



**BID NUMBER: PM25-25/26**

**TENDER DESCRIPTION: PANEL OF CO-SOURCED INTERNAL AUDIT PARTNERS  
FOR A PERIOD OF THREE (3) YEARS**

**NAME OF BIDDER:** .....

**CSD NUMBER:** .....

**CONTACT NUMBER** .....

**EMAIL ADDRESS:** .....

**TOTAL BID AMOUNT:** \_\_\_\_\_

Document Prepared by:

Polokwane Municipality  
Corner Landros Mare and Bodenstein Street  
Polokwane  
0699

**CLOSING DATE: 12 March 2026 @ 10H00**

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Documents must be deposited in the bid box not later than **10H00 on 12 March 2026** when bids will be opened in public.

**Bidders must contact the following officials for any enquiries:**

- Technical enquiries: Ms. Babalwa Mosomane: 067 651 7265; [babalwaM@polokwane.gov.za](mailto:babalwaM@polokwane.gov.za)
- Supply chain enquiries: Mr. Tiro Pilusa: 015 290 2148; [tirop@polokwane.gov.za](mailto:tirop@polokwane.gov.za)
- **Bids will remain valid for a period of 90 days after the closing date.**

Bids received after the closing date and time will not be considered. Polokwane Municipality does not bind itself to accept the lowest or any other bid in whole or in part.

**VERY IMPORTANT NOTICE ON DISQUALIFICATIONS**

A bid that does not comply with the peremptory requirements stated hereunder will be regarded as not being an “acceptable bid”, and such a bid will be rejected. An “acceptable bid” means any bid which, in all respects, complies with the conditions of the bid and the

specifications as set out in the bid documents, including the conditions as specified in the preferential procurement policy framework Act and The Preferential Procurement Regulation, 2022 and related legislation, in terms of which provision is made for this policy

1. If any pages have been removed from the bid document and have therefore not been submitted.
2. If the bid document is completed using a pencil. Only black ink must be used to complete the bid document.
3. The bidder attempts to influence or has in fact influenced the evaluation and/or awarding of the contract.
4. The bid has been submitted after the relevant closing date and time.
5. If any bidder who, during the last five years, has failed to perform satisfactorily on a previous contract with the municipality, municipal entity or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.
6. The accounting officer must ensure that, irrespective of the procurement process followed, no award may be given to a person –
  - (a) who is in the service of the state;
  - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
  - (c) who is an advisor or consultant contracted to the municipality in respect of a contract that would cause a conflict of interest.
7. Bid offers will be rejected if the bidder or any of his/her directors are listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004) as a person prohibited from doing business with the public sector.
8. Bid offers will be rejected if the bidder has abused the Polokwane Municipality supply chain management system.
9. Failure to complete and sign the certificate of independent determination or disclosure of wrong information.

Failure to comply with the above will lead to immediate disqualification.

*“Polokwane Municipality is committed to maintaining the highest standards of honesty, integrity and ethical conduct and has adopted a zero tolerance to fraud and corruption. Thus, Polokwane municipality urges all stakeholders and potential service providers to exercise extreme caution and be vigilant of imposters in the name of the Polokwane Municipality.*

*Service Providers are reminded of the importance of verifying the authenticity of any requests for personal information and avoid engaging with unsolicited communications, particularly those*

*involving financial matters or the promise of tenders and jobs. Any suspicious activity, including fraudulent calls or messages, should be reported immediately to the relevant authorities and the police for investigation. Polokwane Municipality does not request potential service providers to pay any gratification to individual in any way whatsoever in exchange for the appointment to render services for the Municipality.”*

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**Signed by Bidder**



**PART A  
INVITATION TO BID**

**MBD1**

|                                                                                                |                                                                             |               |               |               |       |
|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------|---------------|---------------|-------|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY) |                                                                             |               |               |               |       |
| BID NUMBER:                                                                                    | PM25-25/26                                                                  | CLOSING DATE: | 12 March 2026 | CLOSING TIME: | 10H00 |
| DESCRIPTION                                                                                    | PANEL OF CO-SOURCED INTERNAL AUDIT PARTNERS FOR A PERIOD OF THREE (3) YEARS |               |               |               |       |
| 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 Polokwane Municipality, Civic Centre, corner Bodenstein and Landdros Mare Street not later than 10:00 on **12 March 2026**.

An official and compulsory briefing session not applicable for this project.

The Bid box is generally open 24 hours, 7 days a week.

Completed Bid document, fully priced and signed must be sealed in an envelope marked “ Bid number and Bid description”

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

**Bids documents containing the Conditions of Bid and other requirements in terms of the Supply Chain Management Policy will be downloaded from e-tender Publication Portal at [www.etenders.gov.za](http://www.etenders.gov.za) at no fee.**

**SUPPLIER INFORMATION**

|                                                                                        |                                                                                    |                                                                   |                 |                                                                                        |  |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------|--|
| NAME OF BIDDER                                                                         |                                                                                    |                                                                   |                 |                                                                                        |  |
| POSTAL ADDRESS                                                                         |                                                                                    |                                                                   |                 |                                                                                        |  |
| STREET ADDRESS                                                                         |                                                                                    |                                                                   |                 |                                                                                        |  |
| TELEPHONE NUMBER                                                                       | CODE                                                                               |                                                                   | NUMBER          |                                                                                        |  |
| CELLPHONE NUMBER                                                                       |                                                                                    |                                                                   |                 |                                                                                        |  |
| FACSIMILE NUMBER                                                                       | CODE                                                                               |                                                                   | NUMBER          |                                                                                        |  |
| E-MAIL ADDRESS                                                                         |                                                                                    |                                                                   |                 |                                                                                        |  |
| VAT REGISTRATION NUMBER                                                                |                                                                                    |                                                                   |                 |                                                                                        |  |
| TAX COMPLIANCE STATUS                                                                  | TCS PIN:                                                                           |                                                                   | OR              | CSD No:                                                                                |  |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF] | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? |                 | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER PART B:3 ] |  |
| TOTAL NUMBER OF ITEMS OFFERED                                                          |                                                                                    |                                                                   | TOTAL BID PRICE | R                                                                                      |  |
| SIGNATURE OF BIDDER                                                                    | .....                                                                              |                                                                   | DATE            |                                                                                        |  |
| CAPACITY UNDER WHICH THIS BID IS SIGNED                                                |                                                                                    |                                                                   |                 |                                                                                        |  |

**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:**

**TECHNICAL INFORMATION MAY BE DIRECTED TO:**

|                  |                        |                  |                           |
|------------------|------------------------|------------------|---------------------------|
| DEPARTMENT       | SCM                    | CONTACT PERSON   | Ms. Babalwa Mosomane      |
| CONTACT PERSON   | Mr. Tiro Pilusa        | TELEPHONE NUMBER | 067 651 7265              |
| TELEPHONE NUMBER | 015 290 2148           | FACSIMILE NUMBER |                           |
| FACSIMILE NUMBER |                        | E-MAIL ADDRESS   | babalwaM@polokwane.gov.za |
| E-MAIL ADDRESS   | tirop@polokwane.gov.za |                  |                           |

## PART B TERMS AND CONDITIONS FOR BIDDING

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1. BID SUBMISSION:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <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. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE</b></p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>2. TAX COMPLIANCE REQUIREMENTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <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>                                                                                                                           |
| <b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES</span><br/> <div style="margin-left: 20px;"><input type="checkbox"/> NO</div></p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p><b>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.</b></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: .....

