

CHIEF ALBERT LUTHULI MUNICIPALITY



APPOINTMENT OF A PANEL OF FORENSIC INVESTIGATORS FOR THE PERIOD OF THREE YEARS

Contract No. ALMT08/2022

R759.47

Chief Albert Luthuli Municipality PO Box 24 CAROLINA 1185 Contact for Administration: Name: Mr. JA Nkosi Telephone. (017) 843 4025	Chief Albert Luthuli Municipality PO Box 24 CAROLINA 1185 Contact for Technical: Name: Mrs. AT Mamba Telephone. (017) 843 4000
Tenderer	
Registration Number:	
Total of the prices inclusive of Value Added Tax: R	
Amount in Words	
.....	

CLOSING DATE & TIME: 19 August 2022 @ 12:00

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PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CHIEF ALBERT LUTHULI MUNICIPALITY					
BID NUMBER:	ALMT08/2022	CLOSING DATE:	19 August 2022	CLOSING TIME:	12:00
DESCRIPTION	Appointment of a Panel of Forensic Investigators				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:					
28 Kerk Street CAROLINA 1185					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]	
TOTAL BID PRICE				R	
SIGNATURE OF BIDDER				DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	Finance		CONTACT PERSON	Mrs. AT Mamba	
CONTACT PERSON	Mr. JA Nkosi		TELEPHONE NUMBER	017 843 4036	
TELEPHONE NUMBER	017 843 4025		FACSIMILE NUMBER	017 843 4001	
FACSIMILE NUMBER	017 843 4001		E-MAIL ADDRESS	mambaat@albertluthuli.gov.za	
E-MAIL ADDRESS	nkosija@albertluthuli.gov.za				

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF
BIDDER:.....

CAPACITY UNDER WHICH THIS BID IS
SIGNED:.....

DATE:.....

1. BACKGROUND

The primary objective is to appoint panel of forensic investigators that can support the Chief Albert Luthuli Municipality (CALM) in conducting forensic investigations into allegations of fraud and corruption.

Chief Albert Luthuli Municipality has recently advertised for appointment of a service provider to run its Anti-fraud and Corruption Hotline. All allegations raised currently are expected to be investigated by the Internal Audit unit which does not have the necessary capacity to carry out such investigations and report timeously to the reporters. As such, the Municipality (CALM) has a responsibility to ensure the timely investigation of cases referred to it and to provide comprehensive feedback to the Office of the Public Service Commission and the Council.

2. SCOPE OF WORK

- The primary objective of the forensic investigation is to conduct investigations to ascertain whether there is substance into allegations of fraud and corruption reported to the Municipality's Anti-Fraud and Corruption Hotline and other internal reporting mechanisms, as and when required.
- Report of the factual findings and advise the CALM of the recommended course of action relating to remediation of control weaknesses that led to potential fraud/mismanagement.
- The successful service provider shall submit a project plan with a comprehensive budget containing a breakdown of the hourly tariff (VAT inclusive), per category as required for the investigation services for prior approval by the project manager.
- The scope should focus on the objectives detailed above and should include activities that require the service provider/s to independently ascertain whether there is substance into allegations of fraud and corruption reported to CALM for investigation.
- The successful bidder shall work in conjunction with the Manager Internal Audit on the pre-screening and planning of the phases of the investigation process and must be prepared to regularly report the progress to the Accounting Officer and the Audit Committee. All reports and supporting documents will be reviewed by the Manager Internal Audit.
- All intellectual property including the audit reports, working papers and other supporting documents will become the property of CALM.
- All information obtained from CALM will be regarded as classified information, and as such be handled properly as required by the Minimum Information Security Standards (MISS).
- Have a quick turn-around time in terms of project completion.
- Must have the necessary capacity, skill and experience to perform quality work (Partner/Engagement Director should at least have an NQF 7 level qualification, and preference will be given to team members including the Partner/Engagement Director who are certified Fraud Examiners by the Association of Certified Fraud Examiners (ACFE) and, or certified as Commercial Forensic Practitioners by the Institute Commercial Forensic Practitioners (ICFP);

3. TERMS AND CONDITIONS

Bids will be subject to Supply Chain Management Conditions as follows:

- The Preferential Procurement Regulations, 2011 issued in terms of section 5 of the Preferential Procurement Policy Framework Act (Act No 5 of 2000), aligned with the aims of the Broad Based Black Economic Empowerment Act and its Codes of Good Practice. In accordance with this Act, submissions will be adjudicated in two stages: firstly, on functionality which must be done in terms of the evaluation criteria indicated in section 9 and the minimum threshold referred to in bullet number **5** below. A bid must be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation and secondly, only the qualifying bids will be evaluated in terms of the 80/20 preference points systems, where the 80 points will be used for price only and the 20 points will be awarded in terms of the of the B-BBEE Contributor level as per the B-BBEE Verification Certificate submitted by the service provider.
- The proposal should include, amongst other, the following:

- A proposed plan of action;
 - A list of references;
 - Ability to ensure continuing of staff on the project.
- The Curriculum Vitae of the staff who will be available for the duration of the project must be attached; **NOTE: Failure to submit the CV's will invalidate your bid proposal.**
 - The bid proposals should be submitted with all required information containing technical information as well as price information (NB: CALM Entity Maintenance form included in the bid documents must be completed and returned with the bid proposals).
 - Bidders must score a minimum of 70% for stage one (functionality/technicality) to qualify for stage two of the evaluation where only price and B-BBEE will be considered.
 - Suppliers/Service Providers are requested to submit the original and valid B-BBEE Status Level Verification Certificate or certified copies thereof issued by verification agencies accredited by SANAS or registered auditors approved by IRBA together with their bids, to substantiate their BBEE rating claims, failing which the B-BBEE preference points claimed will be forfeited.
 - Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but will not be disqualified from the bidding process. They will score zero (0) points out of 10 points for B-BBEE.
 - A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
 - A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
 - Public entities and tertiary institutions must also submit B-BBEE Status Level Verification Certificates together with their bids.
 - A bidder will not be awarded the points claimed for B-BBEE status level of contribution if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that the bidder qualifies for, unless the intended sub-contractor is an EME (Exempted Micro Enterprise) that has the capacity and the ability to execute the sub-contract.
 - A contractor is not allowed to sub-contract more than 25% of the contract value to another enterprise that does not have equal or higher B-BBEE status level, unless the intended subcontractor is an EME (Exempted Micro Enterprise) that has the capability and ability to execute the sub-contract.
 - Bidders must be prepared to work at rates not exceeding those prescribed by the office of the Auditor-General or the Department of Public Service and Administration (DPSA).
 - The supplier / service provider should provide details of staff training, highlighting training and development policies and procedures, with specific reference to affirmative action policies and initiatives.
 - A breakdown of the hourly tariff inclusive of value-added tax for services rendered. Expenditure incurred without the prior approval of the Manager Internal Audit will not be reimbursed.
 - CALM will not be held responsible for any costs incurred by the bidder in the preparation, presentation and submission of the bids.
 - **Please take note that CALM is not bound to select any of the firms submitting proposals. CALM reserves the right not to award any of the bids and not to award the contract to the lowest bidding price.**
 - Travelling costs and time spent or incurred between home of consultants and CALM office will not be for the account of CALM.
 - The intellectual property and copyright will belong to CALM.
 - Bidders must submit the original and one copy of the bid documents in the tender box at CALM offices.

4. EXPERTISE AND SKILLS REQUIRED

The Municipality requires services of recognised forensic audit firms to render forensic investigation services

5.SPECIAL CONDITIONS

- Service delivery levels and quality of the work will be a measure of appointment and retention in

the panel

- A firm of forensic investigations consultants assigned any work may not cede, assign or sub-contract any part thereof to any person unless with the written consent of the Municipal Manager or as may be required by the applicable laws,
- There will be no guarantee that forensic investigation firms will receive instructions if they are appointed onto the panel.
- All instructions to the panel of forensic investigations firms shall be given in writing by a duly authorised representative of the Municipality, the Municipal Manager.
- The Municipality shall be entitled in its discretion to remove a forensic investigation firm from the panel before expiry of the said 3 years period by written notice and recall all the files in the possession of the said firm
- The general conditions of tender, contract and order will be applicable to this tender.

Intellectual property rights

- All copyright and intellectual property rights that may result as consequences of the work to be performed will become the property of the Municipality
- Firms of forensic investigators must hand over all documents and information in any format, including copies thereof, that it received from the Municipality or that it had access to during the assessment immediately after completion of the assignments to the Municipality
- Firms of forensic investigators shall deliver to the Municipality, on completion of an assignment, any security devices, passwords or protective mechanisms to the soft versions of documents that were written and the Municipality will have the right to amend and change these without obligation whatsoever to the firms of forensic investigators upon completion of the assignment.

6. PRICING BID

- Bids must be submitted in South African Rand, on an hourly tariff, including VAT.
- A breakdown of the hourly tariff, VAT inclusive, per category (e.g. Director, Management and other relevant level of expertise) as required for service rendered and an estimated percentage of disbursements (inclusive of VAT) per year for the period of three years. Expenditure incurred without the prior approval of CALM will not be reimbursed.
- An analysis of costs must be given to cover the full tender amount, and where possible, costs shall be linked with specific tasks to be undertaken. All other incidental costs/disbursements (inclusive of VAT) should be included in the budget breakdown.
- The hourly rates as laid down by the Auditor-General must be used as a guideline and should not be exceeded.
- The Municipality shall not pay any unproductive or duplicated time spent by the service provider on any assignment as a result of staff changes or redrafting of reports due to incorrect findings.
- The Council is not bound to accept any of the bids submitted and reserve the right to call for Final Offers from short-listed bidders before final selection.
- Bidder must provide a comprehensive breakdown of the hourly tariff (VAT inclusive).
- The Council reserves the right to negotiate price with preferred bidder. Bidders must note that equity points will not be allocated if not claimed or properly claimed in the MBD6.1

7. EVALUATION CRITERIA:

The following preference points systems are applicable to all bids:
-the 80/20 system for requirements with a Rand value of up

R 50 000 000; and
-the 90/10 system for requirements with a Rand value above
R 50 000 000 - 00

A Preferential point system shall apply whereby a contract will be allocated to a tenderer in accordance with the Preferential Procurement Framework Act, Act No 5 of 2011 and as defined in the Conditions of tender where 90 /80 points will be allocated in respect of price and 10/20 points in respect of B-BBEE Status level of contribution.

CRITERIA	YES/N/A
Functionality	YES
80/20 60 000 up to R 50 000 000 – 00	YES
90/10 200 000 more than R 50 000 000 – 00	N/A

The municipality is looking for a panel of most five (5) service providers.

First five Service Providers who have scored the highest will be appointed on the panel.

Bidders must score a minimum of **70%** for stage one (functionality/technicality) to qualify for stage two of the evaluation where only price and B-BBEE will be considered.

NO.	ITEM	DESCRIPTION	DETAILS	SCALE	WEIGHT
1.	Experience	The bidder's infrastructure resources and proof of existence	Company profile incorporating: Proof that the bidder has been in existence in practice for a period of at least 1 to five (5) 1-3 years=10; 4-5 years=20	20	20
2.	Capacity	Inspection in loco by the BEC 10=Documents 10=Physical inspection	Records of infrastructure: Confirmation of the premises from which the bidder conducts its business, the bidder's communication and documents service facilities (Secured document environment)	20	20
3.	Knowledge and expertise	Area(s) of specialty of the forensic investigations consultants. Must have the necessary capacity, skill and experience to perform quality work (Partner/Engagement Director should at least have an NQF 7 level qualification, and preference will be given to team members including the Partner/Engagement Director who are certified Fraud Examiners by the Association of Certified Fraud Examiners (ACFE) and, or certified as Commercial Forensic	Curriculum Vitae's of the core service team that will be attending to the CALM investigations. a. A brief summary of five (5) forensic matters attended to in the last (3) years prior to the closing date of this request for proposal; 1 year = 10 points; 2 years=20 points; 3 years=30 points	30	30

		Practitioners by the Institute Commercial Forensic Practitioners (ICFP)			
4.	Track record (Reference)	If the following references exist, then points should be allocated as follows: 1 App. letter=10 points 2 App. letters =20 points 3 App. letters =30 points	Three certified appointment letters from clients to whom the bidder has provided services similar to ones listed in the identified area of service.	30	30
Total functionality points				100	100

2. BID DOCUMENTS AND RETURNABLE SCHEDULES.

NOTE: PLEASE SUBMIT THE BID IN THE FOLLOWING FORMAT:

PART I MBD Tender documents (MBD 2, MBD 6.1, MBD 8 and MBD 9.

