



APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS WITH THE REVIEW/ DEVELOPMENT OF THE MUNICIPAL ACCREDITATION BUSINESS PLAN FOR THE MATJHABENG LOCAL MUNICIPALITY

BID NO: HS-Q149

TENDER SUBMITTED BY:

Name of Company: _____

Contact Person: _____

CSD Registration No: _____

Contact Numbers: Cell _____ Tel _____

E-mail: _____ Fax _____

SCM: ENQUIRIES

Contact person: SHALATI NTSANWISI

E-mail: quotations@fshs.gov.za

Private Bag X247

Bloemfontein

9300

CLOSING DATE: 15 MAY 2024



BID DOCUMENT

APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS WITH THE REVIEW/ DEVELOPMENT OF THE MUNICIPAL ACCREDITATION BUSINESS PLAN FOR THE MATJHABENG LOCAL MUNICIPALITY

BID NUMBER:

HS-Q149

CLOSING DATE:

15 MAY 2024

TIME:

10h00

VALIDITY PERIOD: 90 DAYS

NB:

- All documents must be completed with original black ink.
- The service providers shall bear the cost associated with the completion and submission of the bid document.
- The Department is not bound to accept any particular bid, and reserves the right to annul the selection process at any time prior to the contract being awarded, without incurring any liability to the bidders.
- **No late bids /and or e-mailed submissions will be accepted or considered.**

All bidders must indicate their CSD Registration number: MAAA_____



TENDER ADVERT DATE:	03 MAY 2024
TENDER NUMBER	HS-Q149
TITLE OF TENDER	APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS WITH THE REVIEW/ DEVELOPMENT OF THE MUNICIPAL ACCREDITATION BUSINESS PLAN FOR THE MATJHABENG LOCAL MUNICIPALITY
EMPLOYER	FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS (FSHS)
EMPLOYER EMAIL	www.humansettlements.fs.gov.za
POSTAL ADDRESS	P.O BOX 247
TOWN/CITY	BLOEMFONTEIN
CODE	9300
PHYSICAL ADDRESS1	OR TAMBO BUILDING
PHYSICAL ADDRESS2	7 TH FLOOR
PHYSICAL ADDRESS3	CNR ST ANDREWS AND MARKGRAAF STREETS
PHYSICAL ADDRESS4	9301
E-MAIL:	quotations@fshs.gov.za
TENDER DOCUMENTS AVAILABLE @	www.etenders.gov.za at no cost
CLOSURE DATE	15 MAY 2024
CLOSURE TIME	10H00
TENDER BOX LOCATION	OR TAMBO HOUSE, GROUND FLOOR
SCM ENQUIRIES CONTACT PERSON	SHALATI NTSANWISI: quotations@fshs.gov.za
TENDER BOX LOCATION	NB: QUOTATIONS MUST BE HAND DELIVERED AT THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS, TENDER BOX GROUND FLOOR, OR TAMBO BUILDING, CNR MAKRAAFF AND ST ANDREWS STREET. E-MAILED QUOTATIONS WILL BE DISQUALIFIED!!!



CHECKLIST			
	SECTIONS COMPLETED	YES	NO
SECTION A	INVITATION TO BID (SBD 1) Part A and B Completed and signed		
	PRICING SCHEDULE – FIRM PRICES (SBD 3) Completed and signed		
	BIDDER’S DISCLOSURE (SBD 4) Completed and signed		
	PREFERENCE POINTS CLAIM FORM IN TERMS OF PREFERENCE PROCUREMENT REGULATIONS OF 2022 (SBD 6.1)		
SECTION B	TERMS OF REFERENCE (TOR) Please read and adhere to all instructions and accept terms of reference by signing the document		
SECTION C	GENERAL CONDITIONS OF CONTRACT (GCC)		



SECTION A:

SBD 1

INVITATION OF BID

PART A AND B



PART A

SBD1

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF HUMAN SETTLEMENTS

BID NUMBER:	HS-Q149	CLOSING DATE:	15 MAY 2024	CLOSING TIME:	10h00
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DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS WITH THE REVIEW/ DEVELOPMENT OF THE MUNICIPAL ACCREDITATION BUSINESS PLAN FOR THE MATJHABENG LOCAL MUNICIPALITY.
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BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

OR TAMBO HOUSE BUILDING, GROUND FLOOR, CNR ST ANDREWS AND MARKGRAAF STREETS, BLOEMFONTEIN, 9301

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO

TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

CONTACT PERSON	SHALATI NTSANWISI	CONTACT PERSON	Namhla Ndlamhlaba
TELEPHONE NUMBER	051 403 3649	TELEPHONE NUMBER	051 405 4244
E-MAIL ADDRESS	quotations@fshs.gov.za	E-MAIL ADDRESS	Namhla@fshs.gov.za

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
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 BELOW.	



PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS OF 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
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 VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

.....



SBD 3.3

PROFESSIONAL SERVICES



SBD 3.3

PRICING SCHEDULE

(Professional Services)

NAME OF BIDDER:	BID NO.: HS- Q149
CLOSING TIME 10:00	CLOSING DATE : 15 May 2024

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND INVOICES MUST BE RENDERED IN TERMS HEREOF RATES APPLICABLE (CERTIFIED

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
-----	R-----	-----
-----	R-----	-----
-----	R-----	-----
-----	R-----	-----
-----	R-----	-----

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

-----	R-----	-----days
-----	R-----	-----days
-----	R-----	-----days
-----	R-----	-----days

- 5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
-----	R.....
-----	R.....
-----	R.....
-----	R.....

TOTAL: R.....



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

5.2 Other expenses, for example accommodation (specify, eg. Three-star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
-----	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

.....
.....
.....
.....



SBD 4

DECLARATION OF INTEREST



SBD. 4

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 interest¹ in the enterprise, employed by the state? **YES/NO**

1.1.1 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:
.....
.....

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:
.....
.....

¹ 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.



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 consortium² 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.
- 3.5 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.
- 3.6 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.
- 3.7 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.

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

.....
Position

.....
Name of bidder

² 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.



SBD 6.1

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



SBD 6.1

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

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals. ***The preference points will not be used during the evaluation of the panel, but will be applicable during the ensuing phases/stages.***

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

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



2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

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(N/A):

3.2.1. POINTS AWARDED FOR PRICE

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



80/20

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

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 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 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 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 80/20 preference point system.



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

Note to tenderers:

- *The tenderer must indicate how they claim points for each preference point system.)*
- **In case of Joint Venture agreement, a combined Certified copy of B-BBEE status level certificate must be submitted in order to be eligible to claim points.**

The specific goals allocated points in terms of this tender	Achievement Level	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 of state)
Women Ownership B-BBEE Certificate/ Sworn Affidavit /CIPC Registration documents	100%	10	
	75% - 99%	8	
	60% - 75%	6	
	51% - 59%	3	
	0% - 50%	0	
Youth Ownership B-BBEE Certificate/ Sworn Affidavit /CIPC Registration documents	100%	10	
	75% - 99%	8	
	60% - 75%	6	
	51% - 59%	3	
	0% - 50%	0	
Total Points	20		



5. DECLARATION WITH REGARD TO COMPANY/FIRM

5.1. Name of company/firm.....

5.2. Company registration number:

5.3. 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]

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

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



- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

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



SECTION B:

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS WITH THE REVIEW/ DEVELOPMENT OF THE MUNICIPAL ACCREDITATION BUSINESS PLAN FOR THE MATJHABENG LOCAL MUNICIPALITY



1. INTRODUCTION

Municipal accreditation has been emphasized as a key Government priority in support of more effective and efficient human settlements delivery. The programme is an instrument to ensure the progressive capacitation of municipalities for them to perform the assigned function without compromising delivery capacity in the short term.

Against this background, more work still needs to be done to ensure that the provinces and municipalities are capacitated towards delivery of human settlements functions.

One of those critical components that unlock the accreditation process is the existing or potential capacity of the municipality to develop and implement the accreditation business plan for Level 1 that the prioritized municipalities wishes to be considered for. This will be realized as a prerequisite to develop certain documents on behalf of the Province and municipalities.

2. OBJECTIVE

The Accreditation Business plans for the Matjhabeng Local Municipality was developed in 2018. Subsequent to this, the Department has been supporting the Municipality to build its institutional capacity over this period. Due to human settlements needs and environment developing rapidly it is imperative to review the Accreditation Business plan to determine whether the institutional gaps have been met or requires redesigning.

It is against the above that the Free State Provincial Department of Human Settlements requires the services of a qualified and experienced service provider to assist with the review/development of the Municipal Accreditation Business Plan for the Matjhabeng Local Municipality.

It is important to further note that, in line with the Accreditation Framework 2012, the Accreditation Business plan is key towards Accreditation Assessment.

3. PURPOSE

The main purpose of the Municipal Accreditation Business Plan are as follows:

- To analyse the current institutional capacity of Matjhabeng Local Municipality against the requirements in the Accreditation Framework
- To provide a formal and practical method of prioritizing institutional enhancement in terms of the Accreditation Framework obtaining consensus for the sequencing of the implementation; and
- To ensure more integrated development through bringing together the relevant role players to coordinate their development interventions in one plan.
- To develop a cohesive Municipal Accreditation business plan in line with Accreditation Framework over the MTEF period with progressive implementation plan over a three-year period.

4. MUNICIPAL LOCALITY

The Matjhabeng Local Municipality is one of the five (5) local municipalities within the Lejweleputswa District Municipality in the Free State.

Matjhabeng Local Municipality is situated in the [Lejweleputswa District Municipality](#) in the Free State. It is bound by the Nala Local Municipality to the North, Masilonyana Local Municipality to the South, Tswelopele Local Municipality to the East and Moqhaka Local Municipality to the West.



Which covers an area of approximately 515546.4ha and the total population was 407 020 as per the Statistics South Africa Census 2011, the 2016 Community Survey estimated the total population as 429 113 and as per the outcomes of the census 2022 the total population was estimated as 439 034.

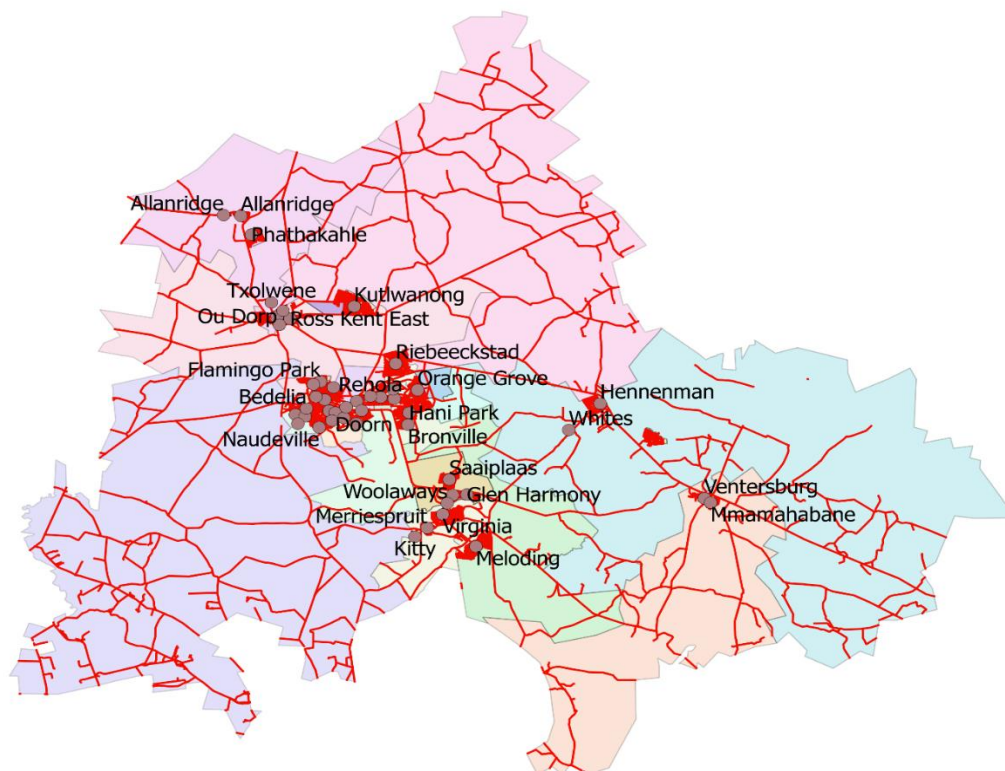
Figure 1: Illustration of Matjhabeng total population per trends

Indicator	Census 2011	CS 2016	Census 2022
Total population	407 020	429 113	439 034

Figure 2: Local municipality configuration

Matjhabeng Local Municipality (MLM) is a category B Municipality established in terms of Section 12 of the Municipal Structures Act (117 of 1998). The municipality encapsulates an area of 514.4 km² consisting of Welkom, Odendaalsrus, Allanridge, Hennenman, Virginia and Ventersburg. The local municipality is made up of 36 wards.