## **SCHEDULE OF CONTENTS**

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**BID NO: PM25-25/26**

**BID DESCRIPTIONS: PANEL OF CO-SOURCED INTERNAL AUDIT PARTNERS FOR A PERIOD OF THREE (3) YEARS**

**DIRECTORATE: CHIEF OPERATIONS OFFICER**

**BUSINESS UNIT: INTERNAL AUDIT**

Bids are hereby invited for the Panel of Co-Sourced Internal Audit Partners for a Period of Three (3) Years

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

**THIS BID IS SUBJECT TO THE, PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATION, 2022, AND THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.**

The Municipality shall adjudicate and award bids in accordance with preference points of 80/20-point system, 80 points for the price and 20 points for specific goals. Prospective bidders must accept that the bid will be adjudicated, according to the said legislation. Bids will remain valid for 90 (ninety) days. The Council also reserves the right to negotiate further conditions and requirements with the successful bidder

**N.B: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE [AS DEFINED IN REGULATION 1 OF THE LOCAL GOVERNMENT: MUNICIPAL SUPPLY CHAINS MANAGEMENT REGULATIONS]**

**MS. THUSO NEMUGUMONI  
CITY MANAGER  
CIVIC CENTRE  
LANDDROS MARE STREET**

## **RESPONSIVENESS AND EVALUATION CRITERIA**

### **POLOKWANE MUNICIPALITY WILL CONSIDER NO BID UNLESS ITS MEETS THE FOLLOWING RESPONSIVENESS CRITERIA**

- The bid must be properly received in a sealed envelope clearly indicating the description of the service and the bid number for which the bid is submitted.
- The bid must be deposited in the relevant bid box as indicated on the notice of the bid on or before the closing date and time of the bid.
- A valid Central Supplier Database Number (CSD)
- Bid forms must be completed in full and each page of the bid initialed.
- Submission of a Joint Venture Agreement, where applicable, which has been properly signed by all parties.
- Proof of payment of municipal rates and taxes or letter from tribal authority or valid lease agreement must be attached.
- Complies with the requirements of the bid and technical specifications.
- Adheres to Pricing Instructions.
- Comply in full and observe the requirements of the Notice to Bidders
- Experience with similar work – demonstrate a track record of a projects of similar scope and size

### **EVALUATION OF BIDS**

- a) All bids received shall be evaluated in terms of the Supply Chain Management Regulations, Polokwane Municipality Supply Chain Management Policy (on request from Municipality), the
  - a) preferential procurement regulation, and other applicable legislations.
- The Council reserves the right to accept all, some, or none of the bids submitted – either wholly or in part – and it is not obliged to accept the lowest bid.

## PLEASE NOTE

**The City Manager may reject the bid or quote of any person if that person or any of its directors has:**

- a) The person committed a corrupt or fraudulent act during the procurement process or in the execution of the contract, or
- b) An official or other role player committed any corrupt or fraudulent act during the procurement process or in the execution of the contract that benefited that person.
- c) Failed to pay municipal rates and taxes or municipal service charges and such rates, taxes and charges are in arrears for more than three months;
- d) Failed, during the last five years, to perform satisfactorily on a previous contract with the Polokwane Municipality or any other organ of State after written notice was given to that bidder that performance was unsatisfactory;
- e) Abused the supply chain management system of the Municipality or have committed any improper conduct in relation to this system;
- f) Been convicted of fraud or corruption during the past five years;
- g) Willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- h) 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) or has been listed on National Treasury's database as a person prohibited from doing business with public sector.



**Particular of Sole Proprietors and partners in partnerships**

| <b>Name</b> | <b>Identity Number</b> | <b>Personal Income Tax Number</b> |
|-------------|------------------------|-----------------------------------|
|             |                        |                                   |
|             |                        |                                   |
|             |                        |                                   |
|             |                        |                                   |
|             |                        |                                   |
|             |                        |                                   |
|             |                        |                                   |

**(Attach of identity Document, if bidder is a Sole Proprietor and/or partners in partnership)**

**State in cases where the bidder is a Company, Corporation of Firm by what authority the person signing does so, whether by Articles of Association, Resolution, Power of Attorney or otherwise.**

I/We the undersigned am/are authorized to enter into this contract of behalf of:

---

by virtue of \_\_\_\_\_

dated \_\_\_\_\_ a certified copy if which is attached to this bid.

**Signature of authorized person:** \_\_\_\_\_

**Name of Firm:** \_\_\_\_\_

**Postal Address:** \_\_\_\_\_

**Date:**

\_\_\_\_\_

**As witness:** 1. \_\_\_\_\_

2. \_\_\_\_\_

**Please Note:**

*The prices at which bids are prepared to supply the goods and materials or perform the services must be placed on the column on the Form provided for that purpose.*

**Failure on the part of the bidder to sign the Form of Bid and initial each page of this bid document will result in a bid being disqualified.**

**Bank account details of bidder:**

**Bank:** \_\_\_\_\_

**Branch:** \_\_\_\_\_

**Branch Code:** \_\_\_\_\_

**Accounting Number:** \_\_\_\_\_

**Type of Account:** \_\_\_\_\_

**PROOF THAT MUNICIPAL ACCOUNT IS PAID IN FULL TO BE ATTACHED (ARRANGEMENTS MADE WITH COUNCIL WILL BE TAKEN INTO CONSIDERATION).**

**NOTE: THE AUTHORIZED SIGNATORY MUST SIGN ANY ALTERATIONS TO THE**

**BIDDER DOCUMENT IN FULL**

**ANY COMPLETION OF THE BIDDER DOCUMENT IN ERASABLE INK WILL NOT BE ACCEPTED**

## **BIDDING INFORMATION**

Details of person responsible for bidding process

Name \_\_\_\_\_

Contact number \_\_\_\_\_

Address of office submitting bid \_\_\_\_\_  
\_\_\_\_\_

Telephone \_\_\_\_\_

Fax no \_\_\_\_\_

E-mail address \_\_\_\_\_

VAT Registration Number \_\_\_\_\_

## AUTHORITY FOR SIGNATORY

Signatories for close corporation and companies shall conform their authority by attaching to this form a duly signed and dated copy of the relevant resolution of their members or their board of directors, as the case may be.

“By resolution of the board of directors passed on \_\_\_\_\_ 20\_\_\_\_

Mr/Ms. \_\_\_\_\_

Has been duly authorized to sign all documents in connection with the bid for

Contract \_\_\_\_\_ No \_\_\_\_\_

And any Contract, which may arise there from on behalf of

---

Signed on behalf of the company: \_\_\_\_\_

In his/her capacity as: \_\_\_\_\_

Date: \_\_\_\_\_

Signature of signatory \_\_\_\_\_

As witness: 1. \_\_\_\_\_

2. \_\_\_\_\_

## GENERAL UNDERTAKINGS BY THE BIDDER

### DEFINITION

1. **"Acceptable bid"** means any bid, which in all respects, complies with conditions of bid and specifications as set out in the bid document, including conditions as specified in the Preferential Procurement Regulation (of 2011).
2. **"Chairperson"** means the chairperson of the Polokwane Municipality Bid Adjudication Committee.
3. **"City Manager"** means the Municipal Manager of the Municipality.
4. **"Committee"** refers to the Bid Adjudication Committee.
5. **"Council"** refers to Polokwane Municipality.
6. **"Member"** means a member of the Bid Adjudication Committee.
7. **"Service providers"** refers to the bidders who have been successful in being awarded Council contracts.
8. **"SMMes"** (Small, medium and Micro Enterprises) refers to separate and distinct business entities, including co-operative enterprises and NGOs, managed by one owner or more, as defined in the National Small Business (Act 102 of 1996).
9. **"Contract"** refers to legally binding agreement between Polokwane Municipality and the service provider.
10. **"Bid"** means a written offer in a prescribed or stipulated form in response to an invitation by the Municipality for the provision of services or goods.
11. **"Contractor"** means any natural or legal person whose bid has been accepted by the Council.
12. **"Closing time"** means the date and hour specified in the bid documents for the receipt of bids.
13. **"Order"** means an official written order issued for the supply of goods or the rendering of a service in accordance of the accepted bid or price quotation.
14. **"Written" or "in writing,"** means hand written in ink or any form of mechanical writing in printed form.
15. **"Highest acceptable tender"** Means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders
16. **"Historically Disadvantaged Individual (HDI)"** means a South African Citizen (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) ("the Interim Constitution"); and/or (2) Who is a female; and /or (3) Who has a disability; Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI;
17. **"Lowest acceptable offer"** Means a tender that complies with all specifications and conditions of tender and that has lowest price compared to other tenders
18. **"Specific goals"** Means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged

by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994

19. **“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

## INTERPRETATION:

1. In this agreement clause headings are for convenience and shall not be used in its interpretation and, unless the context clearly indicates a contrary intention:
2. An expression which denotes:-
3. Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the signature date, and as amended or re-enacted from time to time;
4. When any number of day is prescribed, such shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding day which is a business day;
5. Where any term is defined within a particular clause, other than the interpretation clause, that term shall bear the meaning ascribed to it in that clause wherever it is used in this agreement.

I/we hereby tender:

To supply all or any of the supplies and/or to render all or any of the services described in the attached documents {Forms, Schedule(s) and/or Annexure(s) to the Polokwane Municipality.

On the terms and conditions and accordance with the specifications stipulated in the bid documents (and which shall be taken as part of and incorporated into, this bid);

At the prices and on the terms regarding time for delivery and/or execution inserted therein.

I/we agree further that:

The offer herein shall remain binding upon me/us and open for acceptance by the Polokwane Municipality during the validity period indicated and calculated from the closing time of the bid.

This bid and its acceptance shall be subject to the terms and conditions contained in the Forms, Scheduled(s) and/or Annexure(s) attached hereto with which I am /we are fully acquitted.

Notwithstanding anything to the contrary in the Form(s), Schedule(s) and /or Annexure(s) attached hereto:

If I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfill the contract when called upon to do so, the Polokwane Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our tender or cancel the contract that may have been entered into between me/us and the Municipality;

In such event, I/we will then pay to the Municipality any additional expenses incurred by the Municipality for having either to accept any less favourable bid or, if new bids have to be invited, the additional expenditure incurred by the invitation of new bids and by the subsequent acceptance of any less favourable bid;

The Municipality shall also have the right in these circumstances, to recover such additional expenditure by set-off against monies which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfillment of this or any other bid or contract;

Pending the ascertainment of the amount of such additional expenditure the Municipality may retain such monies, guarantee or deposit as security for any loss the Municipality may sustain, as determined hereunder, by reason of my/our default.

Any legal proceedings arising from this bid may in all respects be launched or instituted against me/us and if/we hereby

undertake to satisfy fully any sentence or judgment which may be obtained against me/us as a result of such legal proceedings and I/we undertake to pay the Polokwane Municipality legal costs on an attorney and own client;

If my/our bid is accepted that acceptance may be communicate to me/us by letter or facsimiles and that proof of delivery of such acceptance to SA Post Office Ltd or the production of a document confirming that a fax has been sent, shall be treated as delivery to me/us.

The law of the Republic of South Africa shall govern the contract created by the acceptance to this tender.

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

I/we accept full responsibility for the proper execution and conditions defaulting on me/us under this agreement as the principal(s) liable for the fulfillment of this contract.

**I/we declare that I/we have participated /no participated in the submission of any other bid for the supplies/services described in the attached documents. If your answer here is yes, please state the names(s) of the other Bid(s) involved: \_\_\_\_\_**

## General Conditions of Contract

### 1 DEFINITION

The following terms shall be interpreted as indicated:

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

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

**1.17 “Local content”** means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.

**1.18 “Manufacture”** means the production of products in a factory using labour, materials, component and machinery and includes other related value-adding activities.

**1.19 “Order”** means an official written order issued for the supply of goods or works or the rendering of a service.

**1.20 “Project site,”** where applicable, means the place indicated in bidding documents.

**1.21 “Purchaser”** means the organization purchasing the goods.

**1.22 “Republic”** means the Republic of South Africa.

**1.23 “SCC”** means the Special Conditions of Contract.

**1.24 “Services”** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

**1.25 “Supplier”** means the successful bidder who is awarded the contract to maintain and Administer the required and specified service(s) to the State.

**1.26 “Tort”** means in breach of contract.

**1.27 “Turnkey”** means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

**1.28 “Written”** or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

## **2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a nonrefundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

## **4. Standards**

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

## **5. Use of contract documents and information inspection**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GC Clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent Rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of Patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

## **7. Performance security**

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

## **8. Inspections, tests and analyses**

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

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

8.3 If there are no inspections requirements indicated in the bidding documents and no mention is

Made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

## **9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly With such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental Services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

(a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;

(b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;

(c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

## **14. Spare parts**

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier: (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;

(b) in the event of termination of production of the spare parts:

(i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

## **15. Warranty**

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

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16. Payment**

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

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the Delivery note and upon fulfillment of other obligations stipulated in the contract. 16.3

Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.3 Payment will be made in Rand unless otherwise stipulated.

## **17. Prices**

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

## **18. Variation orders**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration

and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available. 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

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

The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) If the supplier fails to perform any other obligation(s) under the contract; or
- (c) If the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or service similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years. 23.4 If a purchaser intends imposing a restriction on a supplier or any person associate time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed.

Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

23.5. Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or

other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first- mentioned person, and with which enterprise or person the first- mentioned person, is or was in the opinion of the purchaser actively associated.

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

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

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

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

## **24. Antidumping and countervailing duties and rights**

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase.

When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **25. Force Majeure**

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

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

## **26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without

compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

## **27. Settlement of Disputes**

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

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party. 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

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

(a) The parties shall continue to perform their respective obligations under the contract Unless they otherwise agree; and

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

## **28. Limitation of Liability**

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) The aggregate liability of the supplier to the purchaser, whether under the contract, in tort Or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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

## **30. Applicable law**

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

## **31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and

Other such levies imposed outside the purchaser's country. 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

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

### **33. Transfer of contracts**

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

### **34. Amendment of contracts**

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

### **35. Prohibition of restrictive practices**

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

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

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

**GENERAL PROCEDURES**

**1 General Directives**

- 2.1 The following general procedures contained in this document have been laid down by the Council and are applicable to all bids, orders and contracts, unless otherwise approved by the Council prior to the invitation of the bids.
- 2.2 Where applicable, special conditions or procedures are also laid down by the Council to cover specific supplies or services.
- 2.3 Where such special conditions or procedures are in conflict with the general conditions and procedures, the special conditions or procedures shall apply.
- 2.4 The bidder shall satisfy himself/herself with the conditions and circumstances of the bid. By bidding, the bidder shall deem to have satisfied himself/herself as to all the conditions and circumstances of the bid.
- 2.5 Formal contract are concluded with the contractors only where this requirement is stated in the bid invitation.
- 2.6 All bids with regard to the bidding of a service e.g. materials, cleaning services; professional services, etc. shall be subject to the negotiation of a Service Level agreement between the successful contractor and the Municipality. The acceptance of this Service Level Agreement is subject to the approval by the Council of the Municipality.
- 2.7 The written acceptance of bid shall be posted to the bidder or contractor concerned by registered or certified mail.

**2 Issuing of bid documents**

On the date that the advertisement appears in the Municipality's Tender Bulletin, and or media, prospective bidders may request copies of the tender documentation.

The Supply Chain Management Unit will keep a register and potential bidders should sign for receipt of the bid documentation. If a fee is payable, an official receipt must be issued before the bid document is handed to the bidder.

No bid responses from any bidder should be accepted if sent via the Internet, e-mail or fax.

Only the Supply Chain Management Unit will have direct communication between the potential bidders and will facilitate all communication between potential bidders and the

Municipality with regard to any advertised bid. No line function staff should be allowed to communicate with potential bidders without the approval by the Manager: Supply Chain Management Unit.

The Supply Chain Management Unit will only consider request for the extension of the closing dates of advertised bid if the postponed date can be advertised in the media used to advertise before the original closing date. The closing time may be postponed only if all potential bidders can be advised of the postponed time, in writing, before the original closing time.

The decision to extend the closing date or time rests with the Manager: Supply Chain Management Unit, who must ensure compliance with all relevant rules and regulations and must confirm prior to the action being taken.

### **3 Payment of bid documents**

**Bids documents containing the Conditions of Bid and other requirements in terms of the Supply Chain Management Policy will be downloaded from e-tender Publication Portal at [www.etenders.gov.za](http://www.etenders.gov.za) at no fee.**

### **4 Public Invitation for competitive bids**

The following are procedures for the invitation of competitive bids:

- 4.1 Invitation to prospective providers to submit bids must be by means of a public advertisement in the national treasury publication portal [www.etenders.gov.za](http://www.etenders.gov.za), the website of the municipality or any other appropriate ways (which may include an advertisement in Polokwane Municipality Notice board)

### **5 Public advertisement must contain the following:**

The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (Vat included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper; subject to (iii) below; and

- 6 Accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.
- 7 Bids submitted must be sealed.

### **8 The following information must appear in any advertisement:**

- Bid number;
- Description of the requirements;
- The place where the bid documents can be obtained;
- The date, time and venue where site inspection/briefing session will be (if applicable);
- Closing date and time;
- The fee applicable that must be paid before the bid documents will be issued; and
- The name and telephone numbers of the contact person for any enquiries

## **9 Site meetings of briefing sessions (if applicable)**

A fully explanatory site inspection must be conducted before the close of the bids to ensure that the bidders understand the scope of the project and that they can comply with the conditions and requirements.

It should be a condition that prospective bidders attend a site inspection and non-attendance should invalidate a bid, where a site inspection/briefing session is applicable.

## **10 Handling of bids submitted in response to public invitation**

### **10.1 Closing of bids**

All bids will close at **10H00** on a date as stipulated on the advertisement, which must be reflected in the bid document.

Bids are late if they are received at the address indicated in the tender documents after the closing date and time.

A late bid should not be admitted for consideration and where practical should be returned unopened to the bidder accompanied by explanation.

### **10.2 Opening of bids**

Bids are opened in public as soon as possible after the closure in the presence of the Manager: Supply Chain Management or his/her delegate.

The official opening the bids should in each case read out the name of the bidder and the amount of the bid.

The bid should be stamped with the official stamp of the Municipality and endorsed with the signatures of the person opening it and of the person in whose presence it was opened.

Bids should be recorded in a register kept for that purpose.

### **10.3 Validity Period of the bids**

The validity periods should not exceed 90 (ninety) days and is calculated from the date of bid

closure endorsed on the front cover of the bid document.

Should the validity period expires on a Saturday, Sunday or Public holiday, the bid must remain valid and open for acceptance until the closure on the following working date.

### **10.4 Consideration of bids**

- The Council takes all bids duly admitted into consideration.
- The Council reserves the right to accept the lowest or any bid received.
- The decision by the Municipality regarding the awarding of a contract must be final and binding

## **10.5 Evaluation of bids**

The following are criteria against which all bids responses will be evaluated:

### **11 Compliance with bid conditions;**

### **12 Meeting technical specifications and comply with bid conditions;**

### **13 Financial ability to execute the contract; and**

- (i) Only bidders who are registered in the relevant professional body will be considered. This requirement will remain in force as long as it is a requirement of that specific professional body.
- (ii) The Joint Ventures, all companies, which are part of the joint venture, must be registered with the professional body. The company that meets the requirement of professional body will be considered.

## **14 Evaluation of bids on functionality and price**

14.1 All bids received will be evaluated on functionality and price.

**15** The conditions of bid may stipulate that a bidder must score a specified minimum number of points for functionality to qualify for further evaluation.

- I. Only bid with the highest number of points will be selected.

## **16 Acceptance of bids**

Successful bidders must be notified at least by registered post of the acceptance of their bids, but that acceptance however, will only take effect after completion of the prescribed contract form.

The successful service provider will be required to sign the service level agreement.

Unsuccessful bids should not be returned to bidders, but should be placed on record for audit purposes.

A register or records should be kept of all bids accepted

## **17 Publication of bids results**

The particulars of the successful bidders should be published in the Municipality's Tender Bulletin, website as well as the newspaper on which the bid was advertised.

## **18 Cancellation and re-invitation of bids**

- I. In the event that in the application of the 80/20 preference point system as stipulated in the bid documents, all bids received exceed the estimated Rand Value of R50 000 000.00, the bid

invitation must be cancelled. If one or more of the acceptable bid(s) received are within the R50 000 000.00 threshold, all bids received must be evaluated on the 80/20 preference point system

II. In the event that, in the application of the 90/10 preference point system as stipulated in the bid documents, all bids received are equal to or below R50 000 000.00, the bid must be cancelled. If one or more of the acceptable bid(s) received are above the R50 million threshold, all bids received must be evaluated on the 90/10 preference point system

If a bid was cancelled as indicated above, the correct preference point system must be stipulated in the bid documents of the re-invited bid.

City Manager may, prior to the award of a bid, cancel the bid if:

Due to changed circumstances, there is no longer a need for the services, works or goods requested.

City Manager must ensure that only goods, services or works that are required to fulfil the needs of the institution are procured. Or

Funds are no longer available to cover the total envisaged expenditure.

City Manager must ensure that the budgetary provisions exist prior to inviting bids: or

No acceptable bids are received (If all bids received are rejected, the institution must review the reasons justifying the rejection and consider making revisions to the specific conditions of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids)

BID NO: PM25-25/26

**BID DESCRIPTIONS: PANEL OF CO-SOURCED INTERNAL AUDIT PARTNERS FOR A PERIOD OF THREE (3) YEARS**

**SPECIAL CONDITIONS OF CONTRACT**

1. The Municipality reserves the right to review performance annually.
2. The contract will be terminated for poor performance or non-compliance
3. Inclusion on the panel does not guarantee work allocation.
4. The Municipality reserves the right to rotate work among panel members.
5. The Municipality may limit the number of panel members appointed.
6. Appointment is subject to signing a Service Level Agreement (SLA) per assignment.
7. Rates will only be escalated annually in line with the CPI.
8. The Municipality shall not be liable for any accommodation, subsistence, travel or related expenses incurred by the service providers in the performance of audit assignments. Only disbursements of **5%** of the audit fees will be payable. This percentage shall be deemed to include all incidental and administrative costs associated with the execution of the services to the municipality.
9. The Municipality is not obliged to appoint all bidders to the panel.
10. The Municipality reserves the right to cancel or amend the process.
11. The Municipality shall appoint a **maximum** of five (5) Service providers on the panel, appointing three (3) service providers for **Group A – General** and two (2) service providers for **Group B – Specialized Audits**.

BID NO: PM25-25/26

**BID DESCRIPTIONS: PANEL OF CO-SOURCED INTERNAL AUDIT PARTNERS FOR A PERIOD OF THREE (3) YEARS**

**1. DURATION OF THE PROJECT**

The duration of the project will be three (3) years after the signing of the Service Level Agreement (SLA).

**2. DETAILED SPECIFICATIONS:**

**2.1 BACKGROUND AND CONTEXT**

Polokwane Local Municipality is required, in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), the Municipal Systems Act, 2000, King V Report on Corporate Governance, to maintain an effective, independent and objective Internal Audit Function (IAF).

Due to the complexity, scope and specialized nature of certain audits, the Municipality intends to appoint a **Panel of Co-Sourced Internal Audit Service Providers** for a period of **three (3) years**, to supplement the in-house Internal Audit SBU.

The panel will provide specialist skills, capacity and technical expertise on an **as-and-when-required basis**, in line with the approved **Risk-Based Internal Audit Plan**.

**2.2 PURPOSE OF THE PANEL**

The purpose of this TOR is to establish a panel of suitably qualified and experienced Internal Audit firms/service providers to:

- 1) Support the Internal Audit SBU in executing the approved Internal Audit Plan
- 2) Provide specialized audit and advisory services
- 3) Enhance audit coverage, quality and turnaround times

- 4) Support improved governance, risk management, compliance and internal controls.

Appointment to the panel does **not** guarantee work. Assignments will be issued based on the needs of the municipality, rotation, area expertise and performance.

## **2.3 SCOPE OF WORK**

Panel members may be required to perform, *but not limited to*, the following services. Bidders must note that the Municipality intends appointing firms with **specific and demonstrable specialist skills** to strengthen Internal Audit coverage.

### **2.3.1 Core Specialist Internal Audit Skills Required**

Service providers on the panel must demonstrate expertise in one or more of the following **specialist audit areas**:

- **Financial Discipline Audits** (including AFS review, Expenditure management, Unauthorized, Irregular and Fruitless and wasteful expenditure, etc.)
- **Risk-Based Internal Audits** aligned to the Municipality's strategic and operational risk registers
- **Information Technology (IT) and ICT Governance Audits**
- **Auditing of Performance Information (Predetermined Objectives)**
- **Auditing of Infrastructure and Capital Projects** (planning, procurement, implementation and monitoring)
- **Highly Specialized Audits**, including *but not limited to*:
  - Probity audits
  - Governance and ethics reviews
  - Material irregularity reviews
  - Consequence management process reviews

### **2.3.2 Other Internal Audit and Assurance Services**

- Operational, Compliance and Governance Audits
- Supply Chain Management (SCM) Audits
- Revenue, Expenditure, Assets and Liabilities Audits
- Environmental, Health and Safety Audits
- Infrastructure Security and Asset Protection Audit

- Contingent Liability Audit

## 2.4 REPORTING AND GOVERNANCE

- Service providers will report functionally to the **Chief Audit Executive (CAE)**.
- All audit reports shall be submitted to CAE and may be presented to:
  - City Manager
  - Audit and Performance Audit Committee
- All work must comply with the **Global Internal Auditing Standards** and **Internal Audit Methodology** for Polokwane Local Municipality.

## 2.5 DELIVERABLES

Key deliverables may include:

- 1) Approved audit planning documents, process documentation and audit programs
- 2) Working papers
- 3) Executive summaries and presentations
- 4) Draft and Final Audit Reports (including Root cause analyses and practical recommendations)
- 5) Follow-up reports on implementation status and audit files

**NOTE:** All deliverables shall be the property of Polokwane Local Municipality.

## 2.6 REQUIRED COMPETENCIES AND MINIMUM QUALIFICATIONS

### 2.6.1 Firm Requirements

- Registered audit, consulting or professional services firm
- Minimum of **5 years' experience** in Internal Audit services (*public sector preferred*)
- Proven audit work experience within **local government and/or public sector entities**

### 2.6.2 Professional Skills and Specialist Expertise

Bidders must clearly demonstrate capacity and experience in their chosen specialist area.

**IMPORTANT:** Bidders are required to **select their area of specialist/ expertise (one (1) relevant GROUP)** from the list below. No bidder will be evaluated on both groups.

☐ **GROUP A – General**

- ☐ Financial Discipline Audits
- ☐ Risk-Based Internal Audits
- ☐ Compliance Audits

☐ **GROUP B – Specialized Audits**

- ☐ IT / ICT Governance Audits
- ☐ Auditing of Performance Information/Predetermined Objectives (AOPO)
- ☐ Auditing of Infrastructure & Capital Projects
- ☐ Highly Specialized Audits (e.g. Probity, Ethics, Material Irregularities and etc.)

For each selected area, bidders must provide:

- 1) Relevant project experience and appointment letters/signed reference letters from serviced clients
- 2) Qualifications and experience of key personnel
- 3) Professional qualifications may include CIA, CA(SA), CISA, CFE, CGEIT, Pr. Eng (for infrastructure audits) or equivalent.

## **2.7 INDEPENDENCE AND CONFIDENTIALITY**

- All service providers in the panel must maintain independence and objectivity at all times.
- Declaration of independence and conflict of interest will be required per assignment.
- All information accessed from the Municipality shall be treated as confidential.

## **2.8 ALLOCATION OF WORK**

- Assignments will be issued through **written engagement letters or task orders**.
- Allocation will consider:
  - The nature and complexity of the work
  - Required expertise
  - Past performance and turnaround time

## **2.9 PERFORMANCE MANAGEMENT**

Performance will be assessed based on:

- 1) The quality of deliverables

- 2) Adherence to timelines
- 3) Compliance with standards
- 4) Responsiveness and professionalism

**IMPORTANT:** Poor performance will result in termination from the panel.

**PRICING SCHEDULE – FIRM PRICES (PURCHASES)****PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of bidder:- \_\_\_\_\_

Bid number: PM25 – 25/26

Closing Time : 10:00                      Closing date:- 12 March 2026

**OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.**

**1      PRICING AND COSTING**

- Bidders must submit a **rate card** (hourly/daily rates) per skill level.
- Rates shall be subject to annual escalation linked to the CPI.
- Payment will be based on actual work performed and approved deliverables.

**2      *Standardised Price Evaluation Scenario (For Evaluation Purposes Only)***

To enable a fair and comparable evaluation of price in a rate-based bid, the Municipality will apply a **standardised pricing scenario**. This scenario will be used **solely for bid evaluation** and does not represent a commitment to procure the stated quantities of work. The calculated evaluated bid price will be used to apply the **80/20 preference point system**, as applicable

All bidders will be evaluated using the **same scenario**.

**Price Evaluation Scenario Table**

| Resource Category                                             | Assumed Number of Resources | Assumed Days | Total Days | Total Price |
|---------------------------------------------------------------|-----------------------------|--------------|------------|-------------|
| Audit Manager / Project Lead                                  | 1                           | 10           | 10         |             |
| Senior Auditor                                                | 1                           | 20           | 20         |             |
| Auditor/Specialist Auditor<br>(IT / Infrastructure / Probity) | 1                           | 10           | 10         |             |

|                     |  |  |                |  |
|---------------------|--|--|----------------|--|
|                     |  |  | <b>40 Days</b> |  |
| <b>Sub-total</b>    |  |  |                |  |
| <b>Vat</b>          |  |  |                |  |
| <b>Total Amount</b> |  |  |                |  |

## 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

### 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.
- b) Either the 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                                            | 80         |
| SPECIFIC GOALS                                   | 20         |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

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:

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

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:

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

Where

- $P_s$  = Points scored for price of tender under consideration  
 $P_t$  = Price of tender under consideration  
 $P_{max}$  = 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                         | MEANS OF VERIFICATION DOCUMENTS REQUIRED                                                                    | 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) |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Ownership of 51% or more by persons who are black                                   | CSD/Company registration copy and ID<br>Copies of directors                                                 | 5                                                                                 |                                                                           |
| Ownership of 51% or more by persons who are woman                                   | CSD/Company registration copy and ID<br>Copies of directors                                                 | 5                                                                                 |                                                                           |
| Ownership of 51% or more by persons who are disable                                 | Medical report indicating disability                                                                        | 4                                                                                 |                                                                           |
| Ownership of 51% or more by persons who are youth                                   | CSD/Company registration copy and ID<br>Copies of directors                                                 | 4                                                                                 |                                                                           |
| Ownership by persons who are residing within jurisdiction of Polokwane Municipality | municipal rates and taxes statement of account/ signed valid leasing agreement/Letter from tribal authority | 2                                                                                 |                                                                           |
| Total points claimed                                                                |                                                                                                             | 20                                                                                |                                                                           |

**Table 2: Business entity ownership disclosure**

***Bidders must list all shareholders and provide ownership information in terms of the business entity registration certificate***

| Full Names | Identity Number | % of ownership | South African (Yes/No) | Race | Gender | Disable (Yes/No) | Youth (Yes/No) | Local enterprise (Yes/No) |
|------------|-----------------|----------------|------------------------|------|--------|------------------|----------------|---------------------------|
|            |                 |                |                        |      |        |                  |                |                           |
|            |                 |                |                        |      |        |                  |                |                           |
|            |                 |                |                        |      |        |                  |                |                           |
|            |                 |                |                        |      |        |                  |                |                           |
|            |                 |                |                        |      |        |                  |                |                           |

#### **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.

|                                    |       |
|------------------------------------|-------|
| .....                              |       |
| <b>SIGNATURE(S) OF TENDERER(S)</b> |       |
| <b>SURNAME AND NAME:</b>           | ..... |
| <b>DATE:</b>                       | ..... |
| <b>ADDRESS:</b>                    | ..... |
|                                    | ..... |
|                                    | ..... |
|                                    | ..... |

## EVALUATION PROCESS AND CRITERIA

**BID NO: PM25-25/26**

The following evaluation process and criteria will be used to evaluate all bids submitted:

### **1. Administrative Compliance – Phase One**

1.1 All bids duly lodged will be examined to determine compliance with bidding requirements and conditions. Bids with obvious deviations from the requirements/conditions, will be eliminated from further evaluation.

#### **1.2 Critical Criteria:**

The following critical criteria have been identified for this bid and any non-compliance thereto will lead to the bid being regarded as non-responsive and disqualified from further evaluation:

- Authority to sign filled in full
- All Pages initialed
- Certified ID Copies of All Directors/Members/Shareholders of the Company/Business (If JV, For Both)
- Attach Valid original tax compliance status certificate (if JV, For Both)
- Joint venture agreement (Where applicable)
- Pricing Schedule in black ink
- Signed for alterations and in the Pricing Schedule
- Central Supplier Database (CSD) report (If JV, For Both)
- Company certificate
- Municipal rates and taxes/Lease agreement/Local tribal authority letter (**For company and all the directors**) not older than three months
- Completed and signed Invitation to bid (**MBD1**)
- Completed and signed declaration of interest (**MBD4**)
- Completed and signed declaration for procurement above R10 million (Including tax) (**MBD5**)
- Completed and signed preference points claim form (**MBD6.1**)
- Completed and signed declaration on past SCM practices form (**MBD8**)
- Completed and signed certificate of independent bid determination (**MBD9**)

**NB: THE BIDDERS THAT MEET THE ABOVE ADMINISTRATIVE COMPLIANCE WILL FURTHER BE EVALUATED ON FUNCTIONALITY**

**PHASE 2. Functionality**

Bidders must score a minimum of 70 points for functionality to proceed to the next phase of the evaluation criterion. Only qualifying bidders will be evaluated further on Price and Specific Goals.

**2.1. EVALUATION ON QUALITY/FUNCTIONALITY = 100**  
**DISCRIPTION**

| <b>Bidder evaluation criteria for Quality/Functionality</b>                                                                                               | <b>Weight</b> | <b>Criteria</b>                                                                                                                                                                                                                                                                                                      | <b>Points Allocations</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| <b>GROUP A - GENERAL</b>                                                                                                                                  |               |                                                                                                                                                                                                                                                                                                                      |                           |
| <b>Relevant Experience of the company</b><br><br><b>(attach appointment letters and signed stamped reference letters on the letterhead of the client)</b> | 40            | Demonstrated experience in Internal Audit services within local government or public sector (last 5 years).<br><br><ul style="list-style-type: none"> <li>• <b>(7+ projects)</b></li> <li>• <b>(5 - 6 projects)</b></li> <li>• <b>(3 - 4 projects)</b></li> <li>• <b>(1 - 2 projects)</b></li> </ul>                 | 40<br>30<br>20<br>10      |
| <b>Bidder's Capacity- Professional Body</b><br><br><b>Attach certified copies not older than 6 months of registration/membership of the company</b>       | 10            | <ul style="list-style-type: none"> <li>• Bidder/firm is member of Independent Regulatory Body of Auditors (IRBA) or South African Institute of Chartered Accountants (SAICA).</li> <li>• Bidder/firm is <b>NOT</b> member of Independent Regulatory Body of Auditors (IRBA) or South African Institute of</li> </ul> | 10<br><br>0               |

|                                                                                                                                                                                                                                                                                                                                          |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
|                                                                                                                                                                                                                                                                                                                                          |    | Chartered Accountants (SAICA).                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |              |
| <b>Key Personnel</b><br><br><b>Qualification, experience, skills and ability of staff to be allocated to this project.</b><br><br><b>(Attach certified copies not older than 6 months of registration/membership, certified copies of Qualifications, and CV's)</b>                                                                      | 30 | The bidder should demonstrate whether the firm has capable key personnel to meet the requirements contained in the bid specifications: <ul style="list-style-type: none"> <li>Key personnel are members of the Institute of Internal Auditor (IIA) as Certified Internal Auditors or South African Institute of Chartered Accountants (SAICA) as Chartered Accountants</li> </ul> <b>(Key staff with more than 7 years' experience)</b><br><b>(Key personnel with 1 to 7 years' experience)</b> | 30<br><br>15 |
| <b>Methodology and Approach</b><br><br><b>(Attach Audit Methodology and Project management approach)</b><br><b>The Methodology shall cover at minimum the following:</b> <ul style="list-style-type: none"> <li>Aspect of planning</li> <li>Execution</li> <li>Field work</li> <li>Quality Assurance</li> <li>Quality control</li> </ul> | 20 | Bidder's project Methodology and Approach with reference to proper works program, human resources schedule/allocation, understanding of the audit tools and systems (e.g. TeamMate, ACL Analytics and etc.), and quality assurance approach tailored to meet the project objectives. <ul style="list-style-type: none"> <li>Bidder submits methodology that is <b>Very Good</b></li> <li>Bidder submits methodology that is <b>Good</b></li> </ul>                                              | 20<br><br>15 |

|                                                                                                                                                    |            |                                                                                                                                                                                                                                                                                                                                                     |                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <ul style="list-style-type: none"> <li>• Turnaround time</li> <li>• Human resources</li> <li>• Etc.</li> </ul>                                     |            | <ul style="list-style-type: none"> <li>• Bidder submits methodology that is <b>Satisfactory</b></li> <li>• Bidder submits methodology that is <b>Poor</b></li> </ul>                                                                                                                                                                                | 10<br><br>5          |
| <b>Total</b>                                                                                                                                       | <b>100</b> |                                                                                                                                                                                                                                                                                                                                                     | <b>TOTAL</b>         |
| <b>GROUP B – SPECIALISED AUDITS</b>                                                                                                                |            |                                                                                                                                                                                                                                                                                                                                                     |                      |
| <b>Relevant Experience of the company</b><br><br>(attach appointment letters and signed stamped reference letters on the letterhead of the client) | 40         | Demonstrated experience in Internal Audit services within local government or public sector (last 5 years). <ul style="list-style-type: none"> <li>• (7+ projects)</li> <li>• (5 - 6 projects)</li> <li>• (3 - 4 projects)</li> <li>• (1 - 2 projects)</li> </ul>                                                                                   | 40<br>30<br>20<br>10 |
| <b>Bidder's Capacity-Professional Body</b><br><br>Attach certified copies not older than 6 months of registration/membership of the company        | 10         | <ul style="list-style-type: none"> <li>• Bidder/firm is member of Independent Regulatory Body of Auditors (IRBA) or South African Institute of Chartered Accountants (SAICA).</li> <li>• Bidder/firm is <b>NOT</b> member of Independent Regulatory Body of Auditors (IRBA) or South African Institute of Chartered Accountants (SAICA).</li> </ul> | 10<br><br>0          |
| <b>Key Personnel</b><br><br>Qualification, experience, skills and                                                                                  | 30         | The bidder should demonstrate whether the firm has capable key personnel to meet the                                                                                                                                                                                                                                                                |                      |

|                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| <p><b>ability of staff to be allocated to this project.</b></p> <p><b>(Attach certified copies not older than 6 months of registration/membership, certified copies of Qualifications, and CV's)</b></p> |  | <p>requirements contained in the bid specifications:</p> <ul style="list-style-type: none"> <li>• Key personnel are members of the Institute of Internal Auditor (IIA) as Certified Internal Auditors<br/><b>(Key staff with more than 5 years' experience)</b><br/><b>(Key personnel with 1 to 5 years' experience)</b></li> <li>• Key personnel are members of Engineering Council of South Africa (ECSA) or equivalent as a Pr. Eng (for infrastructure audits)<br/><b>(Key staff with more than 5 years' experience)</b><br/><b>(Key personnel with 1 to 5 years' experience)</b></li> <li>• Key personnel are members of Association of Certified Fraud Examiners (ACFE) as a Certified Fraud Examiner<br/><b>(Key staff with more than 5 years' experience)</b><br/><b>(Key staff with 1 to 4 years' experience)</b></li> <li>• Key personnel are members of Information Systems Audit and Control Association (ISACA) as Certified</li> </ul> | <p></p> <p>10</p> <p>5</p> <p>10</p> <p>5</p> <p>5</p> <p>2.5</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                                                                          |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                          |            | Information Systems Auditors or Certified in the Governance of Enterprise IT (CGEIT) or equivalent<br><b>(Key staff with more than 5 years' experience)</b><br><b>(Key personnel with 1 to 5 years' experience)</b>                                                                                                                                                                                                                                                                                                                                                                                | 5<br>2.5            |
| <b>Methodology and Approach</b><br><br><b>(Attach Audit Methodology and Project management approach)</b><br><b>The Methodology shall cover at minimum the following:</b> <ul style="list-style-type: none"> <li>• Aspect of planning</li> <li>• Execution</li> <li>• Field work</li> <li>• Quality Assurance</li> <li>• Quality control</li> <li>• Turnaround time</li> <li>• Human resources</li> <li>• Etc.</li> </ul> | 20         | Bidder's project Methodology and Approach with reference to proper works program, human resources schedule/allocation, understanding of the audit tools and systems (e.g. TeamMate, ACL Analytics, ServiceNow GRC and etc.), and quality assurance approach tailored to meet the project objectives. <ul style="list-style-type: none"> <li>• Bidder submits methodology that is <b>Very Good</b></li> <li>• Bidder submits methodology that is <b>Good</b></li> <li>• Bidder submits methodology that is <b>Satisfactory</b></li> <li>• Bidder submits methodology that is <b>Poor</b></li> </ul> | 20<br>15<br>10<br>5 |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                             | <b>100</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>TOTAL</b>        |

|                                          | <b>Project Implementation plan and Methodology</b>                                                                                                                                                                                                                                                                                      |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Poor</b><br><b>(score 05)</b>         | The project implementation and Methodology approach is poor and is unlikely to satisfy project objectives or requirements. The bidder has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of the project.                                                                                |
| <b>Satisfactory</b><br><b>(score 10)</b> | The project implementation and Methodology approach is generic and not tailored to address the specific project objectives and requirements. The approach does not adequately deal with the critical characteristics of the project.<br><br>The quality plan is too generic.                                                            |
| <b>Good</b><br><b>(score 15)</b>         | The implementation plan is specifically tailored to address the specific project objectives and requirements and is sufficiently flexible to accommodate changes that may occur during execution. The quality plan is specifically tailored to the critical characteristics of the project                                              |
| <b>Very good</b><br><b>(score 20)</b>    | Besides meeting the “good” rating, the important issues are approached in an innovative and efficient way, indicating that the bidder has outstanding knowledge of state-of-the- art approaches.<br><br>The project implementation and Methodology approach details ways to improve the project outcomes and the quality of the outputs |

### **3. Price and Specific goals– Phase Three**

The evaluation will be done by using **80/20**-point system as indicated below:

| <b>Preference point system</b> | <b>Points</b> |
|--------------------------------|---------------|
| Price                          | 80            |
| Specific Goals                 | 20            |
| <b>Total Maximum Score</b>     | <b>100</b>    |

THE EVALUATION WILL BE DONE USING 80/20-POINT SYSTEM, 80 FOR PRICE AND 20 FOR SPECIFIC GOALS

**Notes:** *Bidders must note that points for specific goals must be claimed in terms with the percentage of ownership within their business entity. The tenderer must indicate how they claim points.)*

| SPECIFIC GOALS                                                                      | POINTS ALLOCATED | POINTS SCORED |
|-------------------------------------------------------------------------------------|------------------|---------------|
| Ownership of 51% or more by persons who are black                                   | 5                |               |
| Ownership of 51% or more by persons who are woman                                   | 5                |               |
| Ownership of 51% or more by persons who are disable                                 | 4                |               |
| Ownership of 51% or more by persons who are youth                                   | 4                |               |
| Ownership by persons who are residing within jurisdiction of Polokwane Municipality | 2                |               |

Incase ownership of specific goals is below 51% points will be *claimed in terms with the percentage of ownership within their business entity. For example:*

*An Entity that has 35% shareholding of able black man who is above age of 35 and residing outside the jurisdiction of Polokwane Municipality. Points will be claimed as follows:*

$$\begin{aligned}
 \text{Calculation} &= \frac{\text{Black Ownership}}{100} \times \text{Total number of allocated points} \\
 &= \frac{35}{100} \times 5 \\
 &= 1.75
 \end{aligned}$$

Points to be score for ownership of black person will be 1.75

## DECLARATION OF INTEREST

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

---

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

.....  
.....

- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

**YES/NO**

- 2.3.1 If so, furnish particulars:

.....  
.....

### **3 DECLARATION**

I, \_\_\_\_\_ the \_\_\_\_\_ undersigned,  
(name)..... in submitting the  
accompanying bid, do hereby make the following statements that I certify to be true  
and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to

---

<sup>2</sup> 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.

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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Capacity

.....  
Name of Bidder

**DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)**

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire

1 Are you by law required to prepare annual financial statements for auditing?

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....

.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....

.....

.....

.....

\* Delete if not applicable

- 3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

YES / NO

- 3.1 If yes, furnish particulars

.....  
.....

4. Will any portion of goods or services be sourced from outside  
\*YES / NO  
the Republic, and, if so, what portion and whether any portion  
of payment from the municipality / municipal entity is expected to be  
transferred out of the Republic?

- 4.1 If yes, furnish particulars

.....  
.....

**CERTIFICATION**

**I, THE UNDERSIGNED (NAME)** .....

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS  
CORRECT.**

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

.....

**Signature**

.....

**Date**

.....

**Position**

.....

**Name of Bidder**

## 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?<br/>(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><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p> | <p>Yes</p> <input type="checkbox"/> | <p>No</p> <input type="checkbox"/> |
| 4.1.1 | If so, furnish particulars:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                     |                                    |
| 4.2   | <p>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)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>                                                                                                                                                                                                                                                                        | <p>Yes</p> <input type="checkbox"/> | <p>No</p> <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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>Yes</p> <input type="checkbox"/> | <p>No</p> <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?                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>Yes</p> <input type="checkbox"/> | <p>No</p> <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?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <p>Yes</p> <input type="checkbox"/> | <p>No</p> <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 bids<sup>1</sup> 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).<sup>2</sup> 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
- 6 must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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 consortium<sup>3</sup> 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.

<sup>3</sup> **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**

**ANNEXURE “C”****CERTIFICATE FOR MUNICIPAL SERVICES AND PAYMENTS**

TO: CITY MANAGER, POLOKWANE MUNICIPALITY

FROM: \_\_\_\_\_(Name of Bidder)

FURTHER DETAILS OF BIDDER(S); DIRECTORS/SHAREHOLDERS/PARTNERS, ETC.

| Directors/shareholders/<br>Partner | Physical address of the<br>Business | Municipal<br>Account<br>No. | Physical residential address<br>of<br>the<br>Director/Shareholder/Partner | Municipal<br>Account No. |
|------------------------------------|-------------------------------------|-----------------------------|---------------------------------------------------------------------------|--------------------------|
|                                    |                                     |                             |                                                                           |                          |
|                                    |                                     |                             |                                                                           |                          |
|                                    |                                     |                             |                                                                           |                          |
|                                    |                                     |                             |                                                                           |                          |

**NB: Please attach certified copy (ies) of ID document(s)**

\_\_\_\_\_

**Signatory**

\_\_\_\_\_

**Date****Witnesses**

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Full Names****Signature****Date**

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Full Names****Signature****Date**

**AUTHORISATION FOR DEDUCTION OF OUTSTANDING AMOUNTS OWED TO COUNCIL**

TO: CITY MANAGER, POLOKWANE MUNICIPALITY

FROM: \_\_\_\_\_ (Name of the Bidder or Consortium)

I, \_\_\_\_\_ the undersigned, hereby authorise the Polokwane Municipality to deduct the full amount outstanding by the business organisation/Director/Shareholder/Partner, etc. from any payment due by us/me.

**Signed at** \_\_\_\_\_ **Date** \_\_\_\_\_ **Month** \_\_\_\_\_ **20** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

Thus done and signed for and on behalf of the bidder/Contractor

|                   |                  |             |
|-------------------|------------------|-------------|
| _____             | _____            | _____       |
| <b>Signatory</b>  |                  | <b>Date</b> |
| <b>Witnesses</b>  |                  |             |
| 1. _____          | _____            | _____       |
| <b>Full Names</b> | <b>Signature</b> | <b>Date</b> |
| 2. _____          | _____            | _____       |
| <b>Full Names</b> | <b>Signature</b> | <b>Date</b> |