



BA-PHALABORWA MUNICIPALITY

PROVISION FOR PREPARATION OF ANNUAL FINANCIAL STATEMENTS, ASSET MAINTENANCE AND VERIFICATION FOR A PERIOD OF THREE YEARS (36 MONTHS)

TENDER NUMBER: 28/23/24 (TENDER)

Closing Date: 08/07/2024

Time: 10h00

Venue: Tender Box (Main Office)

Tender Documents are available from the municipal website and the E-tender portal.

Ba-Phalaborwa Municipality Budget and Treasury Office: Contact: Selepe NW Manager: Supply Chain Tel: (015) 780 6300	Ba-Phalaborwa Municipality Budget and treasury Office: Contact: Tshitshonga N Manager: Revenue & Credit control Tel: (015) 780 6300
<p>Name of Tenderer:</p> <p>Type of service to be rendered:</p> <p>Year one amount:</p> <p>Year two amount:</p> <p>Year three amount:</p> <p>TOTAL AMOUNT TENDERED (All Inclusive):</p>	

TENDER NO: 28/23/24

1. Tender Notice and Invitation to bid



BA- PHALABORWA MUNICIPALITY

Ba-Phalaborwa Municipality hereby invites suitable professional services providers to render service), for the below listed project in the Ba-Phalaborwa Municipality of the Mopani District in Limpopo Province.

Tender documents are obtainable from the municipal website and E-tender portal.

Below are the significant details per project:-

TENDER NUMBER	CIDB GRADING	DESCRIPTION	COMPULSORY BRIEFING SESSION			FUNCTIONALITY	EVALUATION CRITERIA	CLOSING DATE AND TIME	Minimum Score for functionality	CONTACT PERSON
			DATE	VENUE	COST					
28/23/24	N/A	Provision for preparation of annual financial statements and conduct asset maintenance and verification for a period of 36 months (Three years)	28/06/2024 @10H00	Municipal Activity Hall	Free at municipal website and E-tender portal	Organizational Experience in similar projects (appointment letters) (35) Reference letters indicating unqualified audit outcomes on similar work (15) Experience of key personnel (20) Ability to manage/handle complex data on asset projects (15) Motor Vehicles in the form of single caps to Assist with Asset Verification (5) Methodology (10)	80/20	05/07/2024 @10H00	70%	Mr. Tshitshonga N (015) 780 6300

A compulsory briefing session will be held on the dates and times specified above at Activity Hall, Ba-Phalaborwa Municipality Main Office, CNR Mandela and Sealene Street.

The bids are to be deposited in the tender box of Ba-Phalaborwa Municipality Offices situated at CNR Mandela Drive & Sealene Street in Phalaborwa, by the closing date and time as above mentioned, where after they be opened in public. No late, telefaxed or Document found in any other place or proposal from service providers who have not attended the compulsory briefing session will not be considered.

Bidders should take note of the following bidding conditions:

1. Ba-Phalaborwa Municipality Supply Chain Management Policy shall apply in the evaluation and awarding of the Tender.
2. Ba-Phalaborwa Municipality does not bind itself to accept the lowest tender, reserves the right to accept the whole or part of the Tender and reserves the right not to appoint.
3. The Bid validity shall be 90 (Ninety) days from the date of closure.
4. Bidders must provide proof of the following to avoid disqualification: CSD report not older than 3 months, certified ID Copies of all directors, statement of municipal rates and taxes for both company and director (s) (not older than 3 months)/letter from traditional authority not older than 3 months/ lease agreement, key personnel/service team's experience (attach certified copies of qualifications and CV; CK/Company registration, Valid tax pin, proof of work experience (attach relevant appointment letter).**All the relevant returnable documents are attached to the tender document,**
5. The minimum score for functionality will be as stated above and bidders who score below will not be evaluated further on price and specific goals specified for the tender.

DR. PILUSA KKL
MUNICIPAL MANAGER
Notice No. 18 /24

OBJECTIVE

To assist Ba-Phalaborwa Local Municipality in preparation of Grap Compliant Financial Statements and the maintenance of a Grap compliant Fixed Asset Register (Movable and Immovable) for a period of three years.

BID CONDITIONS AND INFORMATION

1. Bidders must adhere to the bid conditions, otherwise the bid will be disqualified.

2. Agreement

The successful bidder will be expected to sign the service Level agreement after appointment by the Ba-Phalaborwa Municipality that his/her bid has been accepted.

3. Completion of Bid Documents

- a) The original bid document must be completed fully in black ink and signed by the authorised signatory to validate the proposal. All the pages must be initialised by the authorised signatory. Failure to do so may result in the invalidation of the bid,
- b) Bid documents may not be retyped or altered in any way, Bidder must complete the original issued bid document and original issued returnable.
- c) Tender documents must be completed with non-erasable ink. Any tender document completed with pencil will not be acceptable and shall be disqualified.
- d) Ensure that there are no errors or omissions.
- e) Bids price submitted must include vat where applicable.
- f) Failure to comply with any of the above will result in the invalidation of the bid.

4. Alteration or Qualification of Bid

- a) No unauthorised alteration of this set of bid documents will be allowed after the closing date. Any unauthorised alteration will disqualify the proposal automatically. Any ambiguity has to be cleared with contact person for the bid before the closure date.
- b) The submission should be entirely legible. Any changes made to the original text of bid should be crossed through and signed for. DO NOT USE CORRECTION FLUID as this may invalidate your submission.

5. Signatory

- a) A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same where applicable.
- b) A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder.

6. Submission of Bid

- a) The bid must be put in a sealed envelope, or envelopes when the two-envelope system is specified, clearly marked with the bid number, title as well as closing date and time and placed in the Tender Box at the Ba-Phalaborwa Local Municipality
- b) Faxed, e-mailed and late bids will not be accepted. Bids may be delivered by hand, by courier, or posted at the bidder's risk and must be received by the deadline specified above, irrespective of how they are sent or delivered.
- c) Clearly mark the back of the envelope with your bidder's name and address.

7. Opening, Recording and Publications of Bids Received.

- a) Bids will be opened in public immediately after the bid closure date, or at such time as specified in the bid documents. If requested by any bidder present, names of the bidders, and if practical the total amount of each bid and of any alternative bids will be read out loud.
- b) Bids received in time recorded and entered in a register which is open for public inspection.
- c) Late bids will be registered and returned unopened unless the bidder did not clearly specify their address at the back of the envelope.

8. Tax Clearance Certificate, Tax Matters and VAT

- a) Tender offers will only be accepted if the tenderer provides written proof from SARS that the tenderer either has no Tax obligations or has made arrangements to meet outstanding Tax obligations.
- b) Upon submission of a bid/quote the bidder automatically grants confirmation that SARS may, on an ongoing basis during the contract term disclose the bidders Tax Compliance status to the municipality.
- c) Prices must always be VAT inclusive where applicable.

9. Evaluation of Bids

Bids will be evaluated in terms of their responsiveness to the bid specifications and requirements as well as such additional criteria as set out in the bid document.

10. Acceptance or Rejection of a Bids

The Ba-Phalaborwa Municipality reserves the right to withdraw any invitation to submit a bid and/or to re-advertise or to reject any bid or to accept a part of it. The Ba-Phalaborwa Municipality does not bind itself to accepting the lowest bid.

11. Registration on Accredited Supplier Database

It is expected of all prospective service providers who are not yet registered on the Central Supplier Database to register online (www.csd.gov.za) and verify their company information Ba-Phalaborwa Municipality Database Department. The Ba-Phalaborwa Municipality reserves the right not to award proposals to prospective suppliers who are not registered on the CSD (Central Supplier Database).

12. Tender offers will only be accepted if: -

- a) The financial offer is market related (See Regulation 6 (9) and section 7 (9) of the 8(9) OF Preferential Procurement Regulation 2017.
- b) The tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- c) The tenderer has not:
 - 1. abused the Employer's Supply Chain Management System.
 - 2. or failed to perform on any previous contract and has been given a written notice to this effect.

3. and the tenderer has completed the Compulsory Declaration and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.

14. Requirements for the Joint Venture

- a) J V agreement,
- b) letter of signatory.

15. Site Inspection Information Meetings

None

16. Procurement Policy

- a) Bids will be awarded in accordance with the Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act, No 5 of 2000.
- b) The latest General Conditions of Contract and any Special Conditions of Contract will apply
- c) The Ba-Phalaborwa Local Municipality Supply Chain Management Policy will apply. This policy is obtainable from Ba-Phalaborwa Local Municipality offices and is available on the municipal website.

17. Expenses Incurred in Preparation of Bid

The Ba-Phalaborwa Municipality shall not be liable for any expenses incurred in the preparation and submission of the bid.

18. Wrong Information Furnished

Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Ba-Phalaborwa Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract.

19. Validity Period

Bids shall remain valid for 90 days after the bid closure date.

20. General and Special Conditions of Contract

The General Conditions of Contract as well as any Special Conditions of Contract that may form part of this set of bid documents will be applicable to this bid in addition to the conditions of bid.

21. Municipal Rates, Taxes and Charges

The bidder to provide their municipal account of rates and taxes of both the Bidding entity and its directors' in its Bid Document submission. Any bidder which is or whose directors are in arrear with their municipal rates and taxes due to any Municipality within South Africa for more than three months and have not made an arrangement for settlement of or same before the bid closure date will be disqualified.

If the bidder is renting the office a Lease Agreement must be attached to the bid document OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward councillor is submitted with the tender document.

22. Contact with Municipality after Bid Closure Date

Bidders shall not contact the Ba-Phalaborwa Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded for additional information in respect of amendments of bids. Any effort by the firm to influence the Ba-Phalaborwa Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.

23. Evaluation Criteria

The minimum point to be scored for functionality / quality should be equal to 70 % in order to be considered for further evaluation. Failing to score the minimum required points will lead to immediate disqualification.

23.1 Functionality requirements

Requirements for professional services team

The following are minimum requirements for the professional services team. Failure to comply with the minimum requirements for the professional services team will lead to the tender being regarded as non-responsive and will lead to disqualification of the tenderer. The tenderer must ensure that CVs as well as certified copies of academic qualifications and professional registrations and/certification are included in their tender submissions.

The proposed project leader may fulfil anyone (only) of the roles of the following key project team members, however, in such an instance the proposed project team leader must comply with the requirements set for both the project team leader as well as the key team role to be fulfilled. Key team roles, in addition to the project leader, are:

- The asset management specialist
- The project lead accountant – Senior Manager - AFS
- The project lead accountant – Senior Manager - FAR
- The project lead civil engineer
- The project lead electrical engineer

Table 1: Professional registrations and awarding body

Professional registration / certification		Awarding body	
Chartered Accountant	CA(SA)	South African Institute of Chartered Accountants	SAICA
Certified Senior Practitioner in Asset Management	CSAM	South African Asset Management Association	SAAMA
Professional Engineer	Pr.Eng	Engineering Council of South Africa	ECSA
Professional Engineering Technologist	Pr.Tech. Eng	Engineering Council of South Africa	ECSA
Professional Valuer	N/A	South African Council for Property Valuers	SACPVP

Professional GISc Practitioner	N/A	South African Geomatics Council	SAGC
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Table 2: Minimum requirements for professional services team

Resource	Minimum academic qualifications	Professional registration and/or certification	Minimum years professional
Project leader	Honours degree or higher in the management sciences, accounting or a built environment discipline	Any of the following: <ul style="list-style-type: none"> • CSAM • CA(SA) • Pr.Eng or Pr. Tech.Eng 	8 years
Asset management specialist	Minimum of Bachelors degree or equivalent	Member of SAAMA	5 years
Project lead accountant	Honours degree in Accounting	CA	5 years
Second project accountant	Minimum of Bachelors degree or equivalent in Accounting	CIMA	5 years
Project lead civil engineering professional	Minimum of Bachelors degree or equivalent	Registration as either a Pr. Tech Eng or as a Pr. Eng	5 years
Project lead electrical engineering professional	Minimum of Bachelors degree or equivalent	Registration as either a Pr. Tech Eng or as a Pr. Eng	2 years

Table 3: Minimum requirements for professional services team – Part of returnables

Resource	Minimum academic qualifications	Professional registration and/or certification	Minimum years professional experience
Property valuer	Minimum National Diploma in Real Estate Management or equivalent	Registration as a Professional Valuer without any restrictions	8 years

Facilities management specialist	Minimum of Bachelors degree or equivalent in Real Estate, Facilities Management or similar	Registration as a Professional Valuer without any restrictions	5 years
GIS Professional	Minimum of Bachelors degree or equivalent	Registration as a Pr GISc	3 years

23.2 Company Track Record

Given the importance of sound financial management and the impact of audit outcomes related to the asset register and quality of annual financial statements, the Ba-Phalaborwa Local Municipality wishes to procure the services of a capable asset management company and financial statements preparation with a strong track record of success related to the scope of services required. Accordingly, tenderers need to demonstrate:

A track record of success in the establishment, maintenance and updating of financial asset registers in the public sector environment, and reference letters from at least three (3) public sector clients within the past five (5) years indicating unqualified audit outcomes on asset registers prepared by the tenderer.

23.3 Capacity Building and Skills Transfer

Tenderers must submit a clear methodology on the transfer of skills.

23.4 Methodology

Tenderers must submit a clear methodology on how work is to be executed.

NB: Assistance on Asset Management Plan and Asset Maintenance is an activity to be costed upon agreement with the successful bidder but will be capped at the rates on which the bid is appointed on.

24. EVALUATION OF TENDER OFFERS

The procedure for the evaluation of responsive tender offer is the 80/20 preference. Pricing Low does not guarantee appointment. A firm must obtain a minimum of 70 points out of the 100 points on functionality to be considered for price and specific points specified for the tender evaluation.

24.1 FUNCTIONALITY

NO	CRITERIA	WEIGHT
1.	Organisational Experience in Similar projects: Previous experience of similar tasks (Please attach appointment letters)	35
	10 and above projects (2 AFS and 8 Assets)	35
	6-9 projects (2 AFS and 7Assets)	20
	2-6 projects (2 AFS and 4 Assets)	10
	0-1 projects	0
2.	Reference letters indicating unqualified audit outcomes on similar work prepared by the tenderer in the past 3 years from public sector clients (Provide reference letters and Audit Reports) * <i>* A reference letter indicating that the service provider managed to improve an audit outcome relating to the work similar to this advertised task, following first appointment by a client *Reference letters to be Stamped by client.</i>	15
	The tenderer did not provide reference letters	0
	The tenderer provided One (1) to nine (9) reference letters for either AFS and or Assets	15
	The tenderer provided more than or equal to ten (10) reference letters	10
3.	Qualification and experience (Please provide CV and <u>certified qualifications</u>)	20
	2x Chartered Accountants (5 marks each)	10
	Asset management Specialist (CASM)* The Asset Management Specialist is not a CASM The Asset Management Specialist is a CASM <i>* Certified Senior Practitioner in Asset Management (CASM) is a qualification awarded by the South African Asset Management (SAAMA)</i>	0 8
	Engineers 1x Electrical 1x Civil	1 1
4	Ability to handle complex data to handle complex data on asset projects The service provider must demonstrate that they have managed and or handled complex data on projects. The ability to handle complexities on assets is judged on the carrying value of assets that were managed by the service provider As a proof of evidence the service provider must submit the at minimum the statement of financial position (balance sheet) of their client where complex data was handled. The balance sheet must be accompanied by the appointment letter and reference letter for the year that the balance sheet relate. The carrying value of the property, plant and equipment in the balance sheet is at least (at minimum) over 1,5 Billion rands. The carrying value of the property, plant and equipment in the balance sheet is less than 1.5 Billion rands.but not less than 1 Billion rands	15 15 5

	The carrying value of the property, plant and equipment in the balance sheet is less than 1 Billion rands.	0	
5	Motor vehicles in a form of a single cap to assist with asset verification (enatis proof of ownership)		5
	<p>The service provider must demonstrate that there are vehicles in the form of bakkies in the name of the company (owned by the company) that will be utilised for asset verifications</p> <p>As evidence service providers must submit the traffic registration documents of the bakkies with the company as the registered owner. A accompany traffic register certificates can be submitted as well to accompany the individual company registration document in order to confirm the owner of the bakkies,</p> <p>At least (at minimum) three bakkies registered in the name of the company</p> <p>Between one and two three bakkies registered in the name of the company</p> <p>No bakkies registered in the name of the company</p>	<p>5</p> <p>2</p> <p>0</p>	
6.	Methodology		10
	No methodology was provided	0	
	The methodology presented is unlikely to lead to achievement of the project objectives and/or: Does not address the full scope of the project Is unclear Does not take into consideration project risks, timelines, or other important considerations	5	
	<p>A clear, robust methodology was presented that fully addresses the scope of work to be performed over the entirety of the contract period.</p> <p>Key project risks were identified, and mitigation measures proposed. A project plan has been submitted that considers statutory submission dates and other key considerations. The skills transfer plan should form part of this methodology.</p>	10	
	TOTAL		100

To qualify for the next step in the evaluation bidders must have a minimum score of 70% or above on functionality.

SPECIFIC GOALS POINTS SYSTEM	NUMBER OF POINTS (80/20 SYSTEM)
1	20
100% Black =18	
Disability/Youth/military veteran =2	
2	18
At least 51% Black Owned =16	
Disability/Youth/military veteran =2	

3	
Less than 51% Black owned = 14	16
Disability/Youth/military veteran =2	

24.1 PRICING

1. 2. Pricing

The price must be **all inclusive**, e.g. Travelling, Accommodation etc.

	Year 1	Year 2	Year 3
Prepare grap compliant Annual Financial Statements	R	R	R
Assets Maintenance and Verification	R	R	R
Total all inclusive	R	R	R

2. Total Amount Tendered for

Year	Amount (All Inclusive)
<input type="checkbox"/> Year one total costs	
<input type="checkbox"/> Year two total costs	
<input type="checkbox"/> Year three total costs	
TOTAL AMOUNT TENDERED (All Inclusive):	

25. SCOPE OF WORK - ASSETS

The Municipality has the following assets all of which form the scope of work required:

No	Description	GRAP Standard(s)
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1.	Land, Buildings, Infrastructure, Community Assets, Capital work in progress	GRAP 17: Property, Plant and Equipment (PPE); GRAP 21 & 26: Impairment of assets
2.	Movable assets (Furniture, Office Equipment, Motor vehicles etc)	GRAP 17: Property, Plant and Equipment (PPE); GRAP 21 & 26: Impairment of assets
3.	Investment Property	GRAP 16: Investment Property. GRAP 21 & 26: Impairment of assets
4.	Intangible Assets	GRAP 31: Intangible Assets. GRAP 21 & 26: Impairment of assets
5.	Heritage assets	GRAP 103: Heritage Assets. GRAP 21 & 26: Impairment of assets

Terms of reference

1. Physical verification and labelling of all assets of the Municipality, to ensure completeness and existence of property, plant and equipment;
2. The municipality will provide barcodes or request the appointed service provider to provide a quote for the provision of these barcodes.
3. Assign and effect a unique asset identification number by bar-coding and capturing new assets not included in the current fixed asset register;
4. Compile a new asset register for all assets in accordance with the accounting practices as prescribed by GRAP, MFMA and National treasury guidelines;
5. Reconcile capital work in progress noting amounts that require capitalisation and unbundling;
6. Preparation of reconciliation between asset register and general ledger and post adjusting journals required;
7. The re-assessment of useful lives, residual values and depreciation method of Property, Plant and Equipment;
8. Calculations of the adjusting journals for the re-assessments of the useful lives, residual values and depreciation method;
9. Investigate and correct prior year errors in any thereby assisting the entity in successfully addressing the audit findings and qualifications on PPE as per the Auditor-General's report;
10. Review and update a Fixed Asset Management Policy – GRAP17 compliant;
11. Obtain GPS co-ordinates for immovable assets;
12. Review contracts payments for possible misallocation of asset related payments;
13. Provide detail methodology applied for assessment and impairment of assets where applicable; Identification, measurement and recording of possible impairment losses;
14. Prepare an Audit file with supporting documents for all adjustments made, including additions;
15. Provide support during the audit process and resolve all queries relating to this appointment, including accompanying auditors on site visits and attend meetings to resolve audit findings in order to achieve a clean audit opinion;
16. Transfer of skills to the Municipal Officials;
17. Compliance to the municipal Standard Chart of Accounts (mSCOA) regulations incorporating the seven (7) segments.
18. Aid during the audit process, including accompanying auditors on verification and
19. Review of all reconciliations
20. Close out report.

26. SCOPE OF WORK - AFS

The Scope of work required for the preparation of AFS is as follows;

FINANCIAL STATEMENT AREA	Scope
Prior period errors	<ul style="list-style-type: none"> Review AGSA Management letters and audit reports for 2018/2019 and 2019/2020 and identify all unresolved audit findings and help management to resolve them; Prepare and audit file for prior period error adjustments; Restate the opening trial balance and prepare GRAP compliant restatement note;
	<ul style="list-style-type: none"> Engage AGSA before year end so that they can audit opening balances;
VAT	<ul style="list-style-type: none"> Identify all VAT sensitive accounts as per Chart of Accounts and using VAT 419 guideline, verify that all transactions for the year were treated correctly for VAT; Reconcile the VAT 201 and VAT SA from SARS to the VAT votes on general ledger;
Chart of Accounts	<ul style="list-style-type: none"> Verify that vote descriptions clearly describe the accounts relating to different sections of the Trial Balance to allow for ease of use, trail and general understanding of users.
Journals entries into the general ledger	<ul style="list-style-type: none"> Obtain all journals posted into the general ledger and verify that they are accurate and adequately supported by underlying documentation; Conduct In-house training sessions for the staff responsible for posting transactions to ensure that they are continuously on the look-out for erroneous postings, and understand the adequacy of information supporting journals;
Inventory (Consumables)	<ul style="list-style-type: none"> Verify accuracy of inventory quantities at year end both current and prior. Make sure the stock sheets are complete and accurate; Correct /update stock item descriptions so that the descriptions on the stock valuation report correctly describe the nature and type of inventory items; Verify completeness and accuracy of stock issues and receipts in the general ledger; Determine that NRVs of closing inventory in both current and prior year and prepare restatement journals and notes;
Inventory (Land)	<ul style="list-style-type: none"> Reconcile the land inventory register to the valuation roll; Trace land inventory to the registers at the deeds offices and verify accuracy of details on register; Determine the appropriateness of valuation of land at NRV <ul style="list-style-type: none"> (lower of cost or Net Realisable value); Determine the accuracy of classification of land inventory as either inventory, property plant and equipment or investment property; Trace all land parcels on the list on land inventory to the Billing system and make sure no billings are raised on them; Perform reconciliation of opening to closing land inventory and trace land sales to cost of sales;
Revenue – (Rent Income)	<p>Reconcile the investment Properties register to the rent received, lease agreements and receipts;</p> <ul style="list-style-type: none"> Verify that all properties rented are supported by lease agreement; Verify that all rental income is accurately recorded in GL and that the VAT element is treated correctly;

	<ul style="list-style-type: none"> • Update Investment property register with properties that are on rentals register; • Verify that the investment properties register indicates the status of the investment property (Vacant, rented out etc); • Trace all the properties on the investment property register to the billing system and make sure there is no billing happening thereon; • Identify Old inactive tenant accounts and isolate all income billed in respect of such former tenants is reversed and that such accounts be closed to avoid overstating rental income and debtors. • Rent accruals – Reconcile rent income accrued to the signed lease Agreements; • Identify all investment properties that are occupied by tenants but they have no lease agreements and are not paying rent and quantify revenue loss. Advise council on an appropriate way forward. All properties with expired lease agreements should have the lease agreements renewed before end of year; • Isolate all rent accounts on the debtors age analysis and make sure they are accurate and recoverable;
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Debtors	<ul style="list-style-type: none"> • Complete master file information - the system master file for all debtors in the system be completed with all required details to identify a customer; • Identify all Municipal properties and deactivate them from billing; • Perform Sub-Ledger to General Ledger Reconciliation and clear all differences; • Recalculate provision for doubtful debts for both current and prior year and make adjustments into the general ledger; • Review and clear all suspense accounts;
Payables	<ul style="list-style-type: none"> • Review/Perform monthly Creditors Reconciliations to ensure that records are accurate; • Review and reverse year-end accruals in the following financial year so that records for payables are not misstated; • Assist the municipality with reconciling retentions between the general ledger and projects' files; • Assist the municipality with reconciling and clearing any differences in the water and sanitation accounts and transactions between itself and the District Municipality.
Employee Costs	Review/Perform Payroll reconciliations to ensure that payroll reports and general ledger agree. Variances noted from the reconciliation process must be posted to the respective GL accounts to bring the account in to balance and / or any discrepancies noted on the Payroll must be investigated and resolved timeously.
Bank and Cash	Review bank reconciliations and make sure all reconciling items are valid and cleared timely;
Supply Chain Management	Assist the Municipality with reconstructing the list of all irregular expenditures and then investigates all the expenditures in terms of the regulations and follow through all the legislated consequences management steps as stipulated in the Act.
Training and skills transfer	<ul style="list-style-type: none"> • Carry out formal training and on the job training with the municipal staff on the following: <ul style="list-style-type: none"> • Preparation of audit files; • Preparation of financial statements of • Case Ware; • GRAP items affecting the Municipality;
	<ul style="list-style-type: none"> • The service provider must note that all its work must be done together with municipal officials so that there will be an effective skills transfer.

	<p>Roll must be removed from the system as any income accruing from such will not be collectible;</p> <ul style="list-style-type: none"> Identify all Municipal properties from the valuation roll and reverse all property rates revenue billed thereon. Also make sure that these are marked as such on the system so that future billings will not happen on same.
Revenue (Motor Vehicle Licensing)	<ul style="list-style-type: none"> Verify that all transactions relating to each financial year are recorded in the correct financial year.; Make sure that the accounting system must be adjusted to ensure that all Motor Vehicle Licensing income votes are marked for VAT exclusion. Make adjustments to remove all VAT incorrectly accounted for on vehicle licenses. However, the agency fee should have VAT charged on it; Reconcile third party transactions making sure that they are treated correctly in terms of GRAP;
Revenue (Prepaid Electricity)	<ul style="list-style-type: none"> Reconcile sales reports received from CG Sales against the sales that are recorded on the system on a monthly basis; Reconcile sales reports received from CG Sales against money that is deposited into the bank by CG Sales as well as record the commission paid to CG Sales as an expense in the books of the municipality; Check Cut- off at year end to make sure debtors and revenue relating to prepaid electricity sold near year-end are recorded in the correct accounting period; Deferred income - calculate a reasonable estimate of deferred income on Prepaid Electricity sold but not yet utilised by customers at year end. The income deferred in the previous year must then also be realised in the statement of financial performance.
Revenue (Traffic Fines)	<ul style="list-style-type: none"> Reconcile traffic fines on E-Natis to the General ledger; Analyse the traffic fines debtors and verify recoverability of them. Prepare the listing of all traffic fines outstanding and age them.
Revenue (Selling of Municipal Land)	Analyse the land sales receipts and verify that the revenue vote, amongst all other, includes income recorded with the correct VAT treatment. VAT should be deducted from the selling price of land and the output should be declared to SARS.
Revenue - (Conventional Electricity and Water Sales)	Carry out an exercise to identify all meters that have not been accruing charges and get correcting entries processed. The same applies to water meters which also have the same issues. All unread meters should be followed up and be billed in the following month. At year end, all missed billings should have adjustments posted by way of estimating the consumption.
Interim Financial Statements	<ul style="list-style-type: none"> Prepare interim financial statements The IFS must be substantially complete and compliant with all relevant GRAP Standards;
Preparation of financial statements	<ul style="list-style-type: none"> Prepare draft financial statements for the Municipality in compliance with GRAP using Case Ware;
	<ul style="list-style-type: none"> Prepare an audit file supporting all financial statement areas of the AFS; Reconcile AFS to the audit file and supporting schedules to ensure they are accurate and complete;
Audit support	<ul style="list-style-type: none"> Remain on the premises of the municipality for the entire project until audit is complete; Attend audit steering committee meeting and respond to advise the municipality of audit/AFS issues; Respond to auditors requests for information and queries;

27. LIST OF PERQUISITES/RETURNABLE DOCUMENTS

1. Bidders must attend the compulsory briefing session
2. Bidders must attach signed declaration forms attached to the tender document
3. Attach company registration certificate
4. Attach letter from SARS with a valid Pin code
5. Power of attorney if applicable
6. CSD Summary report
7. Each page of the tender document must be initialized
8. All copies must be certified by SAPS
9. Proof of municipal account not in arrears for more than 3 months/ letter from the tribal office/ lease agreement for all the directors and the business
10. Proof of medical certificate for directors with disability
11. Attach certified ID copies not older than 6 months
12. Chartered Accountants X 2
13. The Asset Management Specialist is a CASM

COMPULSORY MUNICIPAL BID DOCUMENTS

INVITATION TO BID

<p>(a) YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE BA-PHALABORWA LOCAL MUNICIPALITY</p>
--

BID NUMBER:

CLOSING DATE:

CLOSING TIME:

DESCRIPTION.....

The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).

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

Cnr Nelson Mandela & Sealane Street
Phalaborwa
1390

Bidders should ensure that bids are delivered timeously to the correct address inside the relevant bid box. If the bid is late or not inside the correct bid box, it will not be accepted for consideration.

(b) The bid box is generally open 24 hours a day, 7 days a week.

(c) ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

<p>THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT</p>

(d) NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

**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

.....

FACSIMILE NUMBER CODE

.NUMBER.....

E-MAIL ADDRESS

.....

VAT REGISTRATION NUMBER

.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2)
YES/NO

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

YES/NO

(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

.....

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

.....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED.....

TAX CLEARANCE CERTIFICATE

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement bidders are required to complete in full form TCC001 "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. Copies of form TCC 001 are available from any SARS branch office nationally or on the website www.sars.gov.za.
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. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.
6. Exemption to the provision of a Tax Clearance Certificate will be granted provided that:
 - a) The bidder is registered on the vendor database of the municipality and a valid tax clearance certificate was submitted together with the application for registration
 - b) If the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate that is in the municipality's possession.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
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 favoritism, 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 authorized 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, shareholder):.....

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.
.....

¹MSCM 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:

.....

.....

(a) 4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

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

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

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
100% black owned		18		
Directors/shareholders with Disability/Youth/Military Veteran		2		
51% black owned		16		
Directors/shareholders with Disability/Youth/Military Veteran		2		
Less than 51% black owned		14		
Directors/shareholders with Disability/Youth/Military Veteran		2		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify

that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

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

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

P_{\min}

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system: or

- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

2. *The 80/20 preference point system is applicable, corresponding points must also be indicated as such.*
3. *Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<ul style="list-style-type: none"> 100% company owned/director/s/shareholders by people who are Black= 18 points Disability/youth/military veteran =2 points 	20 Points	
<ul style="list-style-type: none"> ≥51% and <100% company owned/director/s/shareholders by people who are Black=16 points Disability/ youth/military veteran = 2 points 	18 Points	
<ul style="list-style-type: none"> >0% and <51% company owned/director/s/shareholders by people who are Black= 14 Disability/youth/military veteran = 2 points 	16 Points	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct.
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct.
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process.
 - (b) recover costs, losses, or damages it has incurred or suffered as a result of that person's conduct.
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation.
 - (d) recommend that the tenderer or contractor, its shareholders and

directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

- (e) forward the matter for criminal prosecution, if deemed necessary.

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

1. CONTRACT FORM - PURCHASE OF GOODS/SERVICES

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

2. PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or services described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of Tax Compliance Status;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

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

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2.

DATE:

CONTRACT FORM - PURCHASE OF GOODS/SERVICES

3. PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I.....in my capacity as.....
accept your bid under reference numberdated.....for the supply of
goods/services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/services delivered in accordance with the terms and
conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the
delivery note.

4. NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	1 DELIVERY PERIOD	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

4. CONTRACT FORM - RENDERING OF SERVICES

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

5. PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

7. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
8. The following documents shall be deemed to form and be read and construed as part of this agreement:
- (iv) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (v) General Conditions of Contract; and
 - (vi) Other (specify)
9. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
10. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
11. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
12. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES

6. PART 2 (TO BE FILLED IN BY THE PURCHASER)

4. Iin my capacity as.....
accept your bid under reference numberdated.....for the rendering
of services indicated hereunder and/or further specified in the annexure(s).
5. An official order indicating service delivery instructions is forthcoming.
6. I undertake to make payment for the services rendered in accordance with the terms and conditions
of the contract, within 30 (thirty) days after receipt of an invoice.

5. <i>DESCRIPTION OF</i>	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL
6. <i>SERVICE</i>				

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

7. CONTRACT FORM- TENDER FOR INCOME-GENERATING CONTRACTS¹

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE LESSOR/ SELLER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE LESSOR/ SELLER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

8. PART 1 (TO BE FILLED IN BY THE BIDDER)

13. I hereby undertake to lease property/ purchase all or any of the goods and/or services described in the attached bidding documents from (name of institution)..... in accordance with the requirements stipulated in (bid number)..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.
14. The following documents shall be deemed to form and be read and construed as part of this agreement:
- (vii) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Special Conditions of Contract;
 - (viii) General Conditions of Contract; and
 - (ix) Other (specify)
15. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted covers the leased property/ all the goods and/or services specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.
16. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
17. I undertake to make payment for the leased property/ goods/services as specified in the bidding documents.
18. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
19. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

¹ "Tender for income-generating contracts" has the same meaning as defined in the Preferential Procurement Regulations, 2022.

CONTRACT FORM - TENDER FOR INCOME-GENERATING CONTRACTS

9. PART 2 (TO BE FILLED IN BY THE LESSOR/ SELLER)

7. I..... in my capacity as.....accept your bid under reference numberdated.....for the leasing of property/ purchase of goods/services indicated hereunder and/or further specified in the annexure(s).
8. I undertake to make the leased property/ goods/services available in accordance with the terms and conditions of the contract.

7 NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

3.

4.

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>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.</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)..... CERTIFY THAT
THE INFORMATION FURNISHED ON THIS DECLARATION FORM 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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

¹ 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)

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

- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



BA-PHALABORWA MUNICIPALITY

Fraud and Corruption Declaration Form

I (*Name*) _____ duly authorized to act on behalf of (*Company name*)
_____ hereby declare to Ba-Phalaborwa Municipality that the company:

- It has declared to Ba-Phalaborwa Municipality any circumstances that could give rise to a conflict of interest or potential conflict of interest in relation to the current procurement action;
- None of the directors of the company is employed by the state;
- The company is not blacklisted by the national treasury;
- Has not negotiated or tried to negotiate with any municipal official to try to gain information or preference to win the bid, if found the bidder's details will be submitted to national treasury for blacklisting of the company;
- it has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept any direct or indirect benefit (financial or otherwise) arising from a procurement contract or the award thereof;
- All the information submitted in the bid is truthful and there is no misrepresentation;
- It adheres to the Prevention and Combating of Corrupt Activities Act 12 of 2004;
- It is solvent and in a position to continue doing business for the period stipulated in the contract after contract signature, if awarded a contract by Ba-Phalaborwa Municipality;
- It has zero tolerance to Fraud and Corruption and has appropriate procedures in place to prevent and respond to Fraud and Corruption in line with the legislation.

The Company understands that a false statement or failure to disclose any relevant information.

which may impact upon Ba-Phalaborwa Municipality's decision to award a contract may result in the disqualification of the company from the bidding exercise and/or the withdrawal of any offer of a contract with Ba-Phalaborwa Municipality. Furthermore, in case a contract has already been awarded, Ba-Phalaborwa Municipality shall be entitled to rescind the contract with immediate effect, in addition to any other remedies which the municipality may have by contract or by law.

Company Name:

.....

Name and Title of duly authorized representative.

Name:

Date: Title:

Signature:

Witness

Name: Signature Date:

