



NALA LOCAL MUNICIPALITY

TENDER NUMBER – NLM/BT/007/2024-25: “PREPARATION OF GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FOR 2024/25”

Name of the bidder: _____

Amount (vat inclusive) _____

Address _____

Email _____

Closing date: **30 April 2025 AT 12H00**

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1. ADVERT CALLING FOR SUBMISSION OF BIDS

Tender Number- NLM/BT/007/2024-25: "PREPARATION OF GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FOR 2024/25"

Nala Local Municipality hereby invites suitably qualified service providers to prepare Grap-compliant annual financial statements for 2024/25.

Bids marked for the attention of the Municipal Manager must be submitted in a sealed envelope marked **"Tender Number- NLM/BT/007/2024-25: "PREPARATION OF GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FOR 2024/25"** must be deposited in the tender box located at Nala Local Municipality no later than, 30 April 2025, 12H00 at the following physical address:

Nala Local Municipality Offices; No. 8 Preller Street; Bothaville; 9660.

Tender documents are available on E-Tender, from the 28th of March 2025.

The tenders will be evaluated and adjudicated using functionality as the 1st Step and again in line with the approved Supply Chain Management Policy of Nala Local Municipality using 80/20 preference point system in accordance with the Municipality's Preferential Procurement Policy.

Tenders which are late or submitted by facsimile or electronically will not be accepted. Prices quoted must be valid for 90 days from the closing date of this tender. The municipality does not bind itself to accept the lowest or any tender and reserves the right to accept any tender either wholly or a part thereof or to disclose reasons for their decision.

Enquiries pertaining to bid procedure can be directed to Mr. M Malete (Manager: SCM & Assets) at 056 514 9200, email: mmalete@nala.org.za during office hours.

Mr. SJ Lehloenya
Municipal Manager

2. DETAILS OF THE TENDERER

Name of the bidder:

Postal address:

Business physical address:

Telephone number:

Facsimile number:

VAT registration:

NB: FAILURE TO PROVIDE THE ABOVE DETAILS WILL RESULT INTO YOUR BID BEING DISQUALIFIED FROM THE BIDDING PROCESS.

SCOPE OF WORK

SCOPE OF WORK

- ✓ Review/compilation/updating of the Annual Financial Statements for the 2024/25 financial year.
- ✓ The project will entail detailed analysis and correction of prior period errors (i.e., misallocations/misstatements, disclosure errors, etc.).
- ✓ Review of the financial records and assistance with adjusting journals to ensure accuracy/correctness of the Trial Balance figures.
- ✓ Draft set of AFS must be ready by no later than 15th August 2025 for submission to the Audit Committee/Internal Audit Unit for review.
- ✓ Compile the AFS for 2024/25 for submission to Auditor General of South Africa by Sunday, 31 August 2025.

NB – The service provider will be required to submit cover letter addressed to the municipality by the Reviewer of the AFS attesting to the accuracy of the Annual Financial Statements based on information made available by the municipality and that any errors identified by him/her, and municipality have been corrected to his/her satisfaction. This is done as there may be tendencies by some Service Providers not to thoroughly review the Annual Financial Statements (AFS) before submission to Auditor General of South Africa (AGSA) with the intention of effecting corrections during audit.

- ✓ Annual Financial Statements (including notes, workings, and schedules) will have to be compiled / done on CaseWare software which will be provided by the municipality. Therefore, it is essential that Prospective Service Provider is well conversant with this software.
- ✓ Compilation of an audit file for 2024/25 in line with National Treasury guidelines is requested.
- ✓ Addressing audit queries raised by Auditor General during audit and adjust accordingly where necessary as agreed upon with the AGSA

- ✓ Detailed skills transfer program for the purpose of skills transfer to municipal officials who will be seconded to this project must be visible.

Proposed evaluation

The evaluation of this Bid will be conducted in the following two (2) stages:

Functionality Criteria

Tenders will be pre-evaluated on the criteria as set out below. Bidders that score less than **70 out of 100** points for this criterion will be regarded as non-responsive and will not be evaluated on price and Specific Goals. Unclear, vague, fragmented, or incomplete information provided will result in no points being allocated.

The Bid Evaluation Committee reserves the right to request any documentation required to perform a meaningful functionality pre-evaluation. Bidders must therefore ensure that only relevant information is submitted. Please note that all feedback requested is time barred and SCM Evaluation team will not award any points for late submission and/or lack of response.

The following criteria will be used to calculate points for the functionality of tenders and bidders should ensure that they submit all information in order to be pre-evaluated on the criteria mentioned below:

FUNCTIONALITY

No	Functionality requirement	Points allocated
1	Company Experience Experience in compilation of GRAP compliant annual financial statements for which an unqualified audit opinion was obtained in the past five (5) years within local government environment. Bidders must attach an appointment letter and a corresponding reference letter on client's letter head with contactable references in order to be allocated points. • 4 or more reference letters of relevant experience with appointment letters = 30 • 3 reference letters of relevant experience with appointment letters = 20 • 2 reference letters of relevant experience with appointment letters = 15	30

No	Functionality requirement	Points allocated
2	Senior Manager with experience in compilation of annual financial statements and audit support Senior Manager of the project must be a SAICA registered chartered accountant or member. CV stating Company/personnel experience; certified copy of qualification(s) and registration certificates not older than 3 months of certification must be provided as well as a letter confirming membership and good standing from SAICA for the member. • >15 years' experience = 30 • 10 to 15 years' experience = 20 • 5 to 10 years' experience = 15 • 3 to 4 years' experience = 10	30
3	Team members experience in compilation of annual financial statements and audit support At least 2 accountants to be included in the engagement team must have at least 4 years of experience in compilation of annual financial statements and audit support and must be registered to a professional membership body (SAIPA, SAICA – CA(SA), AGA(SA) etc.) CV stating Company/personnel experience; certified copy of qualification(s) and registration certificates not older than 3 months of certification must be provided. • >6 years' experience = 30 • 5 to 6 years' experience = 20 • More than 4 years' experience = 10	30
4	Methodology and project plan Methodology and approach address all areas in detail and is comprehensively described covering all sections as per the scope of work = 5 Project plan with timeframes for execution of the scope of work = 5	10
		100

The successful bidder must score a minimum of 70 out of 100 to be considered further.

Preference Points System

Only those qualifying Bids will be evaluated in terms of the 80/20 preference points system, where the 80 points will be used for price (VAT inclusive) and the 20 will be points awarded for Specific goals as follows:

Table 1

10 Points of Specific goals, will be allocated based on B-BBEE status level of contributor in the following manner,

B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS (80/20 SYSTEM)	DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS
1	10	SANAS Accredited BBBEE Certificate or Sworn Affidavit
2	8	
3	6	
4	4	
5	2	
6	2	
7	2	
8	2	
NON-COMPLIANT CONTRIBUTOR	0	

Table 2

10 points of Specific goals, will be allocated based on a geographical area of a bidder as follows,

GEOGRAPHICAL AREA OF A BIDDER	NUMBER OF POINTS FOR PREFERENCE	DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS
Within the boundaries of the Nala Municipality	10	- Official Municipal Rates Statement - Lease Agreement with Lessor's official Municipal Rates statement
Within the boundaries of Lejweleputswa District	6	
Within the boundaries of the Free State	4	
Outside of the boundaries of the Free State	2	

1. FORM OF INDEMNITY

INDEMNITY

Given _____ by _____ (Name _____ of _____ Company)

of _____ (registered _____ address _____ of _____ Company)

_____ a company incorporated with limited liability according to the Company Laws of the Republic of South Africa (hereinafter called the Contractor/bidder), represented herein by (Name of Representative)

_____ in _____ his _____ capacity _____ as _____ (Designation)

_____ of the Contractor/bidder, is duly authorized hereto by a resolution dated _____ to sign on behalf of the bidder.

WHEREAS the Contractor has entered into a Contract dated _____ with the Municipality who require this indemnity from the Contractor/bidder.

NOW THEREFORE THIS DEED WITNESSES that the Contractor/bidder does hereby indemnify and hold harmless the Municipality in respect of all loss or damage that may be incurred or sustained by the Municipality by reason of or in any way arising out of or caused by operations that may be carried out by the Contractor/bidder in connection with the aforementioned contract; and also in respect of all claims that may be made against the Municipality in consequence of such operations, by reason of or in any way arising out of any accidents or damage to life or property or any other cause whatsoever; and also in respect of all legal or other expenses that may be incurred by the Municipality in examining, resisting or settling any such claims; for the due performance of which the Contractor/bidder binds itself according to law.

SIGNATURE OF BIDDER

SIGNED AT (PLACE)

NAME OF THE OF BIDDER

DATE

2. SERVICES REQUIREMENTS

1. Purpose

- 1.1. To invite bidders for preparation of Grap-compliant annual financial statements for 2024/25 financial year.