PART II Detailed pricing proposal.

PART III Any other relevant document / information.

3. TENDER CONDITIONS

11.1.1 A valid original company's tax clearance certificate (or in the case of a joint venture, of all the partners in the joint venture) must be submitted with the bid documentation.

11.1.2 Bidders should also attach their company registration certificate issued by cipro or share certificates.

11.1.3 Certified copies of identity documents for all members.

11.1.4 Statement of account for the municipality whom you pay for municipal charges, rates & taxes of all the company directors

11.1.5 Original and valid B-BBEE status Level Verification certificates or certified copies

11.1.6 In the case of a Joint Venture, an original valid TAX Clearance Certificate of both partners should be submitted as well as a signed Agreement by both parties.

➤ **Should any of the documents stated above not be attached, your bid/proposal will be declared invalid.**

4. Project Duration

It is anticipated that work will start after signing of the SLA and duration is thirty six months.

For more information contact:

Person: Mr. JA Nkosi

Contact no: 017 843 4000

Fax no: 017 843 4001

E-mail: nkosija@albertluthuli.gov.za

**3
CONTRACT****SPECIAL CONDITIONS OF**

1. Tenders are hereby invited to submit proposals for professional and constructions services providers to assist the municipality.
2. Price(s) of the bid, which must be firm and VAT inclusive, must be valid for at least ninety (90) days from date of your offer.
3. The successful service provider, who must be registered as a service provider with the applicable professional body, will be the one scoring the highest points.
4. The successful service providers must provide clearance from the where municipality they are based indicating that they are not in arrears with regard to their respective municipal services accounts.
5. Bidders must initial all the pages of the Bid document and sign the Bidder particulars page in full.
6. Bidders must complete the original Bid document in black ink, and notice must be taken that tip-ex may not be used in the document.

The original Bid document must be submitted together with the Technical Proposal.

8. The transaction shall be subject to any stipulations in any Act, Ordinance or By-law pertaining thereto.
9. No proposals by any person that is not competent to enter into an agreement will be considered and if it is established that it is the case, the contract agreement in this regard will be considered null and void by Council.

Disputes must be settled by means of mutual consultation, mediation (with or without legal representation) or when unsuccessful, in a South African court of law on an attorney and client scale.

Should any legal action be deemed necessary to determine any aspect arising out of these conditions or to enforce any rights in terms of these conditions, then and in that event the parties hereto agree categorically to the jurisdiction of the Magistrate's Court to hear such action and to pass judgment notwithstanding the fact that the cause of action is beyond the jurisdiction of the Court: Provided always that Council shall have the right in its sole discretion to take action in any competent higher court in any matter exceeding the ordinary jurisdiction of the Magistrate's Court.

Council reserves the right to accept any cost proposal in a tender submitted or part thereof and will not be obliged to accept the lowest tender price submitted in a tender OR any cost proposal submitted.

PRICING SCHEDULE

Name of Bidder:.....	
Bid Number: ALMT08/2022	
Closing Time: 12:00	Closing Date 19 August 2022 .

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

	Description	Qty	Amount
1.	Rate per hour	1	R.....
	Sub Total		R.....
	VAT @15%		R.....
	Total Amount		R.....

TOTAL AMOUNT TO BE TRANSFERRED TO THE FRONT PAGE!

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 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, shareholder²):.....

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.

.....

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

.....

.....

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.

3.10 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 (Company Name)

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

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 to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution 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) **“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

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

Where

- P_s = Points scored for price of bid under consideration
- P_t = Price of bid under consideration
- P_{\min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND

6.1 B-BBEE Status Level of Contributor: . =(maximum of 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

8. 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 B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor 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.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>
--

<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p>
<p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p>

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	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 *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:

Chief Albert Luthuli Municipality

(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.
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

CONTRACT FORM - RENDERING OF SERVICES

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

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

1. I hereby undertake to render services described in the attached bidding documents to *Chief Albert Luthuli Municipality* in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number: ALMT08/2022 at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2017;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:	

**CONTRACT FORM - RENDERING OF SERVICES
PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

<u>DESCRIPTION OF SERVICE</u>	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE: