm the accuracy and completeness of the audit file (Supporting Schedules) and propose adjustments on errors noted.

- 3.7. Perform procedure to confirm compliance, accuracy and completeness of the disclosure notes and propose adjustments on errors noted.
- 3.8. Perform procedures to confirm the compliance, accuracy, and completeness of the accounting policies and interpretation note and propose adjustments on errors noted.
- 3.9. Complete the National Treasury Disclosure/Compliance Checklist for the Standards of GRAP.
- 3.10. Support management in presenting the draft annual financial statements to EXCO and the relevant governance structures.
- 3.11 All management assertions relating to the draft financial statements.
- 3.12 Adequacy, reliability, and accuracy of the financial statements.
- 3.13 Adherence to Accounting Standard Board requirements, GRAP and other statements and or standards.

4. DETAILED REQUIREMENTS

These requirements will be implemented as part of the service level agreement (SLA)

4.1. PHASE 1

Project plan and Methodology

Provide a detailed methodology or approach to be adopted including details work breakdown structures which include at minimum the following:

Project plan detailing the approach of conducting the review and proposing adjustments within the legislated timelines:

1. Detailed review of the draft Annual Financial Statements.
2. Detailed review of Accounting Policies.
3. Detailed review of disclosure notes.
4. Describe policies and practises your firm maintains in ensuring that the Annual Financial Statements are compliant with the prescribed accounting framework and applicable laws and regulations.
5. Describe systems and tool your firm will use in ensuring that the Annual Financial Statements are compliant with the prescribed accounting framework and applicable laws and regulations.

The review process under phase 1 should include at the minimum the following:

1. Reconciliation of AFS, TB, GL and supporting schedules (included in the audit file)
2. Reconciliation of amounts on the face of financial statements and amounts as per the notes.
3. Compare CY accounting policies to PY accounting policies. If there are changes, are comparatives updated and note of PY adjustment disclosed.
4. Compare PY amounts as per audited AFS to comparative amounts in the current year AFS. Are there changes? If there are changes, are they supported by valid reasons and did management disclose prior period adjustments/error note.
5. Compare current year amounts to prior year and budgets amounts. Are there abnormal variances? If so, obtain and assess reasons from management.

6. Perusal of accounting policies that it is clear, specific and relevant to the municipal Entity.
7. Accounting Policies should not be generic from Caseware or other AFS preparation tool. They should be specific.

4.2. PHASE 2:

Draft Report preparation

Status report which outlines the key issues that were identified and proposed adjustments. The report must detail the progress of the review and risk rating of the issues identified. The reporting structure must include at least the following:

- Presentation to ERWAT Executive Committee
- Final report documenting the outcome and findings of the assessment including corrective measures and or adjustments
- Recommendations as appropriate for the Board to submit Annual Financial Statements with no material misstatements

4.3. PHASE 3:

Project closure report

Conclusion of all findings and observations as well as ensuring that all corrections and adjustments have been appropriately actioned. Report signed off by the CA/Partner

PROJECT DURATION

The financial statements are due for final submission to AGSA on the 31st August 2023 after undergoing internal reviews. The quality assurance and findings process is estimated to start during the third week of July 2023 (Phase 1) and to be presented to ERWAT management around first week of August 2023 (Phase 2). The time frames will be finalised at the signing of service level agreement (SLA)

GENERAL REQUIREMENTS

All staff members (excluding the partner) conducting the review are required to be on site as and when ERWAT requires for the duration of the contract. Invoice for the billable hours will be paid on actual hours worked and must be accompanied by an approved timesheet.

Should the Tenderer's Key Personnel be changed at any time during the course of the contract, the tenderer shall be obliged to give ERWAT written notice of any such change. Such change must still conform to the original provisions of the scope of work subject to the written approval of the designated ERWAT representative(s).

5. PROJECT MANAGEMENT AND CONTRACTING AUTHORITY

The project will be managed by the Finance Department within Ekurhuleni Water Care Company.

6. REPORTING REQUIREMENTS

6.1. The service provider shall provide the following reports:

6.1.1. Table 1: Reporting

Name of report	Content	Due date
Project plan	Project plan detailing the approach of conducting the review and proposing adjustments within the legislated timelines.	Upon receipt of a formal appointment the bidder to discuss and agree the date of submission of the project plan and reporting.
Progress report	Status report which outlines the key issues that were identified and proposed adjustments. The report must detail the progress of the review and risk rating of the issues identified.	As agreed to in the finalised service level agreement
Closeout report	To conclude on all findings and observations as well as ensuring that all corrections and adjustments have been appropriately actioned.	As agreed to in the finalised service level agreement

6.2. Submission and approval of reports

The inception and planning report, progress report and closeout report must be compiled and submitted to the Departmental Project Manager within the set timelines as indicated in the service level agreement and or the performance evaluation document.

7. **SUBMISSION REQUIREMENTS**

ERWAT will establish a Bid Evaluation Committee (BEC) whose responsibility it is to make recommendations to the Bid Adjudication Committee (BAC). The Bid Evaluation Committee will short list and evaluate the bid document in accordance with the criteria below and make recommendations to the BAC.

- 1) Pre compliance evaluation to be done to determine the eligibility of a bidder to be recommended for the 2nd phase of evaluation-qualified bidders goes through for the functionality evaluation. The evaluation criteria is related to technical team skills functionality and the company functionality.
- 2) Bidders will be scored points for price and specific goals as stipulated in the bid document
- 3) Calculate total Bid evaluation points, to two decimal places.
- 4) Rank Bid offers from the highest number of Bid evaluation points to the lowest.
- 5) Recommend Bidders with the highest number of Bid evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.

8. **EVALUATION CRITERIA**

8.1 **MANDATORY REQUIREMENTS**

Bidders will be required to submit a minimum of three reference letters and or completion certificates of review of annual financial statements completed in the public sector.

Failure to submit a minimum of three (3) reference letters and/or completion certificates of services completed in the public sector will lead to disqualification.

Bidders will further be scored for review of annual financial statements in any sector as set out in the functionality table.

Bidders are required to meet the minimum requirements or higher in all categories listed below. All supporting documents must be submitted for verification as evidence. Please complete the table with the details of the qualification requirements. Non-compliance will lead to disqualification.

NB: ERWAT RESERVES THE RIGHT TO VERIFY ALL SUBMITTED DOCUMENTATION

	REQUIREMENT	DOCUMENTS REQUIRED
	Audit firm	Independent Regulatory Board for Auditors (IRBA) proof of registration.
1	One (1) Chartered Accountant (CA)SA /partner that will be responsible for final sign-off of work performed.	1. Certified copy of certificate of membership with South African Institute of Chartered Accountants (SAICA). and 2. Certified copy of certificate of registration with Independent Regulatory Board for Auditors (IRBA) as a Registered Auditor
2	One (1) Chartered Accountant: Specialist (Project Leader) responsible for performing an overall review of all the work performed in accordance with the scope of work as well as overseeing the work performed by the audit seniors	Certified copy of certificate of membership with South African Institute of Chartered Accountants (SAICA) as a chartered accountant.
3	One (1) Semi Professional and one (1) Professional	<u>ONE (1) SEMI PROFESSIONAL</u> Certified copy of Postgraduate Diploma in Accounting Sciences AND <u>ONE (1) PROFESSIONAL</u> Proof of Initial Test of Competence (ITC) qualification from SAICA OR Proof of Assessment Professional Competence qualification from SAICA OR Proof of RGA FQE (Final qualifying exam) ACCA P5 + P7
4	Two (2) Graduates	1. Certified copy of Bachelors degree and/or Advanced Diploma in Accounting Sciences ; 2. Proof of SAICA articles registration

NB: DESIGNATIONS (GRADUATE, SEMI PROFESSIONAL, PROFESSIONAL) ARE REFERENCED FROM AGSA CIRCULAR 01/2023/24

NB: THE INFORMATION POPULATED IN THE TABLE BELOW WILL BE USED FOR EVALUATION PURPOSES. THE INFORMATION CONTAINED IN THE TABLE WILL ONLY BE CONSIDERED IF THE DECLARATIONS ARE COMPLETED AND SIGNED.

DESIGNATION	NAME	QUALIFICATION	PROFESSIONAL REGISTRATION	
			PROFESSIONAL BODY	YEARS REGISTERED
CHARTERED ACCOUNTANT: PARTNER				
CHARTERED ACCOUNTANT (SPECIALIST)				
PROFESSIONAL				
SEMI PROFESSIONAL				
GRADUATE 1				
GRADUATE 2				

DECLARATION IN TERMS OF THE AUTHENTICITY OF THE INFORMATION SUBMITTED BY:

CHARTERED ACCOUNTANT (CA)SA /PARTNER

I, _____, duly authorized to sign this declaration, hereby confirm/declare that the information submitted as portfolio of evidence in relation to key staff experience and qualifications is a true reflection of the submission.

SIGNATURE: _____ DATE: _____

8.2 FUNCTIONALITY EVALUATION

Potential service providers will have to achieve minimum number of **70 points out of 100** for their technical proposals before their financial proposals and are evaluated as set out in the tables below. This is required so that there is a level of comfort that the potential service provider can deliver the project with the required professionalism and quality.

Scoring Process

The Functional Evaluation Task Team will be established to determine the following:

- Whether or not the Bidder understood the project specifications.
- The bidders experience with similar projects.
- The quality of the methodology proposed.
- The qualifications and experience of the key staff proposed.

No alteration of functionality proposals will be permitted after the deadline for receipt of bids. Questions may be asked for clarification needed to evaluate their proposals, but bidders would not be permitted to change the substance or price of their bids after bid opening. Requests for clarification and the bidder's responses would be made in writing. No interviews will be conducted in this regard.

Functionality Documentation must either be attached to the applicable Returnable Schedule as stated below or can be bound into a separate volume and clearly referenced to in each of the applicable schedules. **If the functionality document is not attached to the page or clearly referenced it will be deemed not to have been included.**

Table 2: Team and company evaluation (add the functionality table here where and if applicable)

CRITERION	CRITERION DETAILS	POINTS	SCORE
<u>COMPANY EXPERIENCE:</u>			
Previous Experience in Audit or Review of Annual Financial Statements in any sector. <i>Uncontactable references or company offices will not be considered. Kindly complete the experience table below in full.</i>	<i>Please provide signed completion certificates and/or reference letters on the letterheads of the current and previous client/employer</i> • Three (3) reference letters, uncontactable and denied references = 0 points • Four (4) completion certificates and/or reference letters = 10 Points • Five (5) reference letters or completion certificates = 15 Points • Six (6) or more reference letters or completion certificates = 20 Points	20	
<u>EXPERIENCE OF KEY PERSONNEL:</u>			
The scoring will be done based on post registration period based on certificate date. Certified copy of certificate of registration with Independent Regulatory Board for Auditors (IRBA) as a Registered Auditor.	CHARTERED ACCOUNTANT (CA)SA /PARTNER • 0 to 12 months from registration date = 0 Points • 13 to 36 months from registration date = 5 Points • 37 to 60 months from registration date = 10 Points • 61 to 120 months from registration date = 15 Points • 121 months and above from registration date = 20 Points	20	
The scoring will be done based on post registration period based on certificate date. Certified copy of certificate of membership with South African Institute of Chartered Accountants (SAICA) as a chartered accountant.	CHARTERED ACCOUNTANT: SPECIALIST • 0 to 12 months from registration date = 0 Points • 13 to 36 months from registration date = 5 Points • 37 to 60 months from registration date = 10 Points • 61 to 120 months from registration date = 15 Points • 121 months and above from registration date = 20 Points	20	

The scoring will be done based on post qualification period based on certificate date. <u>ONE (1) PROFESSIONAL</u> Proof of Initial Test of Competence (ITC) qualification from SAICA OR Proof of Assessment Professional Competence (APC) qualification from SAICA OR Proof of RGA FQE (Final qualifying exam) ACCA P5 + P7	<u>PROFESSIONAL</u> • 0 to 12 months from date of qualification = 0 Points • 13 to 36 months from date of qualification = 5 Points • 37 to 60 months from date of qualification = 10 Points • 61 to 120 months from date of qualification = 15 Points • 121 months and above from date of qualification = 20 Points	20	
The scoring will be done based on post qualification period based on certificate date. <u>ONE (1) SEMI PROFESSIONAL</u> Certified copy of Postgraduate Diploma in Accounting Sciences	<u>SEMI PROFESSIONAL</u> • 0 to 12 months from date of qualification = 0 Points • 13 to 36 months from date of qualification = 5 Points • 37 to 60 months from date of qualification = 10 Points • 61 to 120 months from date of qualification = 15 Points • 121 months and above from date of qualification = 20 Points	20	
TOTAL	Bidder must score a minimum of <u>70</u> points to be considered for further evaluation	100	

PREVIOUS EXPERIENCE

Provide the following information on **relevant** previous experience in the audit/review of public sector Annual Financial Statements, with a minimum of three (3) public sector audits/reviews. Kindly note that reference letters and/or completion certificates must be signed by the company on their respective letterhead for whom the service provider has rendered the services.

The following information must be included in the table below: contactable references, give full details of name, surname, cell phone number/landline, e-mail address and physical business address.

Failure to submit a minimum of three (3) reference letters and/or completion certificates of services completed in the public sector will lead to disqualification. Bidders will be further evaluated on the review of AFS in any sector over above the three required for the public sector, as set out in the functionality table.

Kindly note that reference letters and or completion certificates must be for individual contracts. More than one reference letter for one specific contract will be seen as one reference irrespective of the number of letters/certificates attached.

Contract number & Description	Value (R, VAT included)	Contract period	Reference					
			Full Name & Surname	Organisation	Office landline number	Cell phone number	e-mail address	Physical Address

PRICING SCHEDULE

PRICING INSTRUCTIONS:

This is a once off tender and bidders are required to price the line items as set out below.

TABLE 1

PHASE	PROCESS DESCRIPTION	AMOUNT (VAT Inclusive)
PHASE 1	Project plan and Methodology	
PHASE 2	Draft Report preparation and submission	
PHASE 3	Project closure report	

For items that fall outside the scope stipulated in this document, Table 2 will be applied on an as and when required basis at the discretion of ERWAT. Circular 1/2023/24 dated 31 March 2023 "GUIDELINE ON FEES FOR AUDITS PERFORMED BY PRIVATE FIRMS ON BEHALF OF THE AUDITOR-GENERAL SOUTH AFRICA (AGSA)", will be used as basis for remuneration.

TABLE 2

STAFF LEVEL	UOM	RATE (VAT INCLUSIVE)
Chartered Accountant/Partner	Per Hour	
Chartered Accountant - Specialist	Per Hour	
Professional	Per Hour	
Semi professional	Per Hour	

TABLE 3

TRAVELLING:

AA rates will be applicable, and adjustments will be done in accordance to the current fuel prices. Bidders will be required to submit the AA certificate for the specific vehicle utilised for the trip including the actual kilometres travelled when submitting the invoice for payment. *AA refers to the south African automobile association.*



SPECIAL CONDITIONS OF CONTRACT

SUPPLY CHAIN MANAGEMENT

BID ERW2306/02: THE APPOINTMENT OF AN INDEPENDENT REGULATORY BOARD OF AUDITORS (IRBA) REGISTERED AUDIT FIRM TO PROVIDE QUALITY ASSURANCE ON THE DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE 2022/2023 FINANCIAL PERIOD

CLOSING DATE: WEDNESDAY, 12TH JULY 2023 AT 12:00 NOON

VALIDITY PERIOD: 90 (NINETY) DAYS FROM THE CLOSING DATE OF BID

SPECIAL CONDITIONS OF CONTRACT

1. ERWATS OBJECTIVES:

The aim of this bid is to increase the service delivery level of the ERWAT to both its internal and external clients. This will be done by way of the following:

- Reduction in the number of quotation requests
- Improved turn-around times for obtaining purchase orders
- More focused approached to the Entity's core functions.

2. CONTRACT PERIOD:

The contract will commence on the last signature date of the Service Level Agreement and is estimated to end by 31st August 2023.

3. CONTRAT PRICE ADJUSTMENTS FOR LONG TERM CONTRACTS RUNNING OVER A ONE YEAR PERIOD (TERM CONTRACTS – WHERE APPLICABLE):

This is a once-off tender and no price escalations will apply as it is deemed that the AGSA fees are fixed for a period effective from 01 March 2023 until 30 April 2024.



RETUNABLE MUNICIPAL BIDDING DOCUMENTS (MBD)

**CONFIRMATION OF REGISTRATION ON NATIONAL TREASURY CENTRALISED SUPPLIER
DATABASE**

CONFIRMATION OF CSD VENDOR INFORMATION		
1	VENDOR NAME	
2	CSD APPROVED NUMBER	M _____
3	COMPANY REG NUMBER	
4	COMPANY TAX NUMBER	
5	COMPANY VAT NUMBER	
6	COMPANY BEE LEVEL	
7	CONTACT PERSON	
8	OFFICE TEL. NUMBER	
9	OFFICE FAX NUMBER	
10	E-MAIL ADDRESS	
11	CELL NUMBER	

I, _____ in my capacity as _____ being the
authorized signatory, hereby declare that the above information is true and correct.

AUTHORISED SIGNATORY DESIGNATION

NAME AND SURNAME

RESOLUTION DATE: AUTHORISED SIGNATORY APPOINTMENT

SIGNATURE

DATE

AUTHORITY OF SIGNATORY TO SIGN BIDS

The bid shall be signed by a person duly authorised thereto and the following is applicable:

Company: A resolution by its board of directors authorising a director or other official of the company to sign the documents on behalf of the company.

Close Corporation: A resolution by its members authorising a member or other official of the corporation to sign the documents on each member's behalf.

Partnership: All the partners shall sign the documents unless one partner or a group of partners has been authorised to sign on behalf of each partner, in which case proof of such authorisation shall be included in the bid.

Joint Venture: Should two or more firms jointly submit a bid, the bid shall be accompanied by the document of establishment of the joint venture, duly registered and authenticated by a notary public or other official deputed to witness sworn statements, which defines the conditions under which the joint venture will function, the period of duration, the persons authorised to represent the Joint Venture and who are obligated thereby, the participation of the several firms forming the joint venture, and well as any other information necessary to permit a full appraisal of its functioning.

One Man Concern: This shall be clearly stated and all documents shall be signed accordingly.

Details of person responsible for Bid Document process:

Name :

Contact number :

Office address :

Signatories for close corporations and companies shall confirm their authority by attaching to this form a **duly signed and dated original or certified copy on the Company Letterhead** of the relevant resolution of their members or their board of directors, as the case may be.

PRO-FORMA FOR COMPANIES AND CLOSE CORPORATIONS:

"By resolution of the board of directors passed on *(date)* _____

Prof./Dr/Mr/Ms _____

has been duly authorized to sign all documents in connection with the Bid Document for Contract Number

_____ and any Contract which may arise there from on

behalf of _____

(BLOCK CAPTIALS)

SIGNED ON BEHALF OF THE COMPANY _____

IN HIS CAPACITY AS _____

DATE _____

FULL NAMES OF SIGNATORY _____

AS WITNESSES: 1. _____

2. _____

**PRO-FORMA FOR JOINT VENTURES:
Certificate of Authority for Joint Ventures**

We, the undersigned, are submitting this Bid Document offer in Joint Venture and hereby authorise Mr/Ms _____, authorised signatory of the company _____, acting in the capacity of lead partner, to sign all documents in connection with the Bid Document offer an any contract resulting from it on our behalf.

NAME OF FIRM	ADDRESS	DULY AUTHORISED SIGNATORY
		Signature: Name: Designation:
		Signature: Name: Designation:
		Signature: Name: Designation:
		Signature: Name: Designation:

N.B.: THE DULY SIGNED AND DATED ORIGINAL OR CERTIFIED COPY OF AUTHORITY OF SIGNATORY ON COMPANY LETTERHEAD SHOULD BE INCLUDED IN THE RETURNABLE DOCUMENTS PACK.

PRICING SCHEDULE**(Professional Services)**

Name of Bidder _____

Bid number: **ERW2306/02**Closing Time: **12:00 Noon**Closing Date: **Wednesday, 12TH July 2023****OFFER TO BE VALID FOR 90 (NINETY) DAYS FROM THE CLOSING DATE OF BID**

Kindly refer to the pricing schedule attached to this document. The hours/days and rates contained in this section must align with that on the pricing schedule.

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses ***inclusive of VAT*** for the project. R_____
3. Persons who will be involved in the project and rates applicable (certified invoices must be rendered in terms hereof)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
<u>Chartered Accountant/Partner</u>	_____	R_____
<u>Chartered Accountant – Specialist (Project Leader)</u>	_____	R_____
<u>Accountant – Audit Senior</u>	_____	R_____
<u>Accountant – Audit Senior</u>	_____	R_____
_____	_____	R_____
_____	_____	R_____

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days
_____	R_____	_____ days

- 5.1 Travel expenses (specify, for example rate/km and total km, etc.). Only actual costs are recoverable and travel fees are limited to the AA rates. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
_____	_____	_____	R_____
_____	_____	_____	R_____
_____	_____	_____	R_____
_____	_____	_____	R_____
TOTAL: R			_____

- 5.2 Other expenses, for example accommodation (specify, e.g. Three-star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
_____	_____	_____	R_____
_____	_____	_____	R_____
_____	_____	_____	R_____
_____	_____	_____	R_____
TOTAL: R			_____

6. Period required for commencement with project after acceptance of bid _____
7. Estimated man-days for completion of project _____
8. Are the rates quoted firm for the full period of contract? _____
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index:
- _____
- _____
- _____
- _____

DECLARATION OF INTEREST

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

4.1 Full Name of bidder or his or her representative: _____

4.2 Identity Number:

--	--	--	--	--	--	--	--	--	--	--	--	--	--

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

4.4 Company Registration Number: _____

4.5 Tax Reference Number: _____

4.6 VAT Registration Number: _____

4.7 The names of all directors / trustees / shareholder's members, their individual identity numbers and state employee numbers must be indicated in paragraph 5 below.

4.8 Are you presently in the service of the state? **YES / NO**
If so, furnish particulars.

4.9 Have you been in the service of the state for the past twelve months? **YES / NO**
If so, furnish particulars.

4.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

If so, furnish particulars.

- 4.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

If so, furnish particulars.

- 4.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

If so, furnish particulars.

- 4.13 Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?

YES / NO

If so, furnish particulars.

- 4.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract?

YES / NO

If so, furnish particulars.

5. Full details of directors / trustees / members / shareholders.

FULL NAME	IDENTITY NUMBER	STATE EMPLOYEE NUMBER

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

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

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

CERTIFICATION

**I, THE UNDERSIGNED (NAME) _____
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.**

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

SIGNATURE

DATE

POSITION

NAME OF BIDDER

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

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

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

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 and shall be awarded for:

- Price; and
- Specific Goals.

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.

DEFINITIONS

“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;

“price” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

“rand value” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

“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

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

FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

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

POINTS AWARDED FOR SPECIFIC GOALS

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:

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

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)	Number of points claimed (80/20 system) (To be completed by the tenderer)
EME or QSE 51% owned by women	4	
EME or QSE 51% owned by youth	4	
EME or QSE 51% owned by people with disabilities	4	
EME or QSE 51% owned by military veterans	4	
EME or QSE within the boundaries of Ekurhuleni Municipality	4	

The above information will be verified in accordance with the bidders B-BBEE certificate, and or a certificate from the companies and intellectual property commission (CIPC), the department of Military Veterans and or other supporting documents. All supporting evidence must be submitted in order to claim the preferential procurement points claimed. ERWAT reserves the right to verify the information submitted.

In the case of multi-parties (Joint ventures, consortiums, partnerships, etc.), allocation of points will be calculated by adding the individual parties in the JV, etc. ownership % together; divide the total by the number of parties in the respective joint ventures, consortiums, partnerships, etc. The average % will thus be the indicating factor for the number of points to be scored limited to the maximum available points.

e.g. Joint venture:

Party 1 = 51% EME/QSE owned by women

Party 2 = 100% EME/QSE owned by women

= **151%** / 2 parties in the JV = 75% and will score = 4 points

The above principle will apply to points 1, 2, 3 & 4 indicated in Table 1 above.

For point 5: The collective JV agreement's address, or the Lead JV partners' domicile Address will be utilized for scoring of points.

DECLARATION WITH REGARD TO COMPANY/FIRM

Name of company/firm: _____

Company registration number: _____

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]

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 table 1 above, 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 –
 - disqualify the person from the tendering process;
 - recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - 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;
 - 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
 - forward the matter for criminal prosecution, if deemed necessary.

Company name: _____

Company address: _____

Name& Surname of Representative: _____

Signature Of Bidder: _____

Designation: _____

Date: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

This Municipal Bidding Document must form part of all bids invited.

It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

The bid of any bidder may be rejected if that bidder, or any of its directors have:

- abused the company's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- been convicted for fraud or corruption during the past five years;
- willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- Been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the company / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐

4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, the undersigned (full name _____) certify that the information furnished on this declaration form is true and correct. I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

Name& Surname of Representative: _____

Signature Of Bidder:

Designation:

Date:

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
5. In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

BID ERW2306/02: THE APPOINTMENT OF AN INDEPENDENT REGULATORY BOARD OF AUDITORS (IRBA) REGISTERED AUDIT FIRM TO PROVIDE QUALITY ASSURANCE ON THE DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE 2022/2023 FINANCIAL PERIOD

in response to the invitation for the bid made by:

EKURHULENI WATER CARE COMPANY (ERWAT)

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

I certify, on behalf of _____ (Name of Bidder) that:

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

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

SIGNATURE

DATE

POSITION

NAME OF BIDDER

POPIA CONSENT FORM

PROTECTION OF PERSONAL INFORMATION ACT, 4 OF 2013

By signing this referral form:

- a) I/we hereby grant my/our voluntary consent that my/our personal information may be processed, collected, used and disclosed in compliance with the Protection of Personal Information Act, 4 of 2013.
- b) I/we furthermore agree that my/our personal information may be used for the lawful and reasonable purposes in as far as the ERWAT (responsible party) must use my/our information in the performance of its public legal duty.
- c) I/we understand that my/our personal information may be disclosed to a third party in as far as the ERWAT must fulfil its public legal duty.
- d) I/we furthermore understand that there are instances in terms of abovementioned Act where my express consent is not necessary to permit the processing of personal information, which may be related to litigation or when the information is publicly available. Further details are available on the ERWAT website.

Company name: _____

Company address: _____

Name& Surname of Representative: _____

Signature Of Bidder: _____

Designation: _____

Date: _____

SCHEDULE OF CONSULTANCY SERVICES PROVIDED TO ORGANS OF STATE

Bidders are required to complete this Form in terms of the Supply Chain Management Regulations issued in terms of clause 35(3) of the Municipal Finance Management Act of 2003, which states that bidders for consultancy services must furnish the municipality or municipal entity with particulars of:

- a. All consultancy services provided to an organ of state in the last five years; and
- b. Any similar consultancy services provided to an organ of state in the last five years.

Bidders shall furnish under **Part A** and **Part B** below, only the details of the contracts where they were directly contracted by the Organ of state to render consultancy services in the last five years. Bidders must not include consultancy services provided in terms of a sub-consultancy agreement.

Where contracts were awarded in the name of a joint venture and the bidder formed part of that joint venture, indicate in the column entitled "Project Description and Contract Number" that it was in joint venture and provide the name of the joint venture that contracted with the employer. In the column for the value of the contract for the service, record the value of the portion of the contract performed (or to be performed) by the bidder.

NB: The tables provided under **Part A** and **Part B** only allow for a limited number of projects to be documented, in the case where the space provided in the table is not sufficient, the bidder must attach all their information following the same format as given in the tables.

PART A: CONSULTANCY SERVICES PROVIDED TO AN ORGAN OF STATE

The following Consultancy Services were either commenced or completed in the last five years on behalf of an organ of state as our direct Employer.

PROJECT DESCRIPTION AND CONTRACT NUMBER [Only Project Completed Within The Last Five Years]	NAME OF ORGAN OF STATE [i.e. National/Provincial Department, Public Entity, Municipality, Municipal Entity]	CONTRACT VALUE	PROJECT STATUS
1.			
2.			
3.			
4.			
5.			

PART B: SIMILAR CONSULTANCY SERVICES PROVIDED TO AN ORGAN OF STATE

The following Contracts recorded in **Part A**, provided consultancy services to an organ of state that are similar to those required in terms of the scope of work for the respective disciplines in this bid:

PROJECT DESCRIPTION AND CONTRACT NUMBER FOR SIMILAR CONSULTANCY SERVICES	
AUDIT AND REVIEW OF ANNUAL FINANCIAL STATEMENTS	
1.	
2.	
3.	
4.	
5	

GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

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GENERAL CONDITIONS OF CONTRACT

1. Definitions

The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight

and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.

- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

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

5. Use of contract documents and information inspection

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent Rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality/ municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents. Another form of acceptable to the purchaser; or
 - b) a cashiers' or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

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

- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be ejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental Services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) Performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

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

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract is new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

18. Variation Orders

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.
- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (a) if the supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

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

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

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

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

24. Anti- dumping and countervailing duties and rights

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

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31. Notices

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

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

33. Transfer of contracts

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

34. Amendment of contracts

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

35. Prohibition of restrictive practices

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

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

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

CONTRACT FORM: RENDERING OF SERVICES

MBD7.2

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

2. I hereby undertake to render services described in the attached bidding documents to (name of the institution) _____ in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number **ERW2306/02** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
3. The following documents shall be deemed to form and be read and construed as part of this agreement:
- (i) Bidding documents, viz
 - Invitation to bid;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract
4. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; 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.
5. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
6. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
7. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) _____

CAPACITY _____

SIGNATURE _____

NAME OF FIRM _____

DATE _____

WITNESSES

1. _____

2. _____

DATE: _____

CONTRACT FORM: RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE ERWAT REPRESENTATIVE)

1. I _____ in my capacity as _____ accept your bid under reference number: **ERW2306/02** dated _____ for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

ITEM NO.	DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)
	<i>Kindly refer to the pricing schedule</i>				

4. I confirm that I am duly authorized to sign this contract.

NAME (PRINT) _____

CAPACITY _____

SIGNATURE _____

NAME OF FIRM _____

DATE _____

WITNESSES

1. _____

2. _____

DATE: _____



DRAFT SERVICE LEVEL AGREEMENT

Bidders should take note of the attached draft service level agreement that will be concluded upon final confirmation of award. The contract will thus take effect on the date of the last signatory on the Service Level Agreement.

Draft Service Level Agreement (SLA)

Document Owner:	Ekurhuleni Water Care Company (ERWAT)
Service Provider:	XXXXXXX

Version

Version	Date	Description	Author
1.0	X	Service Level Agreement	XXX

Approval

(By signing below, all Approvers agree to all terms and conditions outlined in this Agreement.)

Approvers	Role	Signed	Approval Date
Ms. Zimasa Socikwa	Company Secretary		
Mr. Masotla Sebona	Supply Chain Management		
Mr. Shaheed Dinath	Acting Chief Financial Officer		
Mr. Albert Van Der Merwe	Manager: Financial Reporting		
xxxxxxx	Bidder General Manager/CEO		

SERVICE LEVEL AGREEMENT

MADE AND ENTERED INTO BETWEEN
EKURHULENI WATER CARE COMPANY (ERWAT)

Company registration number: 1992/005753/08

Herein referred to as ERWAT, a Section 21 company. Represented by **Mr. K. Chihota** in his capacity as Interim Managing Director or his duly authorized representative.

(HEREINAFTER REFERRED TO AS “**EMPLOYER**”)

AND

XXXXXXXXXXXXXXXXXXXXXXX

A Private Company duly registered and incorporated as such under laws of the Republic of South Africa with Registration Number **xxxxxx** under VAT Registration Number **xxxxxx** herein represented by **xxxxxxx** in his capacity as **xxxxxx**, of **xxxxxxxxxx** and duly authorized thereto by virtue of a resolution passed on **xxxxxxx** 20____ (as attached herewith under **Annexure A**).

(HEREINAFTER REFERRED TO AS “**THE SERVICE PROVIDER**”)

1. **PREAMBLE**

WHEREAS ERWAT has awarded Bid Number: **ERW2306/02** to the SERVICE PROVIDER and the SERVICE PROVIDER accepted the bid for the RE: **ERW2306/02: THE APPOINTMENT OF AN INDEPENDENT REGULATORY BOARD OF AUDITORS (IRBA) REGISTERED AUDIT FIRM TO PROVIDE QUALITY ASSURANCE ON THE DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE 2022/2023 FINANCIAL PERIOD**, as per the Scope of work (Section 2.1 under the Bid and as attached herewith under **Annexure B**) and Bill of Quantities (Section 2.3 under the Bid and as attached herewith under **Annexure C**) included in the said Bid;

AND WHEREAS the SERVICE PROVIDER as part of the terms and conditions of the said Bid warrants the services and administration thereof as stated in the Bid Document and the Bid Proposal and further shall administer the service as per the service levels set out in this Agreement;

AND WHEREAS the SERVICE PROVIDER agrees to enter into this service level Agreement which is an integral part of the Bid Proposal submitted by the SERVICE PROVIDER in respect of Bid no: **ERW2306/02** and which is further subjected to the General Conditions of Contract (GCC, July 2010 attached herewith under **Annexure D**);

AND WHEREAS the parties acknowledge that they are familiar with the contents of the bid, ERWAT's Bid no: **ERW2306/02** as well as the General Conditions of Contract (GCC, July 2010); **THEREFORE**, the parties wish to record in writing the terms and conditions of their agreement relating to the aforementioned and incidental thereto.

2. DEFINITIONS AND INTERPRETATIONS

2.1. DEFINITIONS:

- 2.1.1 **"Agreement or Contract"** – shall mean this Service Level Agreement including the Bid Document, the Service Provider's proposal (submitted in response to the Bid Document), General Conditions of Contract (GCC, July 2010), Award Letter, the letter of acceptance and all the relevant Annexes as applicable.
- 2.1.2 **"Bid Document"** – means the request and description of work called for including the subsequent offer to supply a service to ERWAT at a specified price and in accordance with the specifications contained in the ERWAT description of work and for purposes of the Agreement is also referred to as Terms of Reference and Bid Document under Bid Number: **ERW2306/02**.
- 2.1.3 **"Award Letter"** – means the written communication by ERWAT to the SERVICE PROVIDER recording the acceptance by ERWAT of the SERVICE PROVIDER's Bid, subject to the further terms and conditions to be included in this Agreement.
- 2.1.4 **"Service"** – shall mean the : **THE APPOINTMENT OF AN INDEPENDENT REGULATORY BOARD OF AUDITORS (IRBA) REGISTERED AUDIT FIRM TO PROVIDE QUALITY ASSURANCE ON THE DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE 2022/2023 FINANCIAL PERIOD** as per the Scope of work (Section 2.1 under as attached herewith under **Annexure B**) and Bill of Quantities (Section 2.3 under the Bid and as attached herewith under **Annexure C**) included in the said Bid;
- 2.1.5 **"The parties"** – shall mean **ERWAT** (Employer or Client) and **XXXXXXXXXXXX Ltd** (The SERVICE PROVIDER).
- 2.1.6 **"Service Provider"** – shall mean the contracting party named in the Contract Data who is employed by the Employer or Client to perform the Services described in the Contract, and legal successors to the Service Provider and legally permitted assignees.
- 2.1.7 **"Managing Director"** – shall mean ERWAT's Accounting Officer or his duly authorised representative.

- 2.1.8 **“Service Provider’s Representative”** – shall mean the SERVICE PROVIDER or its designated employee, who has been appointed in writing, by the SERVICE PROVIDER, respectively whose responsibility is to ensure that it complies with its contractual obligations under this Agreement and will be communication channel between the parties.
- 2.1.9 **“Day”** – shall mean a calendar day.
- 2.1.10 **“Appointment date”** – shall mean the date that written communication of award of the contract by ERWAT was issued to the SERVICE PROVIDER.
- 2.1.11 **“Commencement Date”** – shall refer to the date of the last signatory on the Service Level Agreement.
- 2.1.12 **“Effective date or Start date”** – shall be the date the purchase order is received by the SERVICE PROVIDER.
- 2.1.13 **“Site”** – shall mean the land and other places made available by the Employer or Client, for the purposes of the Contract, on, under, over, in or through which the Works are to be carried out.
- 2.1.14 **“Contract Price”** – shall mean the price to be paid for the performance of the Services in accordance with the Pricing Data

2.2. INTERPRETATION:

- 2.2.1 In this Agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention.
- 2.2.2 An expression which denotes –
- 2.2.2.1 Any gender includes the other genders;
 - 2.2.2.2 a natural person includes an artificial or juristic person and vice versa;
 - 2.2.2.3 The singular includes the plural and vice versa.
- 2.2.3 Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the signature date of this Agreement, and as amended or re-enacted from time to time;
- 2.2.4 Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this Agreement.
- 2.2.5 When any number of days is prescribed, such shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday or Public Holiday, in which case the last day shall be the next succeeding day which is a business day;

3. CONFIRMATION OF DATES

- 3.1 In this Agreement, each of the dates and durations specified hereunder shall refer to the days and months respectively allocated to in the following:
- 3.1.1 “**Commencement Date**” – shall refer to the date of the last signatory on the service level agreement.
- 3.1.2 “**Start date**” – shall refer to the date on which the “Purchase Order” is issued to the SERVICE PROVIDER.

4. APPOINTMENT OF THE SERVICE PROVIDER

- 4.1 ERWAT hereby appoints the SERVICE PROVIDER who, with the signing of this Agreement at the end hereof, accepts such appointment to provide the Services outlined, subject to the terms and conditions set out herein.
- 4.2 All rights and obligations arising from this Agreement shall be deemed to have come into operation on the Commencement Date.
- 4.3 Neither the appointment of THE SERVICE PROVIDER in clause 4.1 nor anything in this Agreement shall give rise to or be construed as giving rise to an employer/employee relationship between the parties, nor shall it give rise to a joint venture nor an agreement of partnership between the parties, nor shall it give rise to a labour broking agreement.
- 4.4 The parties acknowledge that neither of the parties has any authority whatsoever to represent or to bind the other party in any capacity whatsoever. In particular, but without limiting the generality, neither of the parties shall be entitled to conclude any Agreement or sign any document on behalf of the other party, or in any way bind the other party’s performance or discharge of any obligation.
- 4.5 The parties agree that no staff member of ERWAT may be requested or solicited to accept any reward gift or favour, nor may any staff member of ERWAT accept any reward gift or favour, for persuading the municipal council or any structure or functionary of the council with regard to the exercise of any power or the performance of any duty; or to make a representation to the council or any structure or functionary; or to disclose any privileged or confidential information; or to do or not to do anything within that staff member’s powers or duties.
- 4.6 The conduct described under sub-clause 4.5 goes to the root of the Agreement and constitutes a breach of this Agreement with the further proviso that any person found guilty of such conduct shall be dealt with in terms of the provisions of South African Law.

5. COMMENCEMENT AND TERM OF THE AGREEMENT

- 5.1 The Agreement shall endure for the entire Period of Performance.
- 5.2 The Agreement shall endure for a period from receipt of the official purchase order and ends on 31 August 2023 (TBC).
- 5.3 The contract will commence on the last signature date of the Service Level Agreement.
- 5.4 If the tender is found to be unauthorised, fruitless and wasteful or irregular as informed through a formal investigation, internal and or external audit outcome, the Auditor General, Council, ERWAT Board of Directors or National Treasury, ERWAT reserves the right to cancel the tender with immediate effect and the bidder will have no claim to his affect. The final terms of payment (where applicable) will be negotiated with the bidder at the time for final close out of the contract.

6. CONTRACT PRICE

- 6.1 The price charged by the SERVICE PROVIDER for Service performed under this Agreement shall be as per the prices quoted by the SERVICE PROVIDER in their Bid Document.
- 6.2 The Bid of the SERVICE PROVIDER was awarded and accepted at the agreed rates as outlined in the bill of quantities (as attached herewith under **Annexure C**).
- 6.3 The fees charged in this bid , will be firm for a period of the contract.

7. INDEMNIFICATION

Indemnification is applicable as follows:

- (1) The Contractor hereby agrees to indemnify, hold harmless and defend ERWAT and their officers, employees, agents and representatives, from and against the following liabilities arising as a result of the execution of the work:
 - (1.1) Any liability with regard to claims by governmental authorities or others for non-compliance by Contractor of any Act of Parliament, law, ordinance, regulation or by-law made by a lawful authority provided that such compliance therewith was required for the execution of the Contract or at Law.
 - (1.2) Any liability arising from actual or alleged public or private nuisance arising out of negligent acts or omissions to act of Contractor or its Subcontractors, or of their employees.
 - (1.3) Any liability arising from loss or damage to Contractor and/or Subcontractor's equipment and their other property on site.
 - (1.4) Any liability arising from claims with regard to the death of/or injury or sickness or disease to Contractor' employees or the death of/or injury or sickness or disease to third parties.
 - (1.5) Any liability arising from any loss of/or damage to property belonging to a third party.

- (1.6) Any liability arising from actual or asserted infringement or improper appropriation or use of patents, copyrights, proprietary information or know-how in respect of the work designed by/or under the responsibility of the Contractor.
- (1.7) Any liability arising from the death or injury or loss or damage to property of third parties or ERWAT's property as a result of the negligent acts or omissions of contractors or its subcontractor's employees.
- (1.8) Contractor shall indemnify ERWAT against all claims, proceedings, damages and costs of whatsoever nature arising out of contravention of environmental legislation.

8. SECURITY

8.1. Site Security

- 8.1.1. The SERVICE PROVIDER further undertakes to provide security and safeguarding of equipment and supplies to be used for and during this project.
 - 8.1.1.1. This will be applicable in the event that said equipment and supplies are removed from operation and taken off site for maintenance and/or repairs, and
 - 8.1.1.2. When any activity in relation to this contract is undertaken outside the area and/or perimeter covered by ERWAT security arrangement.
 - 8.1.1.3. Therefore, ERWAT will not be liable for any damages or losses resulting from the omission of the aforementioned precaution.

9. TERMS OF REFERENCE AND BID DOCUMENTS

Where possible the stipulations in the Terms of Reference and Bid Document must be interpreted in such a way that it is not in conflict with this Agreement. However, where any terms, conditions, prescription or guidelines in the Terms of Reference are in direct conflict with this Service Level Agreement and cannot be given a meaning or meanings that are not in conflict with the Agreement, and cannot be reconciled with it, then the Service Level Agreement shall prevail, and where the Service level agreement and Bid document is silent the General Conditions of Contract (GCC, July 2010) shall prevail.

10. PAYMENTS

Payments will be effected within 30 days from receipt of a valid Invoice/Tax Invoice and Statement. All invoices/tax invoices and statements must comply with the **VAT Act No 89 of 1991** before payment can be effected.

Payment will be made on all deliveries and services which were authorised through Purchase Orders and confirmation of such services being fulfilled to ERWAT's satisfaction,

11. GENERAL REQUIREMENTS

- 11.1. Site induction training has to be completed before any work can be undertaken.
- 11.2. Service Provider must comply to the ERWAT Permit to Work and Safe operation and maintenance procedure.
- 11.3. All the relevant work permits and authorisation must be obtained from ERWAT employees before any work can be undertaken.
- 11.4. All work done and equipment supplied has to be in accordance with the applicable standards as listed in this document.
- 11.5. No work shall be undertaken without an official order or written confirmation via e-mail in case of an emergency from the designated ERWAT representative.
- 11.6. No equipment may be removed from site without written permission from the relevant and authorised personnel.
- 11.7. All the required tools, consumables, testing facilities, and other requirements to perform the work as per the Contract shall be provided by the service provider.
- 11.8. All consumables will be included where required.
- 11.9. The Service provider is expected to avail him/herself within reasonable time as agreed to throughout the duration of the contract.

12. SPECIAL TERMS AND CONDITIONS OF THE PROJECT

- 12.1. Service provider should provide environmentally friendly solutions, preferably in compliance, occupational health and safety act and all other legislative provisions.
- 12.2 All related applicable legislative provisions must be adhered to throughout the contract period. These requirement will be applicable on items to be supplied and the will form part of the service level agreement and is not part of the evaluation criteria.
- 12.3 The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. In the event of any contradiction between the GCC or any other applicable contractual agreement, the Municipal Financial Management Act and its applicable regulations will take precedence.

13 RESPONSE TIME

Standard order turn-around time of shall not exceed 48 hours from placing an order or as agreed to between the parties.

15. PENALTIES

- 15.1. Clause 22 “Penalties” of the General Conditions of Contract (GCC, July 2010), refers and will be applicable to this Agreement and read in its entirety.

- 15.2. (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.

16. PERFORMANCE MANAGEMENT SYSTEM

- 16.1. The Performance management system will be implemented in terms of section 3.6 of the bid document.
- 16.2. The SERVICE PROVIDER shall be subjected to a performance evaluation, conducted on a quarterly basis.
- 16.3. An example of a performance evaluation form is contained in **Annexure E**.

17. SITE LOCATION

The services will be conducted at ERWAT's Scientific Services, unless stated otherwise and agreed upon with the bidder.

18. WORKING HOURS

- 18.1. The working hours on site will be as follows: the SERVICE PROVIDER will be required to be on standby during all hours.
- 18.1.1. Office hours: Monday to Friday: 07:00 am to 16:30 pm
- 18.1.2. Weekends: Friday: 16:00 pm to Monday: 07:00 am
- 18.1.3. Public Holidays: as promulgated in terms of the Public Holidays Act, 36 of 1994 annually.

19. DAMAGE TO EXISTING

- 19.1. The SERVICE PROVIDER shall be liable to pay for any damages emanating from the activities of their on-site teams including those of the sub-contractors. Hence, precaution must be taken when performing works at ERWAT.
- 19.2. Any damage to an existing service/structure must be reported to ERWAT immediately and reasons and circumstances for the damage must be submitted in writing.
- 19.3. The arrangement to have the damage repaired must immediately be implemented. The damages to be repaired within a day, should this be not possible, at least a mitigation plan must be implemented as a

temporary measure until the damages can be permanently resolved. Damages that occur, which is not the SERVICE PROVIDERS fault, must be motivated by the SERVICE PROVIDER for a ruling by ERWAT.

20. DOMICILE AND NOTICES

20.1. The parties choose their domicile for all purposes relating to this Agreement, including the giving of any notice, the payment of any sum and the serving any process, as follows:

20.1.1. EKURHULENI WATER CARE COMPANY

Physical: -	Hartebeestfontein Office Park R25 (Bronkhorstspuit/Bapsfontein) Kempton Park
Postal: -	PO. Box 13106 Norkem Park 1631
Fax: -	(011) 927 7031
Email Address: -	mail@erwat.co.za

20.1.2. THE SERVICE PROVIDER

Physical:	XXXX XXXXX XX XX
Tel no -	(0XX) XXX
Email Address:	E-MAIL@XXXXX.co.za

20.2. Each party shall be entitled from time to time, by giving written notice to the others, to vary its physical domicile to any other physical address (not being a post office box or "remainder post") within the Republic or to vary its postal domicile or its facsimile domicile to any other within the Republic.

20.3. Any notice given or any payment made by any party to any other ("addressee") which is;

20.3.1 Delivered by hand between the hours of 08:00 and 16:30 on any business day to the addressee's physical domicile for the time being, shall be deemed to have been received by the addressee at the time of delivery;

20.3.2 Posted by registered post to the addressee's postal domicile for the time being, shall be presumed to have been received by the addressee on the fourteenth day after date of posting.

20.3.3 Any notice given by any party to any other which is sent by facsimile to the addressee's facsimile domicile for the time being shall be deemed to have been received by the addressee on the day immediately succeeding the date of successful transmission thereof.

- 20.3.4 This domicile clause shall not operate so as to invalidate the giving or receipt of any notice, which is actually received by the addressee other than by a method referred to in this clause.
- 20.3.5 Any notice required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing.

21. LIMITATION OF LIABILITY

Clause 28 "Limit of Liability" of the General Conditions of Contract (GCC, July 2010), refers and will be applicable to this Agreement and read in its entirety.

22. CONFIDENTIALITY

- 22.1. It is recorded that the SERVICE PROVIDER, by virtue of his/her association with ERWAT, will become in possession of and will have access to confidential information belonging to ERWAT including, but without limiting the generality of the foregoing, the following matters:
- 22.2. The contractual and financial arrangements between ERWAT and other bidders;
- 22.2.1. ERWAT's financial matters;
- 22.2.2. All other matters, which relate to ERWAT's business and in respect of which information is not readily available in the ordinary course of business to a competitor.
- 22.3. Having regard to the facts recorded above, the SERVICE PROVIDER undertakes that in order to protect the proprietary interest of ERWAT in the confidential information-
- 22.3.1. They will not during the contract period or at any time thereafter, directly or indirectly, either use or disclose any of the confidential information, other than as may be required by their Contract with ERWAT or as may be required to comply with any law or to enforce service provider's rights in terms of this Contract;
- 22.3.2. Any written or other Instructions, Drawings, Notes, Memoranda or Records which are made available to them or which come into their possession by any means whatsoever shall be deemed to be the property of ERWAT. Such property of ERWAT shall be surrendered to ERWAT on demand and in any event on the termination date of this Agreement and the SERVICE PROVIDER shall not retain any copies thereof or extracts there from.

23. PUBLICITY

None of the parties shall issue any public document or make any press release relating to or arising out of this Agreement or its subject matter without obtaining the prior written approval of all other party

to this Agreement, to the contents thereof and the manner of its presentation and publication; provided that such approval shall not be unreasonably withheld or delayed.

24. CESSION OF RIGHTS

- 24.1. Save as otherwise expressly stipulated in this Agreement, this Agreement is personal to the parties;
- 24.2. No party may cede, delegate or assign any of its rights or obligations in terms of this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

25. WAIVER OF RIGHTS

- 25.1. No party's partial exercise of, or failure to exercise or delay in exercising any right, power, privilege or remedy in terms of this Agreement shall be construed as a waiver by that party.
- 25.2. Such partial exercise or failure shall not operate so as to preclude that party from exercising its rights strictly in accordance with this Agreement, unless such party has expressly waived or otherwise foregone its ability to exercise such right, power, privilege or remedy (at all or in part or until after such period of delay) in terms of a written document signed by such party.
- 25.3. In the event of a party having concluded such a written document, it shall be strictly construed to form an integral part of this Agreement.

26. AMENDMENT OR VARIATION OF THIS AGREEMENT

Any amendments or variations to this agreement will be reduced to writing and signed off by both parties.

27. ENTIRE AGREEMENT

This service level agreement constitutes the entire Agreement between the parties and replaces all previous representations, arrangements, discussion and agreements between the parties.

SIGNED at _____ on this _____ day of _____ 2023.

AS WITNESSES:

1. _____

Duly authorised for and on behalf of

EKURHULENI WATER CARE COMPANY

2. _____

SIGNED at _____ on this _____ day of

_____ 2023.

AS WITNESSES:

1. _____
Duly authorised for and on behalf of
XXXXXXX

3. _____

ANNEXURE "A"

A1. AUTHORITY OF SIGNATORY

B2. SCOPE OF WORKS

ANNEXURE "D"

D1. GENERAL CONDITIONS OF CONTRACT, JULY 2010

ANNEXURE "E"

E1. PERFORMANCE MANAGEMENT SYSTEM

ANNEXURE "F"

F1. COMMUNICATION AND MANAGEMENT PERSONNEL

The following personnel will be responsible for the execution of the contract hence all communication must be directed to them:

Please provide contact Person:

(011) 929-7032 –FINANCE SECTION

A Van Der Merwe – Manager: Financial Reporting

Albert.VanDerMerw@erwat.co.za



DRAFT PERFORMANCE EVALUATION MANAGEMENT

The Municipal Finance Management Act (No. 56 of 2003) Section 116 (2) (d) determines that a Municipality must enter into a Performance Management System (PMS) with all service providers.

