INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

BIDDER'S NAME:

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

INVITATION TO BID

ADVERTISEMENT

Inkosi Langalibalele
LOCAL MUNICIPALITY - UMKHANDLU WENDAWO

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

Inkosi Langalibalele Local Municipality hereby invites proposals from all suitable qualified and experienced organizations/consortia in terms of section 83 of the Municipal systems Act, Act 32 (as amended) and sections 110 and 112 of the Municipal Finance Management Act, Act 56 of 2003 for the Panel of Financial Management Consultants: The Provision of VAT Services, The Provision of Internal Audit, The Provision of Data Cleansing, The Provision of Debt Collection, The Preparation of Annual Financial Statements, The Provision of Various Functions Pertaining to Asset Management

Project Name	Bid No	Tender Document	Closing Date
Panel of Financial Management Consultants for a Period of Three (03) Years	ILM31/24/25	Request for Proposals	15 April 2025 @ 10h00

Evaluation criteria will be based on functionalities whereby the tenderers must obtain a minimum of 70% to be eligible for further evaluation

Terms of reference and functionality criteria will be available in pdf format as from **13 March 2025** on Municipal website (www.ilm.gov.za) and e-tenders website (www.etenders.gov.za)

Specific Goals shall apply on a format to be determined by the municipality during the allocation process.

Tenders are to be completed in full bond and in accordance with the conditions and bid rules contained in the bid documents and supporting documents must be placed in a sealed envelope and clearly marked **"(Panel of Financial Management Consultants for period of 36 months)" quoting the relevant Bid Number** must be deposited in the Tender box at the Municipal Entrance Foyer, Ground Floor, Inkosi Langalibalele Municipality, Civic Buildings, Victoria Street, Estcourt, 3310 by not later than **07 April 2025 at 10h00 a.m.** where they will be opened and registered in public.

The Inkosi Langalibalele Municipality subscribes to the Preferential Procurement Regulations 2022, pertaining to the preferential procurement policy framework act (PPPFA) principles. The tender will be evaluated on 80/20 as per the PPPFA Regulations 2022 and shall be based on pre-qualification and functionality. Bidders are required to submit Comprehensive Proposals accompanied by the company's Detailed CSD (Central Supplier Database) Report, CIPC Documents, Certified Identity Documents of all Directors, Valid Tax Clearance Certificate/PIN from the Receiver of Revenue, Rates and Taxes Statement obtainable from the Local Municipality, alternatively, Valid Lease Agreement. Please note that the onus is upon the tenderer to ensure that the Tax matters are **always** up to date.

Service providers operating in exempted areas shall submit an exemption letter obtainable from a Local Municipality.

Technical enquiries shall be directed to: Finance Department – Mr SA Memela on 036 342 7827 or emailed to majiki@ilm.gov.za and SCM Compliance enquiries shall be directed to - Mr LG Sithathu on 036 342 7836 **or emailed to lsithathu@ilm.gov.za** during office hours 07h30 till 16h30.

The INKOSI LANGALIBALELE Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept a bid in whole or any part. The municipality further reserves the right to extend this bid and/or not to award this bid

MR S.B. MTHEMBU
MUNICIPAL MANAGER **Notice: 04/2025**

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

CONDITIONS OF THE BID

INKOSI LANGALIBALELE LOCAL MUNICIPALITY
FINANCE DEPARTMENT

ILM 31/24/25: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

CONDITIONS OF THE BID

A. GENERAL

1. Bid documents must be completed in black ink and prices must include VAT.

2. **All pages and annexures must be <u>initialled / sign in full signature</u> where required.**

3. The lowest or any bid will not necessarily be accepted and Inkosi Langalibalele Local Municipality reserves the right to accept the whole or any part of a bid or to reject any or all the bid without stating the reasons thereof.

4. No bid will be accepted by fax or e-mail.

5. Bids are to remain open for acceptance for a period of one hundred and twenty (120) days from the date they are lodged and may be accepted at any time during the said period of one hundred and twenty (120) days.

6. All prices and details must be legible / readable to ensure the bid will be considered for adjudication.

7. Full details of services offered must be supplied together with the return documents. All additional documents returned with the bid documents must be firmly bound and marked as **"Additional"** to the specific bid reference number.

8. Only bids on Inkosi Langalibalele Local Municipality official bid document will be accepted and the original document must be returned, fully completed and signed, in the form presented. **Failure to do so will invalidate such bid.**

9. **Corrections may not be made by means of a correcting fluid. <u>In the event of a mistake having been made it shall be crossed out in ink and be accompanied by a full signature at each and every alteration</u>. The Municipality reserves the right to reject the bid if corrections are not made in accordance with the above.**

10. Should it be considered necessary by the bidder that officials of Inkosi Langalibalele Local Municipality should proceed to other centres for inspection purposes, such costs shall be for the account of the bidder.

11. This contract will be governed by Inkosi Langalibalele Local Municipality "Conditions of the Bid" only and not any conditions supplied by the bidder.

12. The bidder must submit a comprehensive company profile, for example the founding company statements, as well as detailed exposition of previous work done.

13. If items are not bid for a line must be drawn through the space in pen.

14. Only bids received as per the instruction stated on the invitation to bid will be considered.

B. DEMONSTRATIONS AND INSPECTIONS

1. All bidders must be prepared to demonstrate where required, free of charge and obligation, at the Inkosi Langalibalele Local Municipality or any other area within the boundary of the Inkosi Langalibalele Municipality, any services offered in this bid.

2. Where officials are required to attend demonstrations or inspections outside the boundary of the Inkosi Langalibalele Area, all costs to attend such demonstrations must be borne by the bidder.

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

GENERAL CONDITIONS OF CONTRACT

INKOSI LANGALIBALELE LOCAL MUNICIPALITY
FINANCE DEPARTMENT

ILM 31/24/25: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

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

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 or another form acceptable to the purchaser; or

(b) 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. 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 rejected.

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

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

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

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

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 are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

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

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

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

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

The supplier shall notify the purchaser in writing of all subcontracts awarded under these contracts 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

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;

(b) 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 Bid 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. Antidumping and countervailing duties and rights

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

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

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

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

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

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

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.

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS

SPECIAL CONDITIONS OF BID

INKOSI LANGALIBALELE LOCAL MUNICIPALITY
FINANCE DEPARTMENT

BID NO: ILM 31/24/25: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

SPECIAL CONDITIONS OF BID

1. REQUIREMENTS OF THE CONTRACT

The Inkosi Langalibalele Local Municipality invites suitable service providers to submit bids for the Panel of Financial Management Consultants for Period of 36 Months from date of confirmation of appointment of the service provider. The panel will be used on a random rotational basis. The successful service provider will enter into a service level agreement with the municipality. The contract will be reviewed annually and may be cancelled at any stage based on the performance of the service provider.

2. PAYMENT

Payments shall be made promptly by the municipality, but in no case later than thirty (30) days after submission of an invoice or claim by the service provider for the duration of the contract provided that all the relevant documentation required by the municipality is submitted by the service provider.

3. PRICE

Prices charged by the service provider for services performed under the contract shall not vary from the prices quoted by the service provider in his bid for the first twelve months of the contract unless agreed by the service provider and the municipality after the service provider has justified the basis of the variation and provided that the basis is accepted by the municipality.

4. DURATION OF CONTRACT

The contract for the panel of printing services is envisaged to subsist for a period of thirty-six (36) months from the effective date of the contract. The contract will be reviewed regularly and may be cancelled at any stage based on the performance of the service provider.

5. SERVICE LEVEL AGREEMENT

1. A service level agreement will be entered and signed between the municipality and the allocated successful bidder.

2. Negotiations will take place with the allocated successful bidder to ensure that the contract is acceptable to both parties.

3. Negotiations in respect of said Service Level Agreement (SLA) must be finalised and the document signed within thirty (30) working days after the award of this contract.

4. Should no consensus be reached within thirty (30) working days of finalising the Service Level Agreement (SLA), the Municipality will be entitled to:

    i) cancel it's acceptance of the bid, or
    ii) extend the negotiation period without prejudice to any of it's other rights in terms of this contract or common law.

5. The municipality reserves a right to extend the service level agreement on basis of the evaluation of the service provider performance review which shall be performed on a period determined by the municipality. The extension shall not exceed the period of the panel.

6. RETURNABLE DOCUMENTS

The issued and required documents must be returned in the form and order in which they were issued and required to assist the Inkosi Langalibalele Local Municipality to expedite evaluation of the bids. The Inkosi Langalibalele Local Municipality reserves the right to disqualify a bid in the event that the bidder does not fully comply with this provision.

7. MANDATORY OBJECTION PERIOD

All administrative actions and decisions taken by the Municipality through its officials may become subject to an appeal process. As such, in terms of Section 62 of the Municipal Systems Act 32 of 2000, a period of fourteen (14) days will be set aside to allow for the submission of appeals against the award / process of making the award to a particular bidder by any interested party. The period of fourteen (14) days shall commence from the date of issuing of the intention to award. Except in scenarios where the decision of a duly appointed appeal panel sets aside the appointment of the successful bidder as the service provider for this contract, the appointment will then be confirmed by the municipality in writing.

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

TERMS OF REFERENCE

INKOSI LANGALIBALELE LOCAL MUNICIPALITY
FINANCE DEPARTMENT

BID NO: ILM 31/24/25: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36MONTHS

REQUEST FOR PROPOSAL (RFP) FOR PANEL OF FINANCIAL MANAGEMENT CONSULTANTS - IDENTIFICATION AND RECOVERY OF SAVINGS FROM TAX AUTHORITY AND RECONCILIATION

The Inkosi Langalibalele Local Municipality hereby invites firm to submit their proposal for provision of the consulting services on the identification and recovery of savings from tax authority and reconciliation.

Scope of work:

- Review all the transactions as recorded on the General Ledger and propose correcting journal to ensure correct accounting and tax treatment in terms of the relevant standards and laws (i.e. GRAP and VAT)
- Identification and recovery of all tax savings from SARS.
- Compile and submit monthly VAT 201 Returns to SARS.
- Handle all Audit queries that may come from SARS and AG.
- Assist with the preparation of the year end VAT RECONCILIATION for financial accounting reporting purposes and handle all Audit queries that may come from AG during the audit.
- Prepared annual VAT audit file to form part of the Annual Financial Statements
- Review and benchmark municipality's internal controls and processes in order to ensure full compliance with laws and regulation.
- Though a proper skill transfer ensure effective training of the relevant officials.

The evaluation of the bid will be conducted through the pre-qualification and thereafter the assessment of functionality based on evaluation criteria and the minimum 70 POINTS must be scored to proceed to next stage.

EVALUATION CRETERIA:

EVALUATION CRITERIA	POINTS
COMPANY EXPERIENCE -	15 POINTS - FIRM THAT HAS BEEN IN EXISTENCE FOR 10 YEARS AND ABOVE – 15 POINTS - FIRM THAT IS LESS THAN 10 YEARS – 5 POINTS
ACADEMIC QUALIFICATION & EXPERIENCE OF A COMPANY DIRECTORS THAT APPEARS ON THE CK DOCUMENT	20 POINTS - DEGREE/DIPLOMA IN TAXATION/ACCOUNTING OBTAINED WITHIN 6 TO 10 YEARS AGO– 20 POINTS - DEGREE/DIPLOMA IN TAXATION/ACCOUNTING OBTAINED WITHIN 3 TO 5 YEARS AGO – 10 POINTS - DEGREE/DIPLOMA IN TAXATION/ACCOUNTING OBTAINED WITHIN 2 YEARS AGO – 5 POINTS
EXPERIENCE IN TAXATION - OF A COMPANY DIRECTOR(S) THAT APPEARS ON THE CK DOCUMENT – MEMBERSHIP WITH THE SOUTH AFRICAN INSTITUTE OF TAX PRACTITIONERS OR SOUTH AFRICAN INSTITUTE OF PROFESSIONAL ACCOUNTANTS	10 POINTS - BECAME A MEMBER AND A TAX PRACTITIONERS OR PROFESSIONAL ACCOUNTANT FOR MORE THAN 10 YEARS - 10 POINTS - BECAME A MEMBER AND A TAX PRACTITIONERS FOR MORE THAN 5 YEARS - 5 POINTS
EXPERIENCE IN ACCOUNTING - OF A COMPANY DIRECTORS THAT APPEARS ON THE CK DOCUMENT – MEMBERSHIP WITH SAICA OR SAIBA	10 POINTS - BECAME A MEMBER AND PRACTISING FOR MORE THAN 10 YEARS - 10 POINTS - BECAME A MEMBER AND PRACTICING FOR MORE THAN 5 YEARS - 5 POINTS
PREVIOUS EXPERIENCE ON SIMILAR PROJECT	20 POINTS - 5 LETTERS OF APPOINTMENT/ REFERENCE LETTERS – 20 POINTS - 3-4 LETTERS OF APPOINTMENT/ REFERENCE LETTERS – 10 POINTS - 1-2 APPOINTMENT LETTER(S)/ REFERENCE LETTER(S) – 5 POINTS
TEAM COMPOSITION	5 POINTS - 1 SENIOR CONSULTANTS WITH BCOM PLUS ARTICLES AND EXPERIENCE IN SIMILAR ASSIGNMENT-5 POINTS - OTHER SENIOR CONSULTANTS – 2 POINTS

METHODOLOGY	15 POINTS – Sound and adequate proposal that address project plan 5 POINTS – Moderate proposal 0 POINTS – Poor proposal
CLEAR SKILL TRANSFER PLAN	5 POINTS

NO LATE, EMAILED, POSTED OR FAXED BIDS WILL BE ACCEPTED

PLEASE NOTE

Bidders will be required to submit the following information with the tender proposal:

1. Proof of certificate as a tax practitioner or VAT specialist of each personnel
2. Curriculum Vitae with certified qualifications of each personnel
3. Appointment letters/Reference letters

TERMS OF REFERENCE FOR THE APPOINTMENT OF SERVICE PROVIDES

1. PROJECT NAME: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS - IDENTIFICATION AND RECOVERY OF SAVINGS FROM TAX AUTHORITY AND RECONCILIATION FOR THE PERIOD OF 36 MONTHS

2. EVALUATION SYSTEM.

The tender will be evaluated on pre-qualification and functionality which will be scored out of 100. Tenders must obtain a minimum of 70 points to be considered for further evaluation.

The Value Added Tax, Recovery Service should include:

1. Determine the total monthly taxable supplies of the municipality per the municipality's general ledger and calculate output VAT on this amount;
2. Determine the total monthly capital and operating expenditure of the municipality on which calculate input VAT may be claimed per the municipality's general ledger and calculate input VAT on this expense;
3. Prepare municipality's monthly VAT201 returns for the auditors;
4. Reconcile total monthly output VAT input as per item 3 above and input VAT as per item 2 above;
5. Submit the monthly VAT201 returns to SARS;
6. Prepare the necessary journals for any deviances to the general ledger;
7. Prepare the audit file for 12 monthly VAT201 returns for the auditors;
8. Perform the year-end VAT recon;
9. Assist to respond to any audit findings relating to vat recon

3. PRICING SCHEDULE

Bidders must stipulate the professional fees in the form of a percentage of the total recovered amount and stipulate if there are any escalations during the period of the bid. Failure to do such will result on an automatic disqualification.

4. CONTACT PERSONS

For any **enquiries**, please contact the Project Champion:

Ms. G S Dube
Expenditure Unit
Telephone No: 036 342 7814
E-mail Address: ximbas@ilm.gov.za

Mr. L G Sithathu
Supply Chain Management Unit
Telephone No: 036 342 7836
E-mail Address: lsithathu@ilm.gov.za

PLEASE NOTE THAT THE TENDER VALIDITY PERIOD IS 120 DAYS FROM THE CLOSING DATE.

REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A SERVICE PROVIDER TO A PANEL OF FINANCIAL MANAGEMENT CONSULTANTS TO RENDER INTERNAL AUDIT AND OTHER RELATED PROFESSIONAL SERVICES FOR A PERIOD OF THREE YEARS

SPECIFICATION

1. SCOPE OF CONTRACT

The scope of contract calls for the appointment of a suitably qualified and experienced Service Providers to render Internal Audit and other related professional services and to assist with the provision of such services to the municipality’s Internal Audit Unit “as and when” the need arises.

2. BACKGROUND

2.1 The Inkosi Langalibalele Local Municipality has an Internal Audit Unit which is established in terms of Section 165 of the Municipal Finance Management Act (MFMA), Act 56 of 2003, under the Office of the Municipal Manager. The Unit reports functionally to the Audit Committee and administratively to the Accounting Officer.

2.2 The municipality’s Internal Audit Unit is required to provide internal audit services, as contemplated in Section 165 of the MFMA to the municipality and its municipal entities.

2.3 The Unit is currently under capacitated and in terms of Section 165 (3), internal audit function may be outsourced if the municipality requires assistance to develop its internal capacity.

3. **SCOPE OF WORK**

3.1 The contract calls for the internal audit professional Service Provider(s) to assist Inkosi Langalibalele municipal Internal Audit Unit in the provision of internal audit services as per the internal audit operational plans. The unit's functions include the following:

3.1.1 Preparation of a three-year rolling risk-based audit plan and an internal annual audit for each financial year;

3.1.2 Advise the Accounting Officer, Mayor, Executive Committee and Council and report to the Audit Committee on the implementation of the annual internal audit plan and matters relating to:

(i) Internal audit;
(ii) Internal controls;
(iii) Accounting procedures and practices;
(iv) Perform such other duties as may be assigned to it by the Accounting Officer.
(v) Performance management;
(vi) Loss control;
(vii) Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; and
(viii) Perform such other duties as may be assigned to it by the Accounting Officer.

3.2 The following are other duties which the unit is expected to perform on behalf of the Audit Committee:

(a) review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;

(b) respond to the council on any issues raised by the Auditor-General in the audit report; and

(c) perform such other functions as may be prescribed.

4. **DETAILED SPECIFICATION**

The Internal Audit Unit requires co-sourced partners with internal audit technical expertise in various areas of its operations. The following internal audit services dictates the types of specialized skills that may be required by the Inkosi Langalibalele Local Municipality on an "as and when" needed basis during the financial years 2025/2026 to 2027/2028:

No.	Category of Internal Audit Services	Skills Requirements	Description of Services Required
1	Risk Based Audits	Internal Auditors with risk, compliance, financial and operational auditing experience and with an ability to think out of the box and deadline driven.	Conduct risk-based audits; Conduct compliance/regulatory audits; Conduct Governance and Ethics reviews;

			Conduct financial reviews; Conduct operational audits (core technical functions) of the municipality; Ad-hoc audits; Risk assurance; and Etc.
2	Legislated Audits	Auditors with articles and financial accounting expertise	Financial Statements review; Financial Analysis; Budget reviews; Section 71 reports review; and Etc.
3	Information and Communication Technology Audits	Information and Communication Technology Auditors; and ICT Specialists with in-depth understanding of SAP (with SAP competency certificates/accredited by SAP)	Conduct information and communication audits
4	Performance Audits and Audit on Performance Information	Performance Auditors	Conduct performance audits; and Conduct audit on Performance Information.
5	Internal Audit Technical Services	Specialist trainers and facilitators in internal audit field and must have an in-depth understanding of the municipality of high capacity.	Develop and implement an Internal Quality Assurance Program.
6	Other Consulting Activity	Professionals in various fields with experience in either audits or investigations and have given evidence as expert witnesses in courts (e.g. civil/structural, electrical, mechanical, quantity surveying, Property Development/ Real Estate etc.).	Be part of the team in the audits and forensic investigation

7	Risk and Control Identification, Assessment facilitation and Risk Management	Control Self-Assessment specialists; Risk Management Specialist; and Specialist trainers and facilitators	Facilitation of CSA and risk assessment workshops.

In addition to the above requirements, Service Providers must maintain full support services, which include the following:

1) Management of resources;
2) Project Management (from planning to output);
3) Guarantee of quality in the services provided; and
4) Contractual control for resources supplied.

5. TRANSFER OF SKILLS

The plan for the transfer of skills should be included and must be demonstrable. The plan will be evaluated on a regular basis.

6. DELIVERABLES

The output requirement is to provide the Inkosi Langalibalele Local Municipality's Internal Audit Unit with capacity support in a form of a co-sourced arm by producing internal audit reports supported by complete and signed off audit working paper files, training workshops and sessions, manpower, etc, "as and when" required.

7. COMPETENCY/EXPERTISE REQUIRED

- Knowledge and expertise in the application of the best practice audit methodologies suitable for the local government sector institutions.
- A clear and excellent understanding of the dynamics of the local government environment.
- Competency of specialist internal audit teams in performing various audits.
- Ability to transfer skills and expertise to Internal Auditors employed by the municipality.
- Service Providers shall provide only personnel with the required competency and skills necessary to complete the assigned tasks and trainees must be brought in at the cost of the Service Provider.
- Experience and expertise to undertake multi-faceted and complex audits.

8. COMMUNICATION AND REPORTING

8.1 The successful tenderer(s) will report to the Internal Audit Executive and the municipal Audit Committee operationally and Municipal Manager administratively in relation to various assignments, according to agreed terms as would be documented on the subsequent Service Level Agreements (SLAs) and contracts.

8.2 Audit assignments will be initiated by means of written instructions to the successful tenderer(s) on random basis, backed by verbal briefings where necessary.

9. DETAILS OF SERVICE PROVIDER'S PROPOSAL

9.1 Company/individual profile.

9.2 Methodologies to be applied in various assignments (refer to scope). Similar assignments undertaken, contactable references, nature of assignments, duration and number of persons developed resulting from the assignments.

9.3 Profile of various audits specialist as depicted on the scope above.

10. MANDATORY CONDITIONS

10.1 Proposals may be submitted for any or all of the categories indicated in the scope above. Responses should, however, clearly indicate which category the tenderer is responding to and include the following:

10.2 Where an entity forms a joint venture or a consortium with (an) other entity(s), the parties to this agreement must express in the tender proposal what aspect of the scope of work each party would be adding value to and what percentage each party will receive in terms of the proceeds flowing from any assignment.

10.3 The Service Providers or the proposed team must be registered with the Institute of Internal Auditors of South Africa as members in good standing.

10.4 The Services Providers must have experience in areas detailed under clause 4 above.

10.5 The Services Providers must have an office in the Province of KwaZulu-Natal that is functional.

10.6 Proposals should also clearly indicate how tenderers intend to transfer skills to the Internal Audit staff. This should particularly indicate how this was done in previous assignments.

10.7 The successful tenderer(s) will enter into a contractual agreement(s) with the Inkosi Langalibalele Local Municipality confirming the appointment on the list of Service Providers.

10.8 The successful tenderer(s) will ensure that copyright in any document produced and the patent rights or ownership of reports and working paper files, any system or process designed or devised by the tenderer(s) in the course of the internal audit services is vested in the municipality.

10.9 The appointed Service Provider(s) may not recruit or shall not attempt to recruit an employee of the principal for purposes of preparation of the tender or for the duration of the execution of this contract or any part thereof.

10.10 Payment will only be made upon approved deliverables.

11. CONTACT PERSONS

For any **enquiries**, please contact the Project Champion:

Dr. A T M Gwala
Internal Audit Unit
Telephone No: 036 342 7824
E-mail Address: atm@ilm.gov.za

Mr. L G Sithathu

Supply Chain Management Unit
Telephone No: 036 342 7836
E-mail Address: lsithathu@ilm.gov.za

12. SUBMISSION OF TENDERS

A completed tender document with all necessary attachments (one copy), together with a scanned copy either on a Compact Disc (CD) or USB-Flash Drive securely attached to the tender document, must be submitted in a sealed envelope on the closing date of tender.

13. DURATION

The duration of appointment to the panel will run for a maximum period of three (3) year cycle, the date of acceptance of appointment will be the commencement date.

The municipality shall then appoint from the panel the service provider allocated for a specific period within a period of three years

The Service Provider must be in a position to commence with its duties within ten (10) working days from the date of appointment.

The successful Service Provider(s) shall sign a Service Level Agreement with the Inkosi Langalibalele Local Municipality.

14. ESCALATION

The tenderers must state whether the price is to remain firm for the duration of the contract period or is subject to escalation. If it is subject to escalation, state the type and intervals of escalation i.e. CPIX or a percentage.

15. PENALTIES

Invoices for work not completed or of poor quality will not be paid for. In cases of delay in the delivery of the service, an assessment will be done on the root cause and a decision made based on the findings. Any delays on the part of the Consultant(s) will result in a penalty of one percent (1%) of the total fee of an assignment per day which will be deductible from the invoice.

16. COMPLIANCE WITH ANY LEGISLATION, BYLAWS, ETC.

All works to be undertaken under this contract shall be compliant in accordance and/or governed by the following Legislation and Regulations:

(1) The Occupational Health and Safety (OHS) Act (Act No. 85 of 1993)
(2) The Compensation for Occupational Injuries and Diseases (COID) Act (Act No. 120 of 1993)
(3) The Labour Relations Act (Act No. 66 of 1995)
(4) The Basic Conditions of Employment (BCE) Act (Act No. 3 of 1983)
(5) The Income Tax Act (Act No. 58 of 1962)
(6) The Value Added Tax (VAT) Act (Act No. 89 of 1991) Section 17 permissible deductions of input tax.
(7) The Municipal Finance Management Act (MFMA) (Act No. 56 of 2003)
(8) The Preferential Procurement Regulations, 2022

(9) The Inkosi Langalibalele Local Municipality's Bylaws

(10) Registration with the Institute of Internal Auditors of South Africa

(11) Standards for the Professional Practice of Internal Auditing by the Institution for Internal Auditors (SA)

17. INSPECTION OF SERVICE PROVIDER'S PREMISES

The Municipality reserves the right to inspect the Service Provider's premises to verify the existence and functionality of such an office.

18. EVALUATION CRITERIA

This tender will be evaluated on the 80/20 preferential procurement policy framework Act (PPPFA). The evaluation criteria will be based on functionalities which shall be enshrined on the Terms of Reference.

Functionality evaluation criteria will be based on the following functionalities

No.	Evaluation Criteria	Maximum Points	Weights
1.	Firm of Chartered Accountants	10 Points	- 10 Points - CK & CA certificate of at least one of the Directors per CK
2.	Qualification & Experience of a project director/partner	5 Points	- 5 Points – CA plus 10 years' experience - 5 Points – B Com Honours with Articles and 10 years' experience
3.	Information and Communication Technology (including consulting activity on systems)	5 Points	- 5 points – 2 projects - 2 points – 1 project
4.	Project with Clean Audit Opinion	5 Points	- 5 points – Confirmation letters from 2 different municipalities - 2 points - Confirmation letter from 1 municipality
5.	Similar successful audit engagements undertaken at Local Government level only	50 Points	- 50 points -15 Letters of appointment and reference - 15 points – Less than 15 letters of appointment and reference - 5 points – Less than 5 letters appointment and reference
6.	Team Composition	10 Points	- 10 points – 2 senior auditors with BCom plus Articles and 5-year experience - 5 points – Other Senior Auditors

7.	Methodology	10 Points	- 10 points – if it adequately addresses Scope of coverage stipulated above
8.	Credible internal audit reports	5 Points	- 5 point – Positive Audit Committee Performance assessment outcome
Total Functionality Weights		**100**	
Threshold to Qualify for Stage Two		**70%**	

Please note that bidders must score a minimum of 70% on functionality criteria to qualify for further evaluation.

19. PRICING SCHEDULE

Please state a single hourly rate that averages the rate of a Partner/Director, Manager, Audit Senior, Auditors (exclusive of VAT), IT audit Manager, Expert that will be charged for normal internal audit assignments.

Internal Audit Assignment (Single Rate)

Resource Type	Rate per Hour
Partner/Director	
Manager	
Audit Senior	
Auditor	
IT Audit Manager	
Expert	
Traveling	**Rate per Kilometer**

Escalation Claimed (if any): ____

Signature …………………………………… Date ………………………………

19. PRESENTATIONS

Shortlisting of service providers will be established after the functionality evaluation and the short-listed tenderers may be invited to do a presentation on their proposals at their own cost, should the municipality deem it necessary to do so.

PLEASE NOTE THAT THE TENDER VALIDITY PERIOD IS 120 DAYS FROM THE CLOSING DATE.

REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A PANEL OF FINANCIAL MANAGEMENT CONSULTANTS - THE PROVISION OF DATA CLEANSING SERVICES

TERMS OF REFERENCE FOR PANEL OF DATA CLEANSING SERVICES

1. SCOPE OF WORK

Assess and establish the current situation regarding revenue management within the municipality.

Conduct data cleansing, using both computer software technology and experienced personnel in the use of this technology. Identify key anomalies that require correction, e.g. duplicate accounts, duplicate meters, missing accounts, missing meters active/inactive accounts etc.

Update key customer information with the assistance of municipality staff.

Correctly categorize each account according to the appropriate municipality classification, which includes government, business, residents, indigent etc.

Reclassify debtors that are incorrectly identified on the billing system. Produce account reconciliation for each debtor account.

Perform valuation roll reconciliation. Reconcile the valuation roll to the municipality financial management system.

Reconcile and record all municipal electricity meters between electricity department and billing system and after identifying all active meters with no consumptions.

Investigate all accounts which appear to have incorrect billings e.g. tenant accounts with assessment rates and accounts which are not billing all services e.g. owner’s accounts but no billing of property rates.

Investigate and identify accounts with incorrect billing codes/tariffs, e.g. property registered as business property however levied/billed as a residential property.

Follow up on customers' details which appear incomplete on the financial management system and/or returned by the Post Office (i.e. Names, postal address, contact details and physical address etc.)

Eliminate inaccurate records on the financial system.

Assist the municipality to clear/address the auditor's findings regarding the revenue management issues relating to inaccurate/ duplicate data.

Ensure/demonstrate skills transfer during project execution.

Determine the correct debtors' age analysis, debtors' classification by customer type, service and days outstanding.

Provide a GRAP compliant debtors disclosure.

Identify and assist with other key areas that may affect revenue management within the municipality.

Assist with revenue management strategy implementation through data cleansing.

Identify late estate accounts relating to all services and rates.

Verify all billing data in relation to ownership data (e.g. accuracy of ID numbers, meter numbers, erf numbers, physical and postal addresses, etc.).

Run deeds search for all properties and ensuring that they are billed.

Check any pieces of land owned by the municipality and verify their existence in the asset register and general valuation roll.

Identify any land parcels that are municipal and those that are owned by members of the community which may not be appearing in the municipality's billing system.

Verify all debtor's types through conducting physical (door to door) verification per registered erf and against zoning data.

Verify service coverage per site, through assessing billing status per registered erf against scheme coverage and a level of service.

Verify all meter installations – domestic, commercial, industrial, through assessing meter information as per billing system against all meter audit data per registered erf.

Identify areas where meters are required

Review service and tariff code structure and provide documentary evidence to support the validity and completeness of all billable charges per debtors

Determine households in need of indigent support and that not in need or no longer qualifying for an indigent support must be listed separately for being removed from the indigent register using the municipal indigent policy.

Analyze the arrear debt in the municipal books in order to determine whether there are accounts that are untraceable, inaccurate, etc. and require some writing offs or any adjustments

Prepare a list of all accounts that may require to be written off for a Council approval (e.g. accounts with no movement, etc. for a long time as per the analysis in terms of the previous bullet point

Identify account holders whose electricity meters may not have been read for a long time.

Identify and report houses operating as businesses and provide information plus also verify as well if owners are not recipients of indigent support. Further identify households that are on indigent register but have occupants in this regard.

Identify all households that are using conventional meters but are indigents.

Analyze data on pre-paid electricity system and ensure that all customer details are captured and match customer information in the billing system and erf files (particularly meter numbers, erf numbers, physical and postal addresses, ID numbers and names, etc.)

Identify and verify accounts in pre-paid electricity system that are redundant and have not purchased electricity or are purchasing low amounts over a certain period and make recommendations for such.

Based on results of above-mentioned assessment and verification analysis, table a gap analysis for consideration and approval, above mentioned assessment and verification must be undertaken using a recognized data management system, capable of providing detailed extracts, running various complex queries, and present data spatially, pre and post verification update.

Undertake and update of master file information on the billing system, based on the table gap analysis.

Conduct door to door field surveys to verify customer information details on all properties that are receiving municipal services:

- ✓ Name of registered owner(s)
- ✓ Contact details
- ✓ Street and postal addresses
- ✓ Occupancy of all properties that are receiving municipal services
- ✓ Type of services per property
- ✓ Status of occupants, indigents – non indigents
- ✓ Sub-division details
- ✓ Existence and accuracy of meters – matching meters against municipal master file
- ✓ Current usage (zoning) – business, domestic

2. KEY COMPETENCIES

Service providers appointed to undertake this project should demonstrate the following competencies:

- ✓ Proven company previous/current record of undertaking a similar project in another municipality related to the scope of work.
- ✓ Technical skills to interpret the requirements of the Terms of Reference
- ✓ In-depth knowledge and experience in the field of municipal billing
- ✓ Knowledge and experience on municipal Acts
- ✓ Bidder must be registered member of any known accounting profession.

- ✓ A bidder who does not possess sufficient expertise as required will not be considered for further evaluation.

3. PROJECT MANAGEMENT

The service providers will work very closely with the Inkosi Langalibalele Municipality Revenue Management Unit.

Any losses or damages incurred by the contracting authority due to any negligence by any service provider will be borne by the company concerned. Such amounts will be recovered from the monthly payment to the service provider by the contracting authority.

4. PROJECT TIME FRAME

The project contract shall be on an as and when required basis by the municipality.

5. PROJECT BUDGET

The duration of appointment to the panel will run for a maximum period of three (3) year cycle, date of acceptance of appointment will be the commencement date.

The municipality shall then appoint from the panel the service provider allocated for a specific period within a period of three years

The Service Provider must be in a position to commence with its duties within ten (10) working days from the date of appointment.

Service providers must present a work plan and budget consistent with the amount of work as specified in the ‘scope of work’.

6. EXPECTED OUTCOME

- ✓ The updated customer data on billing system
- ✓ Updated accurate customer details and property information, meters details and refuse in the billing system.
- ✓ Extensive report on each deliverable by submitting comparison reports reflecting status prior and after data cleansing exercise.
- ✓ Recommendations to maintain the system data by the municipality in a cost effective manner.

7. EVALUATION CRITERIA

- o The following criteria 80/20 will be used for the evaluation of the proposals:

ITEM	DESCRIPTION	Maximum Point	POINTS
1.0	**RELEVANT EXPERIENCE**	**40**	
	Proof of similar projects completed in the past 10 years		

	4 similar projects		40
	3 similar projects		30
	2 similar projects		20
	1 similar projects		10
	0 similar projects		0
2.0	**KEY PERSONEL EXPERIENCE** *(Relevant Credentials, Project Manager)*	**20**	
	Proof of work experience		
	Relevant Masters		20
	Relavant Honours		10
	Relevant degree or equivalent		05
	5 to 10 years' experience		10
3.0	**PREVIOUS EXPERIENCE ON FINANCIAL SYSTEM (MUNSOFT)**	**10**	
	4 Similar Projects		10
	2 Similar Projects		05
	0 Similar Project		0
4.0	**APPROACH AND METHODOLOGY**	**20**	
	Comprehensive Methodology		20
	Average Methodology		10
	Poor Methodology		0
5.0	**ACCREDITATION**	**10**	
	(*Registered with an accounting professional body)*		10

	Certified Certificate of Accreditation		10
	No Accreditation Certificate		0

Bidders must obtain a minimum of 70% to be considered for further evaluation.

8. PRICING SCHEDULE

Bidders must attach a clearly indicated and specified spreadsheet of their pricing schedule

9. CONTACT PERSONS

For any **enquiries**, please contact the Project Champion:

Ms. L I Nzuza
Revenue Unit
Telephone No: 036 342 7840
E-mail Address: lindelwa@ilm.gov.za

Mr. L G Sithathu
Supply Chain Management Unit
Telephone No: 036 342 7836
E-mail Address: lsithathu@ilm.gov.za

PEASE NOTE THAT THE TENDER VALIDITY IS 120 DAYS FROM THE CLOSING DATE

REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A PANEL OF FINANCIAL MANAGEMENT CONSULTANTS - THE PROVISION OF DEBT COLLECTION SERVICES

TERMS OF REFERENCE FOR PANEL OF DEBT COLLECTORS

1. INTRODUCTION

Inkosi Langalibalele Municipality (Council) has an approved Credit Control and Debt collection Policy and By-law which cater for indigent relief. In terms of this Policy and By-law and other relevant legislation, the Council may embark on its own Debt collection actions in the first instance and in doing so may exhaust all internal measures before taking legal action against debtors. The purpose of this tender is to seek the assistance of an accredited debt recovery service, to ensure that monies due and Payable to the Council are collected and to provide legal assistance in matters incidental to the collection of the debt.

1.1 A COMPREHENSIVE DEBT COLLECTION SERVICE IS REQUIRED FOCUSING ON:

- the Constitution

- National Legislation
- By-laws
- Policy and Implementation of strategies
- Council resolutions and overview of the municipal area as amended from time to time

1.2 ADDITIONAL CONDITIONS

- Successful candidates, by acting on behalf of Inkosi Langalibalele Municipality, will be required to head the principles and conditions of the legislation and policy, at all times when dealing with debtors.
- Successful candidates will have to be an Accredited Debt Collector
- The Council will be monitoring the collection to cost ratio of work handed over and in cases where costs outweigh the collections, the Council reserves the right to withdraw the work at its sole discretion.
- The Council expects a high standard of delivery and that all reasonable steps to recover the debt as speedily, cost effectively and appropriately as possible, will be instituted timeously and without undue delay. It is expected that at least the first two steps, i.e. notifying the debtor that the successful bidder will be collecting the claim on behalf of Council and a final demand, will be taken within one month of receipt of an instruction.
- Any successful bidder will not accept work from the Council if and when the debtor is their client, so as to avoid a conflict of interest
- Approval will have to be obtained from the Municipality to proceed with legal action
- Legal action shall include, but not limited to, that the successful Debt Collector be authorised to use their team of attorneys for the purposes of achieving the results expected from them by the council
- This tender only applies to debtors who are in arrears for **120 days and more**.

1.3 MUNICIPAL ACCOUNTS

Inkosi Langalibalele Local Municipality has approximately has the following accounts on the billing system:

Rates Levied Accounts : 9585

Conventional Electricity Accounts : 1995

Prepaid Electricity : 9000

Services Accounts : 7768

As at 30 March 2018, the debtor's book of Inkosi Langalibalele Municipality reflects the following:

Government	**66,821,612**
Business	**44,868,113**

Agricultural & Communal	**6,284,594**
Residential	**52,884,402**
Municipal & Place of Worship	**3,603,186**
Penalties and Interest	**48,098,399**
Total	***222,560,307***

1.4 MUNICIPAL NEEDS

The municipality is intending to appoint a reputable and competent service providers to form Panel of Debt Collectors. Inkosi Langalibalele Local Municipality hereby invites interested companies to submit proposals for the Panel of Debt Collectors for Inkosi Langalibalele Local Municipality.

1.5 SCOPE OF WORK AND METHOLOGY

The Collection Agencies will be required to render the debt collection services to Inkosi Langalibalele Local Municipality on a wide collection range specifically on monies owed to the municipality in respect of long outstanding debt book and the scope of work shall comprise of the following:

Based on the debt book create a list of legal entities and/or individuals who have not made payments to the municipality.

- ✓ Locate legal entities and/or individuals using credit bureau information, background checks, loan documents, and other paperwork or databases.
- ✓ Review terms of loan agreements.
- ✓ Set up repayment plans and/or terms.
- ✓ Offer advice or refer legal entities and/or individuals to debt counsellors.
- ✓ Record new commitment to repay outstanding debts.
- ✓ Send statements of delinquencies to credit bureau.
- ✓ Purge records if debt has been satisfied.
- ✓ Report satisfied debts to credit bureaus.
- ✓ Print reports for Inkosi Langalibalele local municipality on monthly basis.
- ✓ Purge records from deceased estates with the trustees. Arrear debt

The Contractor will be permitted to implement debt collection on Client's arrear debts, i.e. unpaid after due date, as may be approved by applicable legislative body from time to time in accordance with its rates, credit control and debt collection and policies. Deserted

The Services to be provided by the Service Provider include:

1. perform clients audits as prescribed by applicable legislative body from time to time;

2. identify and evaluate possible write-offs of outstanding debt;

3. debt management services including:

- ✓ debtor identification through an arrears extract
- ✓ issuing of reminders to clients of their outstanding debt, by means
- ✓ of telephone, SMS's, e- mail, telegram or fax;
- ✓ issuing 24-hour notices;

- ✓ negotiating acceptable payment agreements in accordance with the Inkosi Langalibalele Local Municipality's policy; such arrangements will apply to all debt, both current and in arrears;
- ✓ obtaining and maintaining acknowledgements of debt, emolument attachment orders;
- ✓ follow-up on negotiated agreements;
- ✓ identification of defaults on negotiated agreements;
- ✓ before handing over an account, the contractor must carry out in consultation and liaison with the applicable legislative body and Legal services, a social assessment on site and face-to-face with the clients; present an assessment report to applicable legislative body with recommendations on how to handle the outstanding debts;
- ✓ ongoing liaison with legal service providers in terms of the execution of judgments;
- ✓ keeping record and follow-up;
- ✓ responsibility for all correspondence with debtors handled by the Service Provider in terms of the policy, up to the stage of handing over for legal proceedings;

Preparation of reports according to the time frames set out below:-

- ✓ clients collection administrations/ management (monthly/quarterly/annually);
- ✓ recommended write-off report (monthly/quarterly/annually);
- ✓ arrangements made for clients (monthly/quarterly/annually);
- ✓ final demands issued (delivered and posted) (monthly/quarterly/annually);
- ✓ correspondence handled with debtors (monthly/quarterly/annually);
- ✓ matters handed over and handed-over statistics (monthly/quarterly/annually);
- ✓ payment level statistics (monthly/quarterly/annually);
- ✓ arrears extract statistics (monthly/quarterly/annually);
- ✓ workflow statistics for all actions;

Arrears statistics (monthly/quarterly/annually):

- ✓ growth in Clients accounts;
- ✓ cash flow improvements;
- ✓ net effect on arrears;
- ✓ collection on arrangements;
- ✓ attorneys brought forward balances; and
- ✓ impact of arrangements of brought forward balances.

Quarterly reports, within 30 days of the end of the quarter, of:

a) the Contractor's performance during that financial quarter;

b) a comparison with targets of and with performance in the previous financial quarter;

c) the development of performance targets set by the Contractor for the following quarter;

d) measures that were or are to be taken into account to improve performance; and

e) prior to the effective date and quarterly thereafter in conjunction with the Legal Manager, or his nominee, to perform a Quarterly Assessment of the current situation by:

- ✓ Identifying possible constraints and developing plans to overcome the constraints;
- ✓ An analysis of the outstanding debtors' book;
- ✓ Proposals for improved assistance to struggling clients;
- ✓ Recommendations in terms of improved customer care; and
- ✓ Proposed specific projects, the areas of focus, resources required and proposed outcomes.

1.6 REPORTING RELATIONSHIP

The respective Collection Agent will report to the Chief Financial Officer and Revenue Department of Inkosi Langalibalele Local Municipality.

1.7 PAYMENTS TO COUNCIL

- All payments received from debtors during a month must be paid to Council by the 5th of the following month.
- All monies collected on behalf of the Council must be paid over to the Council and no payments shall be off-set against and monies which shall include but not be limited to costs, expenses or commission due by Inkosi Langalibalele Municipality to the successful bidder.
- The service provider must have a separate bank account for Municipal Debt and the statement must be sent to the municipality on a monthly basis, with the breakdown of monies received.

1.8 <u>COST AND COLLECTION COMMISSION</u>

- ✓ Municipality to be invoiced for cost on monthly basis.
- ✓ Collection commission to remain fixed for the duration of the contract.
- ✓ The service provider will render its service on a **NO COLLECTION = NO CHARGE** basis for debt collection.

1.9 <u>ADDITIONAL LEGAL SERVICES</u>

- Taking legal action against debtors for the collection of Municipal debt.
- Assessing the need to use a team of qualified attorneys.
- Utilising of a team of qualified attorneys identified by the Debt Collector for the purposes of debt collection shall be authorized by the municipality.
- Representing Council in court, as part of the debt collection process.
- Taking the necessary action against debtors placed under administration or debt review.
- The ability to trace debtors as part of the collection process, may be requested, provided that this service is supplied on a **NO TRACE NO CHARGE** basis.
- Assessing and reporting to Council on the prospects and cost effectiveness of the recovery of the debt.
- Prepare monthly progress reports on each debt handed to the tenderer(s) which will have to be provided electronically in excel Worksheets, when so requested, to Council. The data required will be as follows:

- Debtors Name
- Your reference Number
- Debtors municipal Account Number
- Date instruction received by yourselves
- Value of debt handed to yourselves
- Current outstanding balance of debt handed to yourselves
- Date and description of the last two (2) actions taken by yourselves
- Date and amount of the last two (2) payments made by the debtor to yourselves
- Type of accounts to be grouped together
- Remarks / narrations/ comments

NB: and any other additional information that may be required from time to time

Towards the end of the expiry date of this contract, it will be necessary to implement a handover process so as to not compromise the debt collection process and to enable the Council to withstand any legal challenge. This process will be in consultation with all parties.

1.10 COMPETENCY AND EXPERTISE REQUIREMENTS

- ✓ The Companies/ Firms must provide a certified copy of certification of Accreditation with Debt collection agency, should this accreditation not be submitted with the bid, the bid will not be considered.
- ✓ It is essential that the service provider has the knowledge and extensive experience of debt Collection Services in a municipal environment.

1.11 PROJECT TEAM AND ROLES

- ✓ Details of the project and relevant experience (all letters of appointment) must be submitted.
- ✓ CV and detailed company profile must be submitted.

1.12 DURATION OF CONTRACT AND BUDGET

- The duration of the contract is three years (36 months)
- A detailed Programme and budget must be submitted

1.13 EVALUATION CRITERIA

- The following criteria 80/20 will be used for the evaluation of the proposals:

ITEM	DESCRIPTION	Maximum Point	POINTS
1.0	**RELEVANT EXPERIENCE**	**40**	
	Proof of similar projects completed in the past 10 years		
	4 similar projects		40
	3 similar projects		30
	2 similar projects		20
	1 similar projects		10
	0 similar projects		0
2.0	**KEY PERSONEL EXPERIENCE** *(Relevant Credentials, Project Manager)*	**20**	
	Proof of work experience		
	Relevant Masters		20
	Relavant Honours		10

	Relevant degree or equivalent		05
	5 to 10 years' experience		10
3.0	**PREVIOUS EXPERIENCE ON FINANCIAL SYSTEM (MUNSOFT)**	**10**	
	4 Similar Projects		10
	2 Similar Projects		05
	0 Similar Project		0
4.0	**APPROACH AND METHODOLOGY**	**20**	
	Comprehensive Methodology		20
	Average Methodology		10
	Poor Methodology		0
5.0	**ACCREDITATION**	**10**	
	(*Registered with an accounting professional body)*		10
	Certified Certificate of Accreditation		10
	No Accreditation Certificate		0

Bidders must score a minimum of 70% to be considered for the further evaluation.

1.14 PRICING SCHEDULE

Bidders must stipulate the professional fees in the form of a percentage of the total collected amount and indicate if there are any escalations to be considered during the tender period. Failure to do such will result on an automatic disqualification.

Please note that if there is No Collection, there is no charge that will be paid by the municipality

1.15 CONTACT PERSONS

For any **enquiries**, please contact the Project Champion:

Ms. L I Nzuza
Income Unit
Telephone No: 036 342 7840
E-mail Address: lindelwa@ilm.gov.za

Mr. L G Sithathu
Supply Chain Management Unit
Telephone No: 036 342 7836
E-mail Address: lsithathu@ilm.gov.za

PEASE NOTE THAT THE TENDER VALIDITY IS 120 DAYS FROM THE CLOSING DATE.

REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A PANEL OF FINANCIAL MANAGEMENT CONSULTANTS – PREPARATION OF ANNUAL FINANCIAL STATEMENTS FOR A PERIOD OF THREE YEARS

1. TERMS OF REFERENCE

The specific description and nature of services required are indicated below on an "as and when required" basis, but not limited to:

1.1. Assist in addressing prior year audit matters as raised by the auditor general including preparation of audit action plan

1.2. Preparation or review of compliant financial statements, reconciliations and working papers for Inkosi Langalibalele Local Municipality, accounting policies, instruction notes, procedures and circulars for financial management

1.3. Assist in the preparation of the annual financial statements and supporting reconciliations and schedules as required

1.4. Ensure general ledger and trial balance reconciles to the annual financial statements

1.5. Monitoring of the quality of financial management reconciliations and accounting processes

1.6. Assist in the preparation and review of audit working paper file and address all financial management audit queries

1.7. Thorough knowledge of the Municipal Finance Management Act, Treasury Regulations and Financial Management Frameworks Development and roll-out of any accounting pronouncements or National and Provincial instruction notes, policies, procedures and circulars

1.8. Proof of knowledge of mSCOA compliance requirements

1.9. Proof of knowledge of MUNSOFT, Sage Evolution and other accounting systems

1.10. Proper transfer of skills plan which will be effected to the municipality officials

1.11. Attendance of audit steering committee meetings, provide guidance and support during audit processes until the issue of the final audit report

1.12. Attendance of municipal management meetings that relate to municipal financial management

1.13. Compliance with accounting procedures and practices

1.14. Compliance with the Local Government: Municipal Finance Management Act (Act 56 of 2003) and annual Division of Revenue Act as amended and any other applicable legislation

1.15. Provision of guidance and training in implementation of new reform requirements as released by National Treasury

1.16. Provide on-site support to Inkosi Langalibalele Local Municipality

1.17. Guarantee of quality in the product developed and services provided

1.18. Compliance with the requests and instructions given by the Chief Financial Officer

2. <u>COMPETENCY/EXPERTISE REQUIRED</u>

2.1. Knowledge and expertise in the application of the Generally Recognised Accounting Practices and Modified Cash Standards in the Public Sector

2.2. Thorough knowledge and understanding of the Public Sector Annual Financial Statements requirements

2.3. Knowledge of the Municipal Standard Chart of Accounts (mSCOA)

2.4. Knowledge and experience in working with municipal accounting systems including MUNSOFT, VIP and Sage Evolution

2.5. Extensive experience in addressing audit related matters in the public sector

2.6. Thorough knowledge of the Municipal Financial Management Act, associated regulations and instructions and instruction notes

2.7. Knowledge and expertise in movable and immovable asset management

2.8. Ability to transfer skills and expertise performance through training to Inkosi Langalibalele municipal staff

2.9. Service providers are required to provide personnel with the required competency and skills necessary to successfully complete the task assigned

2.10. Consultant on site should have obtained articles relating to financial reporting and knowledge of case ware system

3. COMMUNICATION AND REPORTING

3.1 The successful tenderer(s) will report to the Chief Financial Officer operationally and Municipal Manager administratively in relation to various assignments, according to agreed terms as would be documented on the subsequent Service Level Agreements (SLAs) and contracts.

3.2 Assignments will be initiated by means of written instructions to the successful tenderer(s) on random basis, backed by verbal briefings where necessary.

3.3 Performance review of successful tender will be evaluated by the financial reporting manager (AFS)

4. CONTACT PERSONS

For any **enquiries**, please contact the Project Champion:

Ms. K Nolusu
Financial and Reporting Unit
Telephone No: 036 342 7873
E-mail Address: khanyisa@ilm.gov.za

Mr. L Sithathu
Supply Chain Management Unit
Telephone No: 036 342 7836
E-mail Address: lsithathu@ilm.gov.za

5. SUBMISSION OF TENDERS

A completed tender document with all necessary attachments (one copy), together with a scanned copy either on a Compact Disc (CD) or USB-Flash Drive securely attached to the tender document, must be submitted in a sealed envelope on the closing date of tender.

6. DURATION

The duration of appointment to the panel will run for a maximum period of three (3) year cycle, date of acceptance of appointment will be the commencement date.

The municipality shall then appoint from the panel the service provider allocated for a specific period within a period of three years

The Service Provider must be in a position to commence with its duties within ten (10) working days from the date of appointment.

The successful Service Provider(s) shall sign a Service Level Agreement with the Inkosi Langalibalele Local Municipality.

7. ESCALATION

The tenderers must state whether the price is to remain firm for the duration of the contract period or is subject to escalation. If it is subject to escalation, state the type and intervals of escalation i.e. CPIX or a percentage.

8. EVALUATION CRITERIA

This tender will be evaluated on the 80/20 preferential procurement policy framework Act (PPPFA). The evaluation criteria will be based on functionalities which shall be enshrined on the Terms of Reference.

Functionality evaluation criteria will be based on the following functionalities

No.	Evaluation Criteria	Maximum Points	Weights
1.	Firm of Chartered Accountants	10 Points	- 10 Points - CK & CA certificate of at least one of the Directors per CK
2.	Qualification & Experience of a project director/partner (Attach CV)	5 Points	- 5 Points – CA plus 10 years' experience - 5 Points – B Com Honours with Articles and 10 years' experience
3.	Key Personnel Qualifications and Experience (Please attach CV)	10 Points	- 10 Points – Relevant Honours + 5 years experience - 5 Points – Relevant Degree plus 3 years experience - 2 Points – Relevant Diploma plus 2 years experience -
4.	Proof of Company Work Experience (Please attach a signed confirmation letter on a valid letterhead of the relevant municipality)	40 points	- 10 points – per proof of project completed in the past 10 years in the form of confirmation letter
5.	Previous Experience on Financial System	10 Points	- 10 Points – Munsoft and Sage Evolution - 5 Points – Munsoft only - 5 Points – Sage Evolution only
6.	Approach and Methodology	20 Points	- 20 points – Comprehensive - 10 points – Average - 0 points – poor
7.	Accreditations	5 Points	- 5 points – certified certificate of accreditation with accounting professional body - 0 points – no certified certificate of accreditation with accounting professional body
Total Functionality Weights		**100**	
Threshold to Qualify for Stage Two		**70%**	

Please note that bidders must score a minimum of 70% on functionality criteria to qualify for further evaluation.

9. PRICING SCHEDULE

Please state a single hourly rate that averages the rate of a Project Director, Project Manager, Senior Consultant, Consultant (exclusive of VAT), Specialist/Expert that will be charged for normal internal audit assignments.

Annual Financial Statements Assignment (Single Rate)

Resource Type	Rate per Hour
Project Director	
Project Manager	
Senior Consultant	
Consultant	
Specialist/Expert	
Other (Please Specify)	
Traveling	**Rate per Kilometer**

Escalation Claimed (if any): ____

Signature ……………………………………   Date ……………………………….

10. PRESENTATIONS

Shortlisting of service providers will be established after the functionality evaluation and the short-listed tenderers may be invited to do a presentation on their proposals at their own cost, should the municipality deem it necessary to do so.

PLEASE NOTE THAT THE TENDER VALIDITY PERIOD IS 120 DAYS FROM THE CLOSING DATE.

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS – PROVISION OF VARIOUS FUNCTIONS PERTAINING TO ASSET MANAGEMENT FOR A PERIOD OF THREE YEARS

1. SCOPE OF WORK

The specific description and nature of services required are indicated below on an "as and when required" basis, but not limited to:

1.1. Preparation of Generally Recognised Accounting Practice (GRAP) compliant municipal Fixed Asset Register (FAR)

1.2. Condition assessment, physical verification and impairment including tagging

1.3. Updating of the FAR with current year movement

1.4. Depreciation calculations

1.5. Resolving the prior year queries raised by the auditor general

1.6. Attend to audit queries relating to asset management

1.7. Update Finance Lease Register and Fixed Asset Register with finance leases

1.8. Maintenance of Work in Progress (WIP) Register, Commitments Register and Retention Register

1.9. Preparation of audit working paper file, asset related notes and journals

1.10. Capacity building and sustainability (skills transfer)

1.11. Data Cleansing and investigation of missing assets (Loss Control)

1.12. Development of fleet management plan and asset maintenance plan

1.13. Demonstrate through knowledge of the related legislation i.e. applicable accounting standards, including but not limited to, GRAP, IAS, IPSAS, local government legislation, national treasury circulars and regulations, accounting standards board, auditor general requirements, public sector service infrastructure with regards to asset management

1.14. Attending to any asset related function assigned by the client

2. COMMUNICATION AND REPORTING

2.1 The successful tenderer(s) will report to the Assets and Fleet executive and the Chief Financial Officer operationally and Municipal Manager administratively in relation to various assignments, according to agreed terms as would be documented on the subsequent Service Level Agreements (SLAs) and contracts.

2.2 Assignments will be initiated by means of written instructions to the successful tenderer(s) on random basis, backed by verbal briefings where necessary.

3. CONTACT PERSONS

For any **enquiries**, please contact the Project Champion:

Mr. V J Mbatha
Assets and Fleet Unit
Telephone No: 036 342 7894
E-mail Address: vukani@ilm.gov.za

Mr. L G Sithathu
Supply Chain Management Unit
Telephone No: 036 342 7836
E-mail Address: lsithathu@ilm.gov.za

4. SUBMISSION OF TENDERS

A completed tender document with all necessary attachments (one copy), together with a scanned copy either on a Compact Disc (CD) or USB-Flash Drive securely attached to the tender document, must be submitted in a sealed envelope on the closing date of tender.

5. DURATION

The duration of appointment to the panel will run for a maximum period of three (3) year cycle, date of acceptance of appointment will be the commencement date.

The municipality shall then appoint from the panel the service provider allocated for a specific period within a period of three years

The Service Provider must be in a position to commence with its duties within ten (10) working days from the date of appointment.

The successful Service Provider(s) shall sign a Service Level Agreement with the Inkosi Langalibalele Local Municipality.

6. ESCALATION

The tenderers must state whether the price is to remain firm for the duration of the contract period or is subject to escalation. If it is subject to escalation, state the type and intervals of escalation i.e. CPIX or a percentage.

7. EVALUATION CRITERIA

This tender will be evaluated on the 80/20 preferential procurement policy framework Act (PPPFA). The evaluation criteria will be based on functionalities which shall be enshrined on the Terms of Reference.

Functionality evaluation criteria will be based on the following functionalities

No.	Evaluation Criteria	Maximum Points	Weights
1.	Firm of Chartered Accountants	10 Points	- 10 Points - CK & CA certificate of at least one of the Directors per CK
2.	Key Personnel Qualifications and Experience (Please attach CV)	10 Points	- 10 Points – Relevant Honours + 5 years experience - 5 Points – Relevant Degree plus 3 years experience - 2 Points – Relevant Diploma plus 2 years experience
3.	Proof of Company Work Experience (Please attach a signed confirmation letter on a valid letterhead of the relevant municipality)	40 points	- 10 points – per proof of project completed in the past 10 years in the form of confirmation letter
4.	Previous Experience on Financial System	10 Points	- 10 Points – Munsoft and Sage Evolution - 5 Points – Munsoft only - 5 Points – Sage Evolution only
5.	Approach and Methodology	20 Points	- 20 points – Comprehensive - 10 points – Average - 0 points – poor

7.	Accreditations	10 Points	- 10 points – certified certificate of accreditation with accounting/asset management professional body - 0 points – no certified certificate of accreditation with accounting/asset management professional body
Total Functionality Weights		**100**	
Threshold to Qualify for Stage Two		**70%**	

Please note that bidders must score a minimum of 70% on functionality criteria to qualify for further evaluation.

8. PRICING SCHEDULE

Please state a single hourly rate that averages the rate of a Project Director, Project Manager, Senior Consultant, Consultant (exclusive of VAT), Specialist/Expert that will be charged for normal internal audit assignments.

Annual Financial Statements Assignment (Single Rate)

Resource Type	Rate per Hour
Project Director	
Project Manager	
Senior Consultant	
Consultant	
Specialist/Expert	
Other (Please Specify)	
Traveling	**Rate per Kilometer**

Escalation Claimed (if any): ____

Signature …………………………………… Date ……………………………….

9. PRESENTATIONS

Shortlisting of service providers will be established after the functionality evaluation and the short-listed tenderers may be invited to do a presentation on their proposals at their own cost, should the municipality deem it necessary to do so.

PLEASE NOTE THAT THE TENDER VALIDITY PERIOD IS 120 DAYS FROM THE CLOSING DATE.

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

CORPORATE SERVICES

BID DOCUMENT

BID NO: ILM 17/24/25

SUPPLY, INSTALLATION AND COMMISSIONING OF CISCO NETWORK INFRASTRUCTURE FOR SITE BELOW FOR PERIOD OF 36 MONTHS

FORM OF ACCEPTANCE

INKOSI LANGALIBALELE LOCAL MUNICIPALITY
FINANCE DEPARTMENT

BID NO: ILM 31/24/25: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR A PERIOD OF THREE YEARS

FORM OF BID

FORM OF ACCEPTANCE

DEPARTMENT: ______________________________

FORM OF BID: ______________________________

To: **Municipal Manager**
Inkosi Langalibalele Local Municipality
P O Box 15
Estcourt
3310

1. I/we hereby bid to supply and deliver the goods as and when ordered by the Head of Department at prices quoted and/or to render all of any of the services described in the attached documents to the Inkosi Langalibalele Local Municipality on the terms and conditions and in accordance with the specifications stipulated in the bid documents (and which shall be taken as part of, and incorporated into, this bid) at prices and on the terms regarding time for delivery and/or execution inserted therein.

2. I/we agree that: the offer herein shall remain binding upon me/us and open for acceptance by the Inkosi Langalibalele local Municipality during the validity period of 120 days indicated and calculated from the closing time of bid;

a) this bid and its acceptance shall be subject to the terms and conditions contained in the Preference Points Claim Form;

b) if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Council may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the Council and I/we will then pay to the Council any additional expense incurred by the Council having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid. The Council shall also have the right to recover such additional expenditure by set-off against monies which may be due to become due to me/us under this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain suchmonies, guarantee or deposit as security for any loss the Council may sustain by reasons of my/our default;

c) If my/our bid is accepted, the acceptance may be communicated to me/us by letter or order by ordinary post or registered post and that the SA Post Office Ltd shall be regarded as my/our agent, and delivery of such acceptance to SA Post Office Ltd shall be treated as delivery to me/us;

d) I/we understand that the Council is not bound to accept the lowest or any bid and also reserves the right to divide the contract between one or more bids; this bid, together with Council's written acceptance thereof, shall constitute a binding contract between us and that this contract or part thereof shall not be ceded;

e) the law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose Domicilium citandi et executandi in the Republic at (full address of this place):

____

____

____

1. I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) cover all my / our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.

2. I/we hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me/us under the agreement as the Principal(s) liable for the due fulfillment of this contract.

3. I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence of judgment which may be pronounced against me/us as a result of such action.

3.1 Are you duly authorised to sign the bid? YES / NO *

3.2 Has the Declaration of Interest been duly completed and included with the other bid forms?

YES / NO *

*Delete/Cross whichever is not applicable.

SIGNATURE: ____

DATE: ____

CAPACITY AND PARTICULARS OF THE AUTHORITY UNDER WHICH THIS BID IS SIGNED:

NAME OF BIDDER: ____

POSTAL ADDRESS: ____

____

TELEPHONE NUMBERS: ____

E-MAIL ADDRESS: ____

BID NUMBER: ____

NAME OF CONTACT PERSON: ____

Refer to the under-mentioned important Conditions:

IMPORTANT CONDITIONS

1. Failure on the part of the bidder to sign this bid form and thus to acknowledge and accept the conditions in writing or to complete the attached forms, questionnaire and specifications in all respects, may invalidate the bid.

2. Bids should be submitted on the official forms and should not be qualified by the bidders own conditions of bid. Failure to comply with these requirements or to renounce specifically the bidders own conditions of bid, when called upon to do so, may invalidate the bid.

3. If any of the conditions of this bid form are in conflict with any special conditions, stipulations or provisions incorporated in the bid, such special conditions, stipulations or provisions shall apply.

(Failure to fully complete and sign the above information will result in your bid to be considered non-responsive)

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

MBD FORMS

MBD 2

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. 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.

2. 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.

3. 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.

4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.

5. 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.

6. Applications for the Tax Clearance Certificates 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.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state[1].

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

3.1 Full Name of bidder or his or her representative:…………………………………………..

3.2 Identity Number: ………………………………………………………………………………

3.3 Position occupied in the Company (director, trustee, hareholder[2]):………………………..

3.4 Company Registration Number: ……………………………………………………………….

3.5 Tax Reference Number:……………………………………………………………………

3.6 VAT Registration Number: ……………………………………………………………………

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars. ….…………………………………………………………

………………………………………………………………………………………………..

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

(a) a member of –
  (i) any municipal council;
  (ii) any provincial legislature; or
  (iii) 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.

3.9 Have you been in the service of the state for the past twelve months? ………**YES / NO**

3.9.1 If yes, furnish particulars.………………………..……………………………………..

…………………………………………………………………………………………………

3.10 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**

3.10.1 If yes, furnish particulars.
………………………………………………………………………………
………………………………………………………………………………

3.11 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**

3.11.1 If yes, furnish particulars
………………………………………………………………………………
…………………………………...

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.
………………………………………………………………………………
………………………………………………………………………………

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.
………………………………………………………………………………
………………………………………………………………………………

3.14 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**

3.14.1 If yes, furnish particulars:
……………………………………………………………………………..
……………………………………………………………………………..

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

Full Name	Identity Number	State Employee Number

…………………………………….. **Signature**

……………………………………….. **Date**

…………………………………… **Capacity**

……………………………………… **Name of Bidder**

(Failure to fully complete and sign the above information will result in your bid to be considered non-responsive)

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

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF SPECIFIC GOALS, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

---

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

a) The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

b) The 80/20 preference point system will be applicable to this tender

1.3 Points for this bid shall be awarded for:

(a) Price; and

(b) Specific goals.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and strategic goals must not exceed	**100**

1.5 Failure on the part of a bidder to submit proof of Specific goals claimed together with the bid, will be interpreted to mean that preference points for strategic goals are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

(a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) "**B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) **"prices"** includes all applicable taxes less all unconditional discounts;

(h) **"proof of B-BBEE status level of contributor"** means:

1) B-BBEE Status level certificate issued by an authorized body or person;

2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;

3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(j) **"specific goals"** means specific goals as contemplated in section 2(1)(d) of the Preferential Procurement Policy Framework Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994

(k) **"Preferential Procurement Policy Framework Act"** means the Preferential Procurement Policy Framework Act , 2000 (Act No. 5 of 2000)

(l) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1. THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20 **or** **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4 (2) and 5 (2) of the Preferential Procurement Regulations 2022, preference points must be awarded to a bidder for attaining the preference points for specific goal specified for the tender. The specific goals for this tender are specified on the table below:

Goal	Method of Evaluation	Points
a) HDI Equity	**Detailed CSD Report**	
100% HDI Equity		**5**
Between 50% and 99% Equity		**4**
Between 25% and 49% Equity		**3**
b) Female Ownership	**Detailed CSD Report**	
100% Female Owned		**5**
Between 50% and 99% Equity		**4**
Between 25% and 49% Equity		**3**
c) Promotion of local business	**Utility account/lease agreement (Rates)**	
Located within Local Municipality	Company/Director's Rates and Taxes Statement (Not older than three months); or Company/Director's Valid Lease Agreement	**5**
Located within District Municipality		**3**
Located within the Province		**2**
d) Management		
Female 25%	**Certified ID's for female management staff**	**3**
Disability 25%	**Sworn affidavit from the SAPS**	**5**
Youth 25%	**Certified ID's for youth management staff**	**2**
Total Special Goals		**20**

5. BID DECLARATION

5.1. Bidders who claim points in respect of specific goals must complete the following:

6. **SPECIFIC GOALS CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1. Specific goals points claimed: = ………(maximum of 20 points)

(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof as contemplated in paragraph 4.1.

7. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1. Name of company/firm:……………………………………………………………………….

8.2. VAT registration number:……………………………………….…………………………………

8.3. Company registration number:…………….……………………….…………………………….

8.4. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

……
……
……
………………………………………………………………………………………………

8.6. COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[*TICK APPLICABLE BOX*]

8.7. MUNICIPAL INFORMATION

Municipality where business is situated:

….………………………………………………………………………………………………

Registered Account Number: …………………………

Stand Number:……………………………………………….

8.8. Total number of years the company/firm has been in business:……………………………

8.9. I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals contemplated in paragraphs 1.4 and 4.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 4.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the specific goals has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES	………………………………………………..
	SIGNATURE(S) OF BIDDERS(S)
1. ……………………………………..	DATE: …………………………………..
2. …………………………………….	ADDRESS …………………………………..
	………………………………….
	…………………………………..

(Failure to fully complete the above information shall result in non-allocation of points)

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:

   (i) abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
   (ii) been convicted for fraud or corruption during the past five years;
   (iii) wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
   (iv) 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 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 audi alteram partem 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 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
4.5.1	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.

…………………………………...	……..………………………………………..
Signature	**Date**
…………………………………………………	………………..……………………………..
Position	**Name of Bidder**

(Failure to fully complete and sign the above information will result in your bid to be considered non-responsive)

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids[1] 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.

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] **Includes price quotations, advertised competitive bids, limited bids and proposals.**

[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.**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

____
(Bid Number and Description)

in response to the invitation for the bid made by:

____
(Name of Municipality / Municipal Entity)

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

(vi) 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 consortium[3] will not be construed as collusive bidding.

[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.**

(vii) In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding: prices; geographical area where product or service will be rendered (market allocation)

(a) methods, factors or formulas used to calculate prices;

(b) the intention or decision to submit or not to submit, a bid;
(c) the submission of a bid which does not meet the specifications and conditions of the bid; or
(d) bidding with the intention not to win the bid.

(viii) 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.

(ix) 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.

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**

(Failure to fully complete and sign the above information will result in your bid to be considered non-responsive)

INKOSI LANGALIBALELE LOCAL MUNICIPALITY

FINANCE DEPARTMENT

BID DOCUMENT

BID NO: ILM 31/24/25

PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

PARTICULARS OF BIDDER

INKOSI LANGALIBALELE LOCAL MUNICIPALITY
FINANCE DEPARTMENT

BID NO: ILM 31/24/25: PANEL OF FINANCIAL MANAGEMENT CONSULTANTS FOR PERIOD OF 36 MONTHS

PARTICULARS OF BIDDER

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

Name of Bidder: ____

Postal Address: ____

____

Street Address: ____

____

Telephone Number Code:____________Number:______________________

Cellphone Number: ____

E-mail Address: ____

Facsimile Number Code:____________Number:______________________

Contact Person: ____

Company / Enterprise Income Tax
Reference Number: ____

CSD No.: ____

Has an original Tax Clearance Certificate been attached (MBD 2) **YES / NO**

Vat Registration Number:____

Company Registration No:____

Is the Firm registered or does it have a Business Licence(s)? (Tick one box)

YES	**NO**

If YES, give details and quote relevant Reference numbers and dates

____

____

____

Are you the accredited Representative in South Africa for the Goods / services offered by you?

YES / NO (If YES enclose proof)

AN ORIGINAL TAX CLEARANCE CERTIFICATE MUST BE ATTACHED TO YOUR BID.

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm, affirms that the information furnished is true and correct.

Signature: ____

Date: ____

Duly authorised to sign on behalf of: ____

Address: ____

____

Telephone Number: ____

(Failure to fully complete and sign the above information will result in your bid to be considered non-responsive)