Areas under the jurisdiction of Matjhabeng local Municipality





5. PROJECT KEY ACTIVITIES

In line with the above-mentioned purpose, the professional service provider will be expected to perform the following activities:

- ✓ Assist the Province and municipality with a comprehensive analysis of the Matjhabeng Local Municipality institutional challenges,
- ✓ Prepare / develop comprehensive and integrated Municipal Accreditation with a three-year Implementation programme;
- ✓ Ensure clear alignment of the Municipal Accreditation Framework
- ✓ Ensure that there is alignment with Human Settlements Sector Plan
- ✓ identifying of delivery and backlog terms on Human settlements delivery programmes
- ✓ and need and determining the trends in terms of current and future spatial distribution of economic activities;
- ✓ Advise the Municipality and Province of their respective capacitation efforts towards gearing the Municipality for the new function and the Province relinquishing of the same;
- ✓ Document, collate and consolidate information for the purposes of fulfilling this assignment;
- ✓ Ensure that collated information from various engagements between the Province and municipalities finds expression in the Accreditation Business Plan
- ✓ Ensure full stakeholder participation including supportive structures namely the project Steering Committee towards the development of the Accreditation Business plan developments and analysis conducted; and
- ✓ Ensure the facilitation for approval by respective Municipal Councils.

6. REQUIRED EXPERIENCE, QUALIFICATIONS AND SKILLS

6.1. Given the significant scope and the multidisciplinary nature of the envisaged project, a team comprised of a broad range of expertise is required. The following minimum relevant skills and expertise are considered to be necessary for the effective implementing of the assignment:

- 6.1.1 Service provider's experience in undertaking similar assignment or work, their familiarity with the Accreditation programme, provisions and principles for the conceptualisation stipulated in the Municipal Accreditation Framework
- 6.1.2 Specific expertise in municipal finance, project finance, financial management, grant management, audits.
- 6.1.3 Understanding the organizational structures, operations and financing of the public service.
- 6.1.4 Extensive experience within human settlements environment.
- 6.1.5 Extensive experience with local government management environment.
- 6.1.6 Reference letters for related work undertaken in the same Province/District/Municipality.
- 6.1.7 Understanding of housing and human settlements programmes.
- 6.1.8 Experience in handling of delegation of functions, and or other local government functions.
- 6.1.9 Housing Subsidy System (HSS) application.
- 6.1.10 Organisational and institutional development; and
- 6.1.11 Programme and project management as well as knowledge of and exposure to the National Housing Code and practicalities of the different housing instruments.



6.2 Critical skills required:

- 6.2.1 Business plan development
- 6.2.2 Report writing;
- 6.2.3 High level communication (verbal and written);
- 6.2.4 Managing change;
- 6.2.5 Conflict management and dispute resolution;
- 6.2.6 Negotiation skills; and
- 6.2.7 Political understanding and management

6.3 Core competencies required:

- 6.3.1 The service provider should have knowledge and experience in advance programme management which includes coordinating a multiplicity of key stakeholders;
- 6.3.2 Experience in advanced project planning, implementation and monitoring;
- 6.3.3 Excellent communication and organization skills (experience working with the public sector is considered an asset more especially linking the higher echelons with operations);
- 6.3.4 Full computer literacy and experience in working with Excel and Project Management, in particular Multi-year planning and sequencing of Human Settlements projects;
- 6.3.5 Good knowledge of and exposure to all housing programmes, key advantage;
- 6.3.6 Insight into Intergovernmental Relations Framework Act and practical experience; and
- 6.3.7 Display a good grasp and experience regarding the accreditation and assignment programme as well as all applicable legislations.

7. PROJECT DURATION

The service provider should be able to commence immediately after being appointed and the duration of the project is a period of **six (6 months)**.

8. DELIVERABLES & OUTPUTS

In accordance with the relevant standards and procedures for professional practice and the contracted scope of work, the professional service provider will submit and make oral presentation on the following outputs and ensure that the deliverables are achieved as outlined in an implementation plan to be agreed upon with the client;

- Inception report;
- Report regarding analysis of information collated and gaps identified;
- Workshop and stakeholder reports to the Local municipality
- Progress reports (monthly);
- Presentation of all documents to the relevant committee/s.
- Further, the professional service provider will submit three soft and hard copies of the work as outlined on the scope of work and in a format that is possible to calibrate and manipulate. Soft and hard copies of all reports of:
 - ✓ The Municipal Accreditation Plan in respect of the Mathjabeng Local Municipality;
 - ✓ PowerPoint Presentations of Draft and Final Municipal Accreditation Business plan and three-year Implementation Plan.



9. EVALUATION PROCESS

The evaluation process comprises the following three (3) phases:

Special conditions:

- Phase 1: Administrative, Mandatory and Functionality Requirements
- Phase 2: Evaluation Criteria – Functionality
- Phase 3: Price/Financial (Will be communicated when the second stage starts)

8.1 PHASE I: ADMINISTRATIVE COMPLIANCE (MANDATORY REQUIREMENTS)

Bidders will be disqualified for failure to produce documents listed under administrative compliance and mandatory requirements.

ADMINISTRATIVE COMPLIANCE:

During this phase service provider's response will be evaluated based on the mandatory and non-mandatory requirements indicated hereunder. The phase is not scored and service providers who do not submit acceptable proposals, by failing to comply with all the mandatory criteria and conditions will be disqualified.

MANDATORY REQUIREMENTS:

- a) A copy of SARS Tax Pin certificate;
- b) Company registration documents;
- c) Copy of CSD report.
- d) Copy of accredited B-BBEE Certificate, original sworn affidavit or original B-BBBEE certificate issued by the Department of Trade and Industry of RSA;
- e) Signed Joint Venture agreement in case of a Joint Venture.
- f) Joint Venture and SANAS approved BBBEE certificate in case of a Joint Venture.
- g) All SBD forms to be completed and signed accordingly.
- h) The tenderer or any of its directors are not listed on the Register of Tenderer Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004.

Tax Compliance Status

It is a condition of this bid that the tax matters of the successful service provider be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the service provider's tax obligations at the point of awarding.

Consortia/Joint Ventures/Sub-contractors

Where Consortia/Joint Ventures/Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.



In bids where consortia/joint ventures / sub-contractors are involved; each party must submit a separate TCS certificate/pin/CSD number.

OTHER NON-MANDATORY

All other non-mandatory compliance matters are verified and captured.

Annexure: Prescribed standard INDEX for easy submission for Bid document are attached to make sure that all necessary documentation is in line with the BID, please use this to make workflow efficient and effective for both companies and government administrators.

8.2 PHASE II: EVALUATION CRITERIA – FUNCTIONALITY

Functionality will be evaluated on the basis of the responses on the Functionality Questionnaire and supporting documentation supplied by the Bidders as follows:

It is anticipated that the project team should possess a degree. (Preferably post-graduate qualifications), experience and expertise in the following fields of study:

Social & Human Sciences	Economics	Finance
Town and Development Planning	Project & Programme management	Research & data analysis
	Governance and Policy	

In order to facilitate a transparent selection process that allows equal opportunity to all bidders, the Department has a policy for the appointment of service providers that will be adhered to. Proposals will be evaluated in terms of the prevailing supply chain management policy applicable to the department it should be noted that:

- (i) Bidders must achieve a minimum of **70 points** and above on functionality in order to be eligible for further evaluation. Bidders that obtain a score of 70 points and above on functionality will be eligible for further evaluation using the 80/20 Preference Point System of the new Preferential Procurement Regulations 2022, effective from 16 January 2023.
- (ii) Functionality will be evaluated on the basis of responses on the Technical/ Functionality Questionnaire and supporting documentation supplied by the Bidders.
- (iii) Any proposal not meeting the minimum score of **70 points** on functionality/technicality will be regarded as having submitted a non-responsive bid and will be disqualified.



Table 1 – Evaluation Criteria on Functionality or Technical Abilities

ITEM	CRITERIA	ATTACHMENT	POINTS
Experience	<p>Bidders to demonstrate the firms experience in Public Service sector planning processes and systems</p> <p>Minimum 10 years' experience in developing business plan and human settlements sectoral plans and systems from 01 April 2012 to date.</p> <ul style="list-style-type: none"> • 10 years or above – 40 points • 8-9 years' experience – 25 points • 5-7 years' experience – 15 points • 0 -4 years' experience - 0 points 	Reference letter from previous clients detailing work done.	40
Capacity/ Efficiency	<p>Demonstrable Skills and Capacity, Level of Relevant Knowledge and Experience. Adequacy and completeness of skills of team presented and fit for task. Experience in the following fields:</p> <p>Town and Development Planning</p> <ul style="list-style-type: none"> • Above 9 years' experience – 10 points • 4-9 years' experience - 5 points • 1-3 years' experience - 3 points <p>Project & Programme management – eg Human settlements programmes/sector plans</p> <ul style="list-style-type: none"> • Above 9 years' experience – 10 points • 4-9 years' experience - 5 points • 1-3 years' experience - 3 points <p>Governance and Policy</p> <ul style="list-style-type: none"> • Above 9 years' experience – 10 points • 4-9 years' experience - 5 points • 1-3 years' experience - 3 points <p>Research & data analysis</p> <ul style="list-style-type: none"> • Above 9 years' experience – 10 points • 4-9 years' experience - 5 points • 1-3 years' experience - 3 points <p>Failure to attach any of these will result in no points being allocated</p>	Full CV & Certified proof of relevant qualifications.	40



Approach, Methodology	Costed work programme, plan and allocation of resources and tasks. Work plan must include all phases included in planning of this nature. <ul style="list-style-type: none">Detailed methodology and project plan – 10 pointsNo points will be allowed for failure to submit detailed project plan	Detailed project plan- clear timelines Proposed methodology	20
TOTAL SCORE : FUNCTIONALITY		100	

8.3 PHASE III: PRICE/FINANCIAL STAGE AND B-BBEE – (NOT APPLICABLE NOW, WILL BE APPLICABLE IN THIRD PHASE)

Bids will be evaluated in terms of the new Preferential Procurement Regulation, 2022, effective from 16 January 2023. The 80/20 procurement policy framework Act 5, will be used.

9. VERIFICATION OF DOCUMENTS

Respondents should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by the department in regard to anything arising from the fact that pages are missing or duplicated.

10. REGISTRATION ON CENTRAL SUPPLIER DATABASE (CSD)

The Bidders must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your bid. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database is updated and valid.

- Are you a registered supplier on the Government's Central Supplier Database (CSD)? (Yes/No)
- Complete your registered CSD vendor number on the checklist.
- Provide a copy of the CSD Registration "Summary Report".
- Valid Tax Clearance Certificate or Tax Compliance Status pin
- Bidders must ensure that their tax information on Central Supplier Database (CSD) is in good standing and submit a valid Tax Clearance Certificate or valid tax compliance status pin.

11. TAX COMPLIANCE STATUS

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

The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.

Consortia/Joint Ventures/Sub-contractors:



Where Consortia/Joint Ventures/Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

In bids where consortia/joint ventures / sub-contractors are involved, each party must submit a separate TCS certificate/pin/CSD number.

12. SUBMISSION OF BID

Bids should be submitted at **O.R Tambo Building** (in the tender box) situated on **Ground floor** at the address mentioned below. It is the responsibility of the prospective supplier to ensure that the bid document is deposited in the tender box before **10h00 on 15 May 2024**.

**OR Tambo House
Cnr Markgraaff and St Andrews streets
Bloemfontein
9301**

If a courier service company is being used for delivery of the proposal document, the bid description must be endorsed on the delivery note/courier packaging to ensure that documents are delivered to the tender box, as mentioned above.

The Department will not be held liable for loss of documents by courier services.

13. OFFICIALS PROHIBITED FROM SUBMITTING BIDS

In accordance with Treasury Instruction Note 17 of 2012, an employee of the State/Government or a Public Entity may not have a business interest in any entity conducting business with the Provincial Government.

The Provincial Government may not award any tender or enter into any contract with an employee of the State/Government or a provincial public entity contrary to Treasury Instruction Note 17 of 2012.

The Department of Public Services and Administration issued directive on conducting business with an Organ of State on 21 February 2024.

All bids received contrary to Treasury Instruction Note 17 of 2012 shall be disqualified. For the definition of “business interest”, “employee” and “entity”, refer to par. 5 of Treasury Instruction Note 17 of 2012.

15. TERMINATION RIGHTS

An agreement can be terminated by a participant on grounds of poor service delivery or any other breach by the bidder.

The Free State Department of Human Settlements will be in a position to terminate an agreement without honouring the outstanding months where after following the prescribed remedial process stipulated in the agreement and agreement between the bidder and the Free



State Department of Human Settlements; it is proven that the bidder failed to remedy the poor provision of service.

16. AGREEMENTS

The Service Provider(s) will be expected to sign a Service Level Agreement with the Free State Department of Human Settlements. The Service Level Agreement will be subject to the bid documents, including the General Conditions of Contract (GCC) and Special Conditions of Contract (SCC).

17. SETTLEMENT OF DISPUTES

Notwithstanding clause 27 of the GCC, mediation proceedings will not be applicable to this contract

ACCEPTANCE OF THE TERMS OF REFERENCE AND GENERAL CONDITIONS OF CONTRACT

Failure to accept the Terms of Reference and the General Conditions of Contract or any part thereof, may result in the bid not being considered. Bidders may not amend any of the Special Conditions or include their own conditions; as such amendments or inclusions will result in disqualification of the bid.

THE BIDDER MUST COMPLETE THE FOLLOWING

I _____ in my capacity as _____ of the Company, hereby certifies that I take note and accept the above-mentioned Special Conditions of the Contract.

SIGNATURE

CAPACITY

Contact person of company:

NAME AND SURNAME

Tel. of company: (____) _____

Email address: _____



SECTION C:
GENERAL CONDITIONS OF CONTRACT
(GCC)



GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.



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General Conditions of Contract

1. Definitions	<p>1. The following terms shall be interpreted as indicated:</p> <p>1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.</p> <p>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.</p> <p>1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.</p> <p>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.</p> <p>1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.</p> <p>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.</p> <p>1.7 “Day” means calendar day.</p> <p>1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.</p> <p>1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.</p> <p>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 supplies are so delivered and a valid receipt is obtained.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>1.14 “GCC” means the General Conditions of Contract.</p> <p>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.</p> <p>1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have</p>
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	<p>been or are still to be imported (whether by the supplier or his sub bidders) 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 supplies covered by the bid will be manufactured.</p> <p>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.</p> <p>1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.</p> <p>1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.</p> <p>1.20 “Project site,” where applicable, means the place indicated in bidding documents.</p> <p>1.21 “Purchaser” means the organization purchasing the goods.</p> <p>1.22 “Republic” means the Republic of South Africa.</p> <p>1.23 “SCC” means the Special Conditions of Contract.</p> <p>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.</p> <p>1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.</p>
2. Application	<p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
3. General	<p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Bid Bulletin. The Government Bid Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p>
4. Standards	<p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>
5. Use of contract documents and information; inspection.	<p>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.</p>



	<p>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.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>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.</p>
6. Patent rights	<p>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.</p>
7. Performance security	<p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> <p>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.</p> <p>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:</p> <p>(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</p> <p>(b) a cashier's or certified cheque</p> <p>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 in SCC.</p>
8. Inspections, tests and analyses	<p>8.1 All pre-bidding testing will be for the account of the bidder.</p> <p>8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or bidder shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.</p> <p>8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.</p> <p>8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.</p> <p>8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.</p>



	<p>8.6 Supplies 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.</p> <p>8.7 Any contract supplies 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 supplies 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 supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.</p> <p>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 23 of GCC.</p>
9. Packing	<p>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 and 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.</p> <p>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, specified in SCC, and in any subsequent instructions ordered by the purchaser.</p>
10. Delivery and documents	<p>10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.</p> <p>10.2 Documents to be submitted by the supplier are specified in SCC.</p>
11. Insurance	<p>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 in the SCC.</p>
12. Transportation	<p>12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.</p>
13. Incidental services	<p>13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:</p> <ul style="list-style-type: none">(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



	<p>(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.</p> <p>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.</p>
14. Spare parts	<p>14.1 As specified in SCC, 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:</p> <p>(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</p> <p>(b) in the event of termination of production of the spare parts:</p> <p>(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and</p> <p>(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.</p>
15. Warranty	<p>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.</p> <p>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 in SCC.</p> <p>15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p>15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.</p> <p>15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, 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.</p>
16. Payment	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>



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 in SCC or in the purchaser's request for bid validity extension, as the case may be.
18. Contract amendments	18.1	No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
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 supplier's performance	21.1	Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
	21.2	If at any time during performance of the contract, the supplier or its sub bidder(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	No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
	21.4	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 supplies are required, or the supplier's services are not readily available.
	21.5	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 21.2 without the application of penalties.
	21.6	Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies 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, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or



		performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.
23. Termination for default	23.1	The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part: (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2; (b) if the Supplier fails to perform any other obligation(s) under the contract; or (c) if the supplier, in the 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 services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
24. Anti-dumping 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 bidder to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the bidder in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him
25. Force Majeure	25.1	Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
	25.2	If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
26. Termination for insolvency	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.



<p>27. Settlement Disputes of</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p>(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p>(b) the purchaser shall pay the supplier any monies due the supplier.</p>
<p>28. Limitation liability of</p>	<p>28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and 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.</p>
<p>29. Governing language</p>	<p>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.</p>
<p>30. Applicable law</p>	<p>30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</p>
<p>31. Notices</p>	<p>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</p> <p>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.</p>
<p>32. Taxes and duties</p>	<p>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.</p> <p>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.</p> <p>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.</p>



33. National Industrial Participation (NIP) Programme	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of Restrictive practices	34.1 In terms of Section 4 (1) (b) (iii) of the Competition Act No.89 of 1998, as amended, and 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 (or bid rigging). 34.2 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 the Competition Act No.89 of 1998. 34.3 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.



ANNEXURE A:
**CONSORTIUM/
JOINT VENTURE/
SUB-CONTRACTOR
AGREEMENT**



ANNEXURE A

APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE FREE STATE DEPARTMENT OF HUMAN SETTLEMENTS WITH THE REVIEW/ DEVELOPMENT OF THE MUNICIPAL ACCREDITATION BUSINESS PLAN FOR THE MATJHABENG LOCAL MUNICIPALITY

IN CASE OF A CONSORTIUM/JOINT VENTURE/SUB-CONTRACTOR CONCERN:

I/we certify that this is a bona fide bid.

I/we also certify that I/we have not done and I/we undertake that I/we shall not do any of the following acts at any time before the hour and date specified for the closure of submission of Bid for this Contract.

1. Fixed or adjusted the amount of this bid by, or under, or in accordance with any agreement or arrangement with any other person outside this consortium/joint venture/sub-contracting;
2. Communicate to a person outside this consortium/joint venture/sub-contracting other than the person calling for these bids, the amount or approximate amount of the proposed bid, except where the disclosure, in confidence, of the approximate amount of the bid was necessary to obtain insurance premium quotations required for the preparation of the bid;
3. Caused or induced any other person outside this consortium/joint venture/sub-contracting to communicate to me/us the amount or approximate amount of any rival bid for this contract;
4. Entered into any agreement or arrangement with any other person outside this consortium/joint venture/sub-contracting to induce him/her to refrain from bidding for the contract, or as to the amount of any bid to be submitted or the conditions on which a bid is made, nor caused or induced any other person to enter to any sub agreement or arrangement; and
5. Officer or paid or given or agreed to pay or given any sum of money or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any bid or proposed bid for this contract, any act or thing of the sort described above.
6. Certified that a joint bank account will be open in the name of the Consortium/Joint/Venture/Sub-Contractor's Names.

In this certificate, the term "person" includes any persons, body of persons or association, whether corporate or not; and the term "agreement or arrangement" includes any agreement or arrangement, whether formal or informal and whether legally binding or not and the term "person outside this consortium/joint venture/sub-contracting means, when the consortium/joint venture/sub-contracting is a partnership, a person other than a partner or an employee of such partnership, or when the consortium/joint venture/sub-contracting is a company, a person other than a person or company holding shares in the consortium/joint venture/sub-contracting, or any employee of such a person, consortium/joint venture/sub-contracting.

SIGNED ON BEHALF OF BIDDER

Date: _____