A PMS will be concluded with the appointed bidder and the costing for this project will run during the 2023/2024 financial budget year.

The following document is a draft of the performance evaluation that will be conducted with the awarded bidders on a regular basis as determined in the Service Level Agreement. The final performance evaluation document will be finalised at SLA stage and signed together with the SLA.

The Finance Department will monitor performance on a monthly basis at scheduled meetings with the service provider where minutes of progress, activities, challenges, risks encountered, and planned work will be recorded. Evaluation will be based on progress, outputs, targets on key deliverables and compliance to the reporting timelines as specified. The draft Performance Evaluation Document is attached to this document for ease of reference and will be finalised at signing of the service level agreement.

DRAFT PERFORMANCE MANAGEMENT SYSTEM

EXTERNAL SERVICE PROVIDERS

(in terms of Section 116 of the Municipal Finance Management Act, Act 56 of 2003)

CONTRACT NUMBER AND DESCRIPTION	ERW2306/02: THE APPOINTMENT OF AN INDEPENDENT REGULATORY BOARD OF AUDITORS (IRBA) REGISTERED AUDIT FIRM TO PROVIDE QUALITY ASSURANCE ON THE DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE 2022/2023 FINANCIAL PERIOD		
SUCCESSFUL BIDDER	XX		
PROCESS OF PROCUREMENT	Once-off open bid process		
TERM OF CONTRACT	15/07/2023 TO 31/08/2023 (TBC)		
RESPONSIBLE PERSON FOR ASSESSMENT & COMPLETION OF PERFORMANCE REPORT	CHIEF FINANCIAL OFFICER	MR/MS: XX:	
	PROJECT MANAGER	MR/MS: XX:	
TARGET DATE FOR ASSESSMENT OF PERFORMANCE , e.g. Monthly/Quarterly/Annually	ON COMPLETION OF THE PROJECT	PERIOD OF REVIEW	31/082023

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	RESPONSIBLE PERSON & TARGET DATE	COMPLIANCE & DATE	COMPLIANCE RATINGS EXCELLENT =2 GOOD = 1 AVERAGE = 0 POOR = -1	DEVIATIONS, IF ANY, PROVIDE REASONS	AGREED RECTIFICATION MEASURES TO COMPLY
A. OPERATIONAL KPI's (TO BE COMPLETED BY RELEVANT DEPARTMENT IN LINE WITH SCOPE OF WORKS)						
Phase 1: Review of the draft 2022/2023 FP Annual Financial Statements	Conducting a technical review	Service provider				
	Reconciliation of AFS, TB, GL and supporting schedules	Service provider				
	Reconciliation of amounts on the face of financial statements and amounts as per the note	Service provider				
	Compare CY accounting policies to PY accounting policies. If there are changes, are comparatives updated and note of PY adjustment disclosed	Service provider				

	Compare PY amounts as per audited AFS to comparative amounts in the current year AFS. Are there changes? If there are changes, are they supported by valid reasons and did management disclose prior period adjustments/error note	Service provider				
	Compare current year amounts to prior year and budgets amounts. Are there abnormal variances? If so, obtain and assess reasons from management.	Service provider				
	Perusal of accounting policies that it is clear, specific and relevant to the municipal Entity	Service provider				
	Accounting Policies should not be generic from Caseware or other AFS preparation tool. They should be specific	Service provider				
Phase 2: Draft Report preparation:	Status report which outlines the key issues that were identified and proposed adjustments	Service provider				
	Presentation to ERWAT Executive Committee	Service provider EXCO				
	Final report documenting the outcome and findings of the assessment including corrective measures and or adjustments	Service provider				
	Recommendations as appropriate for the Board to submit Annual Financial Statements with no material misstatements	Service provider				
Phase 3: Project closure report	Conclusion of all findings and observations as well as ensuring that all corrections and adjustments have been appropriately actioned. Report signed off by the CA/Partner	Service provider				

ACCEPTED AND AGREED UPON ON BEHALF OF SERVICE PROVIDER:

NAME AND SURNAME
DELEGATED AUTHORISED PERSON

SIGNATURE

DATE

_____/_____/2022

ACCEPTED AND AGREED UPON ON BEHALF OF ERWAT:

NAME AND SURNAME
PROJECT MANAGER/SUPERVISOR

SIGNATURE

DATE

_____/_____/20

NAME AND SURNAME:
INTERIM CHIEF FINANCIAL OFFICER

SIGNATURE

DATE

_____/_____/20

B. COMMERCIAL KPI (TO BE COMPLETED BY SCM - ANNUALLY)					
			COMPLY	NON COMPLIANCE	AGREED RECTIFICATION MEASURES TO COMPLY
1. Completion and submission of Vendor Registration documents	Submission of updated documents for Capturing of Vendor on Solar with updated documents	Service Provider Annually SCM Contracts to upload new service provider on Solar and verify info annually for contract period			
2. Certified copies of mandatory documents	Verification of the following mandatory documents in the original tender document submitted: 1. Certified copy of company registration 2. Certified copy of Proof of Ownership 3. Proof of bank details (Bank statement or cancelled cheque) 4. Valid Income Tax for the owner of the business 5. Original Tax Clearance Certificate for the owner of the business 6. PAYE if staff are employed 7. VAT Registration (as per SARS annual turn-over value), if registered for VAT 8. UIF Certificate if staff are employed 9. Workman 's compensation if staff are employed 10. Security Officer's Board - if applicable - security industry 11. Certified proof of disability - if owner is disabled 12. Clear certified copy of owners Identity Document 13. Document stamped and signed by Commissioner of Oath 14. The Declaration of Interest Form completed and signed in full 15. CSD registration document (full and audit reports)	Service Provider in collaboration with Contract management section upon award and annually thereafter for the remainder of the contract term			

3. Submission of Invoices	The Original Tax Invoices submitted for payment reflects the following information: - On company letterhead - Business street/physical address - Business telephone and fax number/e-mail address - Quotation/Purchase Order reference number - Company VAT Registration Number (if applicable) - ERWAT VAT Registration Number: XXXXX - Tax Reference Number - Company Registration Number	Service Provider Monthly			
4. Indemnity Clause	Indemnification of ERWAT of any in- juries or losses that may occur during the execution of work	Service Provider Annually			
5. Occupational Health & Safety Act	Compliance to Occupational Health & Safety Act at all times. OHS Officer to sign off on documents in tender document and Safety file where required	Service Provider Ongoing & OHS Officer			
6. Training of staff and or skills transfer	Xx	Service Provider Ongoing			
7. Special conditions of contract: E.g. delivery period, response time, frequency of services, etc.	Xx	Service Provider Ongoing			

FOR OFFICIAL (SCM) USE ONLY:	
COMPLIANCE VERIFIED: SCM CONTRACT MANAGEMENT OFFICER	PERFORMANCE VERIFIED AND SIGNED BY ALL PARTIES: SCM SPECIALIST: CONTRACTS MANAGEMENT
NAME AND SURNAME: MS HESTER VAN ZYL	NAME AND SURNAME: MR MASOTLA SEBONA
SIGNATURE: _____	SIGNATURE: _____
DATE: _____ / _____ / 20____	DATE: _____ / _____ / 20____