

**UMZINYATHI DISTRICT MUNICIPALITY**



**Q01719**

**SPECIFICATION AND BID DOCUMENT Q01719 APPOINTMENT OF A SERVICE  
PROVIDER TO DEVELOP THE ORGANIZATIONAL PERFORMANCE SCORECARD  
FOR THE UMZINYATHI DEVELOPMENT AGENCY**

**CLOSING DATE: 28 JUNE 2021**

**CLOSING TIME: 12H00 PM**

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

**POSTAL ADDRESS: .....**

.....

.....

**TELEPHONE NUMBER: .....**

**FAX NUMBER: .....**

**E- MAIL ADDRESS: .....**

**ADVERTISEMENT**  
**REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS- Q01719 APPOINTMENT OF A**  
**SERVICE PROVIDER TO DEVELOP THE ORGANIZATIONAL PERFORMANCE**  
**SCORECARD FOR THE UMZINYATHI DEVELOPMENT AGENCY**

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UMzinyathi District Municipality hereby invites offers from suitably qualified and experienced service providers for: **APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP THE ORGANIZATIONAL PERFORMANCE SCORECARD FOR THE UMZINYATHI DEVELOPMENT AGENCY.**

The bid documents must be clearly marked: **Q01719 APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP THE ORGANIZATIONAL PERFORMANCE SCORECARD FOR THE UMZINYATHI DEVELOPMENT AGENCY.** Bid documents will be available as from **21 June 2021** at [www.etenders.gov.za](http://www.etenders.gov.za) and Municipal website: [www.umzinyathi.gov.za](http://www.umzinyathi.gov.za)

Bid documents must be placed in the tender box situated at the offices of the uMzinyathi District Municipality Offices, 39 Victoria Street, Princess Magogo Building, Dundee, 3000, on or before **12h00 on Monday, 28 June 2021** where all bids will be opened in public. Telegraphic, faxed, emailed tender documents will not be accepted. Bidders must attach the following mandatory returnable documents in order to be considered for this bid:

- Printed copy tax clearance certificate accompanied by a pin for further verification.
- Certified ID(s) copies of company director(s)
- Certified Proof of company registration,
- Company municipal rates, electricity or water account not older than 3 Months, proof of Residential lease or rental or sworn affidavit if the business operates at a place of residence.
- **Completed, stamped (company stamp) and signed Municipal Bidding Document attached in the tender document.**
- **In addition to MBD'S, quotation must be submitted on the company letterhead**
- Proof of registration Central Supplier database.
- Certified proof of BBBEE certificate/Original sworn affidavit
- **Tender documents sent via Courier services must be deposited in the tender box and not be handed to an employee of uMzinyathi District Municipality.**

Tenders will be evaluated on the Functionality Criteria as specified in the tender documents and thereafter bidders who score a minimum required number of points will be further evaluated using the 80/20 Preferential Point System as prescribed in the Council Supply Chain Management Policy. Only bidders who score **60 minimum points** on functionality criteria will qualify for the second stage of evaluation. UMzinyathi District Municipality is not bound to accept the lowest or any quote.

The following conditions will apply:

- Price(s) quoted must be valid for at least thirty (30) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of VAT and disbursements
- Your valid tax clearance certificate must be attached

**NB: No quotations will be considered from persons in the service of the state.**

Failure to comply with these conditions may invalidate your offer.

Enquiries can be directed to **Mr Sphephelo Mkhize** on Tel: (087) 527 0837 during normal office hours.

## **1. Project title**

Appointment of the service provider to develop the organizational Performance Scorecard for the Umzinyathi Development Agency.

## **2. Purpose of the Terms of Reference**

The purpose of the Terms of Reference is to provide the guidelines and the scope of work for the appointment of a service provider with the relevant skills and adequate experience to assist the agency with the development of the Organisational Performance Scorecard.

## **3. Background of the project**

Umzinyathi District Municipality, in 2018, developed an area's Local Economic Development Strategy and considered a Shared and Sectoral Spatial Approach which emphasized the integration of a range of key components including new policy focus, spatial economy, economic inclusivity, private and public sector partnering, LED integration into municipal planning and sector support.

After careful consideration of the designed strategy the municipality had to consider various available options for the implementation vehicle. Subsequently, the municipality resolved on the Umzinyathi Development agency (UDA). The agency is expected to act as an agent for and on behalf of the District Municipality in implementing economic oriented and environmentally conscious programmes and projects, as identified by or agreed with the District wide family of local municipalities. UDA is required to co-ordinate the implementation of sustainable programmes in line with the focus areas and its mandate thereof.

Whilst its primary focus is on the implementation of economic development programs and projects, the agency will also provide consulting services to the parent municipality where it will plan, design and manage the implementation of infrastructure projects. It is envisaged that, this consulting role will allow the agency to raise its own funding and sustain itself in the long run.

In order for the agency to achieve her role, intention and approach, a detailed strategy had to be developed. The strategic planning session was therefore initiated, designed and implemented with an aim of identifying programmes and projects that would be implemented to develop local economies and infrastructure whilst also looking at viable options of raising the required funding for its sustainability.

After a careful consideration of the realities facing the district, the agency resolved that, as its vision, the agency envisages Umzinyathi district, an inclusive, growing and wealthy economic territory. Umzinyathi district shall be an investor destination with sustainable vibrant economy based on active economic sectors, world class economic infrastructure and inclusive participation to provide socio-economic benefits to the capacitated local people.

In order to fulfill this vision the agency considered itself as being there to be an economic transformation and development governance hub that promotes sustainable employment creation

through agriculture, tourism, manufacturing and mining, prioritizing human and business development for the benefit of Umzinyathi district people.

The strategic planning session therefore identified four key performance areas including, Economic sector development, Infrastructure development, Socio-economic development and transformation as well as Governance, management and investment attraction

The Agency therefore developed its strategic goals, objectives, strategies as well as programmes and projects to be well implemented for the realization of the set vision and mission.

Realizing a reality that, whatever is not measured does not get done, the agency resolved on developing a performance management tool that would assist in the implementation of the adopted strategy.

The performance Management System can be defined as a strategic approach to management, which equips legislators, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact. This system will therefore in turn ensure that all the board members, managers and individuals in the agency are held accountable for their actions which should bring about improved service delivery and value for money.

Performance management is aimed at ensuring that the agency monitor their strategy implementation and continuously improve their operations through annually reviewing their overall performance in achieving the set strategic objectives.

The performance management system can assist to make a significant contribution to organisational and individual performance. The system is designed to improve strategic focus and organisational effectiveness through continually seeking to improve the performance of the agency as a whole and the individuals in it.

Consequently, the agency hereby seeks the services of the suitable and adequately qualified and experienced service provider to develop an organizational score card for the agency which will be used as a performance management tool in ensuring that the strategy adopted is implemented.

#### **4. Project objectives**

It is our understanding that, in the main this project is intended to:

1. Consider, understand and review, where necessary, the agency strategy and programmes.
2. Develop the agency organisational performance scorecard.

#### **5. Scope of work**

The success of the project shall be measured by the achievement of the following deliverables:

1. The inception report
2. The agency strategy analysis report
3. The organizational score card to include:
  - 3.1 The agency output focused KPI's developed for the programmes / activities identified to address the Strategic Objectives as documented in the strategy document.
  - 3.2 The agency annual and quarterly targets for each KPI identified.
  - 3.3 Budget allocations for each KPI and target set.

- 3.4 Responsible department for each KPI and target set.
- 3.5 Proposed Portfolio of evidence for each KPI and target set.

#### **4. The close out report**

#### **5. Project deliverables**

The following milestones are expected from the prospective service provider:

- Inception report
- Strategy analysis/review report
- The agency organizational performance scorecard
- Close out report

#### **7. Project time frame**

The project is scheduled to run for three weeks from the date of appointment. The service provider is then expected to provide a project plan detailing the time frames for the milestones to be achieved.

#### **8. Project liaison and monitoring**

The service provider will work closely with the office of the Acting CEO and will by extension be responsible for constant reporting and consultation with the project steering committee to be established by the agency upon the appointment of the service provider.

#### **9. Required Expertise and experience**

In order for the service provider to execute this task effectively and efficiently the prospective applicants must demonstrate the following capacity and experience:

<b>Component</b>	<b>Skills and Experience</b>
<b>Project management</b>	<ul style="list-style-type: none"> <li>• <b>Traceable Experience in report writing, team leadership and project management.</b></li> <li>• <b>Good written and verbal communication skills.</b></li> </ul>
<b>Data collection</b>	<ul style="list-style-type: none"> <li>• <b>Traceable experience within the local government integrated planning and performance management</b></li> <li>• <b>Ability to collect and analyze information</b></li> <li>• <b>Research skills</b></li> </ul>
<b>Strategy development</b>	<ul style="list-style-type: none"> <li>• <b>Traceable experience in developing local government strategies.</b></li> </ul>
<b>Implementation plan and monitoring tool</b>	<ul style="list-style-type: none"> <li>• <b>Traceable experience in local government performance management system</b></li> <li>• <b>Traceable experience in developing organisational and departmental scorecards</b></li> </ul>
<b>Draft report and final report</b>	<ul style="list-style-type: none"> <li>• <b>Traceable experience in performance report writing</b></li> <li>• <b>Facilitation and presentation skills</b></li> </ul>

#### **10. Technical Evaluation Criteria**

Functionality	Description				Weight
Understanding of the terms of references	Demonstration of the understanding of the scope of work and deliverables				20
Proposed methodology	Relevance of the proposed approach and methodology to achieve the project objectives				20
Demonstration of the team’s experience	Project manager/leader	Relevant academic qualification	Junior degree	2	5
			Post graduate degree	3	
		General Project experience (Submit at least 2 signed letters of reference proving work done and completed)	1-5 years	1	5
			5-10 years	3	
			+10 years	5	
		Performance management projects (Submit signed letters of reference proving work done and completed)	1 - 2 projects	3	8
			3+ projects	5	
		Strategy development projects (Submit signed letters of reference proving work done and completed)	1 - 2 projects	1	4
			3+ projects	3	
		Local government integrated planning projects (Submit signed letters of reference proving work done and completed)	1 - 2 projects	1	4
			3+ projects	3	
		Facilitation and presentation projects	1 - 2 projects	1	4
			3+ projects	3	
	Project consultant	Experience with local government performance management data collection and analysis. (Submit signed letters of reference proving work done and completed)	0-1 year	1	5
			1-3 years	3	
			+3 years	5	
	Project administration	Experience in project administration (Submit signed letters of reference proving work done and completed)	0-1 year	1	5
			1-3 years	3	
			+3 years	5	
	Total				40
Detailed programme plan	Relevance of the project programme for the achievement of the project objectives and project deliverables.				20
Total					100

**NB:** Only bidders who score **60 minimum points** on functionality criteria will qualify for the second stage of evaluation

### 3. EVALUATION OF TENDER

#### **Compulsory Returnable Documentation**

Compulsory documents to be submitted:

- MBD 1: Invitation to Tender (must be completed and signed)
- Copy tax clearance certificate accompanied by a pin for further verification in the name of the tenderer
- MBD 3.1: Pricing Schedule
- MBD 4: Declaration of Interest
- MBD 6.1: Preferential points
- MBD 8: Declaration of past Supply Chain Management Practise
- MBD 9: Certificate of Independent Bid
- Proof of company registration
- certified copies of owner's identity document (Not older than three months)
- Company municipal rates, electricity or water account not older than 3 Months, proof of Residential lease or rental or sworn affidavit if the business operates at a place of residence.

#### **Preference Point System 80/20**

No.	DESCRIPTION	POINTS
1	Price	80
2	BBBEE Status level of contribution	20
	<b>TOTAL</b>	<b>100</b>

Bidders are encouraged to submit original or certified BBBEE certificates or sworn affidavit to claim preference points.



PRINCESS MAGOGO BUILDING, 39 Victoria Street, Dundee 3000, Tel: 034 219 1500, Fax: 034 218 1940  
e-mail: rc3@umzinyathi.gov.za

**MBD1 PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE UMZINYATHI DISTRICT MUNICIPALITY</b>					
<b>BID NUMBER:</b>	<b>Q01719</b>	<b>CLOSING DATE:</b>	<b>28 June 2021</b>	<b>CLOSING TIME:</b>	<b>12H00</b>
<b>DESCRIPTION</b>	<b>APPOINTMENT OF A SERVICE PROVIDER TO DEVELOP THE ORGANIZATIONAL PERFORMANCE SCORECARD FOR THE UMZINYATHI DEVELOPMENT AGENCY</b>				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
39 VICTORIA STREET DUNDEE 3000					
<b>SUPPLIER INFORMATION</b>					
<b>NAME OF BIDDER</b>					
<b>POSTAL ADDRESS</b>					
<b>STREET ADDRESS</b>					
<b>TELEPHONE NUMBER</b>	<b>CODE</b>		<b>NUMBER</b>		
<b>CELLPHONE NUMBER</b>					
<b>FACSIMILE NUMBER</b>	<b>CODE</b>		<b>NUMBER</b>		
<b>E-MAIL ADDRESS</b>					
<b>VAT REGISTRATION NUMBER</b>					
<b>TAX COMPLIANCE STATUS</b>	<b>TCS PIN:</b>		<b>OR</b>	<b>CSD No:</b>	
<b>B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No		<b>B-BBEE STATUS LEVEL SWORN AFFIDAVIT</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
<b>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		<b>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]	
<b>TOTAL NUMBER OF ITEMS OFFERED</b>			<b>TOTAL BID PRICE</b>	<b>R</b>	
<b>SIGNATURE OF BIDDER</b>			<b>DATE</b>		
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
<b>DEPARTMENT</b>	<b>SCM UNIT</b>		<b>CONTACT PERSON</b>	<b>Mr S Mkhize</b>	
<b>CONTACT PERSON</b>	<b>SCM UNIT</b>		<b>TELEPHONE NUMBER</b>	<b>087 527 0837 or 072 994 3371</b>	
<b>TELEPHONE NUMBER</b>	<b>034 219 1500</b>		<b>FACSIMILE NUMBER</b>	<b>0342181940</b>	
<b>FACSIMILE NUMBER</b>			<b>E-MAIL ADDRESS</b>	<b>businessdev@umziagency.co.za</b>	
<b>E-MAIL ADDRESS</b>					



## MBD1

### PART B TERMS AND CONDITIONS FOR BIDDING

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

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS WILL 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: .....

**PRICING SCHEDULE – FIRM PRICES  
(PURCHASES)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES  
(INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**MBD 3.1**

DESCRIPTION	QUANTITY	AMOUNT
<div style="border: 1px solid black; border-radius: 15px; width: 400px; height: 100px; margin: 10px auto; text-align: center; line-height: 100px;">COMPANY STAMP</div>		
	<b>SUB-TOTAL</b>	
	<b>VAT (15%)</b>	
	<b>TOTAL</b>	

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

**CONDITIONS OF TENDER**

- Price(s) quoted must be valid for at least thirty (30) days from date of offer for evaluation purposes.
- Price(s) quoted must be firm and include VAT
- Tenderers original valid tax clearance certificate must be attached.
- Tender original or certified B-BBEE Certificate must be attached to the document
- Tender documents signed by a person who does not have authority to sign will be disqualified.
- Tenderers who did not complete the compulsory questionnaire, who abuse the employer's supply chain management system will not be conceded
- Non-collusion affidavit to be executed by bidder and submitted with the bid

## MBD 4

### DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

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

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

3.8.1 If yes, furnish particulars. ....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... **YES / NO**

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? ..... **YES / NO**

3.11.1 If yes, furnish particulars

.....

.....

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

3.12.1 If yes, furnish particulars.

.....

.....

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

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. ..... **YES / NO**

3.14.1 If yes, furnish particulars:

.....

.....

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

Full Name	Identity Number	State Employee Number

5. I duly confirm that the above information is correct until otherwise advised in writing AND the company undertakes to immediately, in writing on same day of appointment, advise the Municipality immediately if any of its directors/trustees/ members/shareholders assumes appointment as an employee in national, provincial and/or local government AND the company will deregister from the Municipality Supplier Database and cease forthwith from doing business with the Municipality AND the company shall be subject to a penalty of forfeiting all payments for services rendered or products delivered or installed if it fails to immediately disclose in writing the employment of any of its directors/trustees/ members/shareholders in national, provincial and/or local government.

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

#### **MBD6.1**

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

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

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

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#### **1. GENERAL CONDITIONS**

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

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

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

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

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

**80/20**

**or**

**90/10**

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

$P_{min}$  = Price of lowest acceptable bid

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

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

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

**5. BID DECLARATION**

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

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

- 6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

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

*(Tick applicable box)*

YES		NO	
-----	--	----	--

- 7.1.1 If yes, indicate:

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

*(Tick applicable box)*

YES		NO	
-----	--	----	--

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of



Preferential Procurement Regulations, 2017:

<b>Designated Group: An EME or QSE which is at least 51% owned by:</b>	<b>EME</b> √	<b>QSE</b> √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

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

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
 .....

**8.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

## 8.7 MUNICIPAL INFORMATION

**Municipality where business is situated:** .....

**Registered account number:** .....

**Stand Number:** .....

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

8.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

### WITNESSES

1. ....
2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).  <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>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <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>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No

4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

### CERTIFICATION

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

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

- 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 9) 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.

MBD 9

#### 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>a</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>a</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