2. Background

The Nala Local municipality would like to procure the services of professional service provider to assist with preparation of Grap-compliant annual financial statements for 2024/25 financial year.

3. Objective

In awarding this proposal, the Nala Local Municipality expects to, at minimum, achieve the following objective:

- Preparation of Grap-compliant annual financial statements

4. Bid requirements

- 4.1. No bid will be accepted from a person in the service of the state and the municipality reserves the right to accept or reject any bid or part thereof.
- 4.2. Nala Local Municipality will not be responsible for any costs incurred by the bidders associated with the preparation of responses to the bid or tender and its submission to the municipality.

5. Validity of bids

- 5.1. Bids shall remain valid for a period of 90 (ninety) days after the closing date.

6. Contract period

- 6.1. This contract validity period is from the date of appointment until end of 2024/25 audit.

7. Evaluation of bids

- 7.1. Bids will first be evaluated by determining as to whether all the returnable documents have been submitted. Any bidder who fails to submit requested documents will be eliminated at this stage.
- 7.2. A bidder needs to score a minimum of points specified on functionality to proceed to the next stage. For the purpose of comparison and in order to ensure a meaningful evaluation, bidders are requested to furnish detailed information substantiating compliance to the evaluation criteria.
- 7.3. Only bidders who are found responsive in this stage will be considered further for evaluation based on Price and Specific goals.

8. Pricing

- 8.1. All amounts must be quoted in Rands and must include Value Added Tax where the tenderer is registered.

9. Payment schedule

- 9.1. Bidders should take note that the municipality will pay within 30 days after receiving the invoice.

3. FORM OF OFFER AND PRICING SCHEDULE

1. OFFER

- 1.1. The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works: **NLM/BT/007/2024-25: "PREPARATION OF GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FOR 2024/25"** .
- 1.2. All services shall be rendered upon receipt of the official order from the municipality or as per the signed service level agreement. The municipality shall not be held liable for payment as a result of services rendered outside the ambit of this processes.
- 1.3. Document **MUST** be completed in non-erasable black ink and **NO** correction fluid/tape may be used.
- 1.4. Nala Local Municipality does not bind itself to accept the lowest or any tender and reserves the right to accept any tender or part thereof, as it may deem expedient.
- 1.5. All prices shall be quoted in South African currency and be **INCLUSIVE** of VAT.
- 1.6. Should excessive increases occur, the successful bidder must inform the municipality in writing? The Municipality will then reserve the right to accept the increase and/ or to obtain other quotations.
- 1.7. The service provider shall furnish the municipality with an original detailed invoice.

2 General

2.1 PRICING SCHEDULE

BIDDER'S PROPOSAL TO BE FILED ON THE NEXT PAGE

SIGNATURE(S) OF THE TENDER	
NAME(S) OF THE TENDERER	
SIGNATURE DATE	

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

2. ACCEPTANCE

- 2.1. By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the conditions of contract identified in the Contract Data.
- 2.2. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.
- 2.3. Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.
- 2.4. It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.
- 2.5. The Employer can enter into a separate service level agreement with the supplier for the purpose of executing this contract.

4. OCCUPATIONAL HEALTH AND SAFETY

SECTION 37(2) OF THE OCCUPATIONAL HEALTH AND SAFETY ACT, 1993 (ACT 85 OF 1993)

WRITTEN AGREEMENT

THIS IS IN TERMS OF SECTION 37(2) OF THE OCCUPATIONAL HEALTH AND SAFETY ACT, 1993 (ACT 85 OF 1993)

BETWEEN:

NALA LOCAL MUNICIPALITY

AND

(Mandatory: Name of the bidder)

INTRODUCTION

The Occupational Health and Safety Act, 1993 (Act 85 of 1993) stipulates that the Chief Executive Officer is primarily responsible or liable for the health and safety of all his/her employees. This is embedded in Section 16(1) of the said Act. This responsibility or liability is also extended to include a mandatory that performs work on behalf of the employer on his/her premises.

A "mandatory" is defined in the said Act as: - *"Including an agent, contractor or subcontractor for work, but without derogating from his status in his own right as an employer or user"*

In terms of Section 37(2), read with Section 41, of the said Act, it is legally possible for an employer to indemnify himself from this responsibility or liability regarding the actions of the mandatory. Section 37(2) stipulates that there should be a written agreement in place between the employer and the mandatory regarding the arrangements and procedures between them to ensure compliance by the mandatory with the provisions of the Occupational Health and Safety Act, 1993.

By ensuring that there is a written agreement in place, the Management of Nala Local Municipality is acting in a responsible manner, so as to ensure that this requirement is indeed being met.

In order to ensure that this written agreement is honored at all times, regular inspections of work that is performed will be conducted and if found not complying with the said agreement, a notice of noncompliance will be issued. All work will be stopped and reasons for non-compliance must be given and what corrective action will be taken to rectify the situation must be stipulated.

SIGNED – MANAGEMENT:

WRITTEN AGREEMENT

This is a written agreement between
Nala local municipality
And

(Name of the MANDATARY)

In terms Section 37(2) of the Occupational Health and Safety Act, 1993 (Act 85 of 1993) as amended.

I, _____ representing the MANDATARY do hereby acknowledge that (*mandatary*) is an employer in its own right with duties as prescribed in the Occupational Health and Safety Act, 1993 (Act 85 of 1993) as amended and agree to ensure that all work that will be performed, any article or substance that will be produced, processed, used, handled, stored or transported and plant and machinery that will be used, will be done in accordance with the provisions of the said Act.

I furthermore agree to comply with the Health and Safety requirements and to liaise with the Municipality should I, for whatever reason, be unable to perform in terms of this Agreement.

SIGNED ON BEHALF OF MANDATORY	
PLACE	
PRINT NAME	
CAPACITY	
SIGNATURE	
DATE	

5. GENERAL CONDITIONS OF CONTRACT – GOVERNMENT PROCUREMENT

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 supplies 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.
- 1.13. 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.
- 1.14. "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.
- 1.15. "GCC" mean the General Conditions of Contract.
- 1.16. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.17.** "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.18. "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

- 1.19. "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.20. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.21. "Project site" where applicable, means the place indicated in bidding documents.
- 1.22. "Purchaser" means the organization purchasing the goods.
- 1.23. "Republic" means the Republic of South Africa.
- 1.24. "SCC" means the Special Conditions of Contract.
- 1.25. "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.
- 1.26. "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.27. "Tort" means in breach of contract.
- 1.28. "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.
- 1.29. "Written" or "in writing" means handwritten 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, 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 supplies, 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 as 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:
- 7.3.1. bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

7.3.2. a cashier's 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. Payment

8.1. The method and conditions of payment to be made to the supplier under this contract shall be specified.

8.2. 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.

8.3. Payments shall be made by the purchaser **no later than thirty (30)** days after submission of an **invoice, statement** or claim by the supplier.

8.4. Payment will be made in Rand unless otherwise stipulated.

9. Prices

9.1. 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.

10. Assignment

10.1. 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.

11. Subcontracts

- 11.1. 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.

12. Delays in the supplier's performance

- 12.1. 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.
- 12.2. 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.
- 12.3. 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 supplies are required, or the supplier's services are not readily available.
- 12.4. 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 without the application of penalties.
- 12.5. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to

complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

13. Penalties

13.1. 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.

14. Termination for default

14.1. 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:

14.1.1. 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;

14.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or

14.1.3. if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

14.2. 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.

- 14.3. 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.
- 14.4. 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.
- 14.5. 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 purchase actively associated.
- 14.6. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- 14.6.1. the name and address of the supplier and / or person restricted by the purchaser;
 - 14.6.2. the date of commencement of the restriction
 - 14.6.3. the period of restriction; and
 - 14.6.4. 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.

- 14.7. 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.

15. Anti-dumping and countervailing duties and rights

15.1. When, after the date of bid, provisional payments are required, or antidumping 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 contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

16. Force Majeure

16.1. 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.

16.2. 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.

17. Termination for insolvency

17.1. 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.

18. Settlement of Disputes

18.1. 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.

18.2. 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.

18.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

18.4. Notwithstanding any reference to mediation and/or court proceedings herein,

18.4.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

18.4.2. the purchaser shall pay the supplier any monies due for goods delivered and / or services rendered according to the prescripts of the contract.

19. Limitation of liability

19.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

19.1.1. 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

19.1.2. 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

20. Governing language

20.1. 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.

21. Applicable law

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

22. Notices

22.1. 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.

22.2. 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.

23. Taxes and duties

23.1. A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

23.2. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

23.3. 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.

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

24. Transfer of contracts

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

25. Amendment of contracts

25.1. 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.

26. Prohibition of restrictive practices.

26.1. 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.

26.2. 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.

26.3. 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.



**NALA LOCAL MUNICIPALITY
PART A
INVITATION TO BID**

MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NALA LOCAL MUNICIPALITY

BID NUMBER:	NLM/BT/007/2024-25	CLOSING DATE:	30 April 2025	CLOSING TIME:	12H00
-------------	--------------------	---------------	---------------	---------------	-------

DESCRIPTION	PREPARATION OF GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FOR 2024/25
-------------	---

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7)

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID
BOX SITUATED AT

NALA LOCAL MUNICIPALITY

8 PRELLER STREET

BOTHAVILLE

9660

SUPPLIER INFORMATION

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

TELEPHONE NUMBER

CODE

NUMBER

CELLPHONE NUMBER

FACSIMILE NUMBER

CODE

NUMBER

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

TAX COMPLIANCE STATUS

TCS PIN:

OR

CSD No:

**ARE YOU THE ACCREDITED
REPRESENTATIVE IN SOUTH AFRICA
FOR THE GOODS /SERVICES OFFERED?**

☐ Yes

☐ No

[IF YES ENCLOSE PROOF]

**ARE YOU A FOREIGN
BASED SUPPLIER FOR
THE GOODS /SERVICES
OFFERED?**

☐ Yes

☐ No

[IF YES, ANSWER PART B:3]

TOTAL NUMBER OF ITEMS OFFERED

TOTAL BID PRICE

R

SIGNATURE OF BIDDER

DATE

**CAPACITY UNDER WHICH THIS BID IS
SIGNED**

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

DEPARTMENT **Supply Chain**

CONTACT PERSON **Mr M Malete**

TELEPHONE NUMBER **056 514 9200**

FACSIMILE NUMBER **056 515 3922**

E-MAIL ADDRESS **mmalete@nala.org.za**

TECHNICAL INFORMATION MAY BE DIRECTED TO:

CONTACT PERSON **Mr M Bovu**

TELEPHONE NUMBER **056 514 9200**

FACSIMILE NUMBER **056 515 3922**

E-MAIL ADDRESS **mbovu@nala.org.za**

**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)**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS 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 RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:



Nala Local Municipality

MBD 2

TAX CLEARANCE CERTIFICATE REQUIREMENTS

1. It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
2. In order to meet this requirement bidders are required to complete in full the form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
3. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
5. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
6. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
7. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through their website www.sars.gov.za.



Nala Local Municipality

MBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a tender or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

a. the bidder is employed by the state; and/or

b. the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1. Full Name of bidder or his or her representative: _____

2.2 Identity Number: _____

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

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:

2.5 Tax Reference Number: _____

2.6 VAT Registration Number: _____

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹“State” means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

2.7. Are you or any person connected with the bidder presently employed by the state?

YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed:

Position occupied in the state institution:

Any other particulars:

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

YES / NO

2.7.2.1. If yes, did you attach proof of such authority to the bid document?

YES / NO

(NOTE: FAILURE TO SUBMIT PROOF OF SUCH AUTHORITY, WHERE APPLICABLE, MAY RESULT IN THE DISQUALIFICATION OF THE BID).

2.7.2.1 If no, furnish reasons for non-submission of such proof:

2.8. Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

YES / NO

2.8.1. If so, furnish particulars:

2.9. Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.9.1 If so, furnish particulars.

2.10. Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.10.1. If so, furnish particulars.

2.11. Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES / NO

2.11.1. If so, furnish particulars:

2. FULL DETAILS OF DIRECTORS / TRUSTEES / MEMBERS / SHAREHOLDERS.

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

3. DECLARATION

I, THE UNDERSIGNED (NAME) _____

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT and I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

NAME OF THE BIDDER	
POSITION	
SIGNATURE	
DATE	



Nala Local Municipality

MBD 6.1

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

This preference form must form part of all the 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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the Municipality

- a.. The applicable preference point system for this tender is the 80/20 preference point system.
- b.. The lowest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the Municipality:

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

“**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;

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

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

3.2.1. POINTS AWARDED FOR PRICE

$$P_S = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } P_S = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

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 and table 2 below as may be supported by proof/ documentation stated in the conditions of this tender:

10 Points of Specific goals, will be allocated based on B-BBEE status level of contributor in the following manner.

B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS (80/20 SYSTEM)	DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS
1	10	SANAS Accredited BBBEE Certificate or Sworn Affidavit
2	8	
3	6	
4	4	
5	2	
6	2	
7	2	
8	2	
NON-COMPLIANT CONTRIBUTOR	0	

Table 2

10 points of Specific goals, will be allocated based on a geographical area of a bidder as follows,

GEOGRAPHICAL AREA OF A BIDDER	NUMBER OF POINTS FOR PREFERENCE	DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS
Within the boundaries of the Nala Municipality	10	• Official Municipal Rates Statement • Lease Agreement with Lessor's official Municipal Rates statement
Within the boundaries of Lejweleputswa District	6	
Within the boundaries of the Free State	4	
Outside of the boundaries of the Free State	2	

Specific goals for the tender and points claimed are indicated in the table below.

Note to tenderers: The tenderer must indicate how they claim points for preference point system by referring to table 1 & 2 above.

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
B-BBEE Status Level	10	
Locality	10	
Total	20	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.1. Name of company/firm.....

4.2. Company registration number:

4.3. TYPE OF COMPANY/ FIRM

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

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

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

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

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....



Nala Local Municipality

MUNICIPAL BIDDING DOCUMENT (MBD) 7.2

MBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

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 SERVICE PROVIDER)

1. 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..... 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.
2. 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;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. 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.
4. 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 fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)		WITNESSES 1 2
--------------	-------	---

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity
as.....
accept your bid under reference numberdated.....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.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

- 1
-
- 2



Nala Local Municipality

MUNICIPAL BIDDING DOCUMENT (MBD) 8

MBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 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.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. 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).
- 4 **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 as a company or person 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	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)?	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 municipality / 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 ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS/ARE 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 OF BIDDER	
POSITION	
SIGNATURE	
DATE	



Nala Local Municipality

MUNICIPAL BIDDING DOCUMENT (MBD) 9

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ (¹ Includes price quotations, advertised competitive bids, limited bids and proposals) 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 *pe se* prohibition meaning that it cannot be justified under any grounds (² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete).
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:

CERTIFICATE OF INDEPENDENT BID DETERMINATION

NLM/BT/007/2024-25: "PREPARATION OF GRAP-COMPLIANT ANNUAL FINANCIAL STATEMENTS FOR 2024/25" in response to the invitation for the bid made by Nala Local Municipality do hereby make the following statements that I certify to be true and complete in every respect:

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

- i. I have read and I understand the contents of this Certificate;
- ii. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
- iii. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
- iv. 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;
- v. 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 (³ *Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract*) 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.

NAME OF BIDDER	
SIGNATURE	
POSITION	
DATE	

6. DECLARATION BY TENDERER

I / We acknowledge that I / we am / are fully acquainted with the contents of the conditions of tender of this tender document and that I / we accept the conditions in all respects.

I / We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of *my / our tender and that I / we elect *domicillium citandi et executandi* (physical address at which legal proceedings may be instituted) in the Republic at:

I / We accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving in me / us under this agreement as the principal liable for the due fulfillment of this contract.

I / We furthermore confirm I / we satisfied myself / ourselves as to the corrections and validity of my / our tender; that the price quoted cover all the work / items specified in the tender documents and that the price(s) cover all my / our obligations under a resulting contract and that I / we accept that any mistake(s) regarding price and calculations will be at my / our risk.

I / We furthermore confirm that my / our offer remains binding upon me / us and open for acceptance by the Purchases / Employer during the validity period indicated and calculated from the closing date of the bid.

SIGNATURE	
CAPACITY	
NAME (PRINT)	
NAME OF FIRM	
DATE	

RETURNABLE DOCUMENTS FOR EVALUATION PROCESS(MANDATORY)

1. Fully completed tender Document
2. Authority to Sign a Bid The duly completed form and a copy of the company's resolution for authority to sign bid
3. Registration documents of the bidder Certified certificate of incorporation
4. Tax Compliance status pin VALID Tax Compliance status pin (it is responsibility of bidder to ensure that their tax status remain compliant all the time)
5. ID Copies of Directors Certified ID Copies not older than three months
6. Central Supplier Database Registration Report
7. Joint venture agreement IF APPLICABLE
8. SANAS approved B-BBEE Certificate or a sworn affidavit or consolidated BBB-EE certificate in case of Joint Venture agreement to claim points for specific goals
9. Copy of municipal rates & taxes account for both director(s) AND company (for March or April 2025) , or valid lease agreement in case of rentals