



**MARULENG LOCAL MUNICIPALITY  
BID NUMBER: MLM/SCM/26/2026**

**BID DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF  
INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS**

**FEBRUARY 2026**

**ISSUED BY:  
SUPPLY CHAIN MANAGEMENT  
OFFICE  
MARULENG MUNICIPALITY  
P O BOX 627  
HOEDSPRUIT  
1380**

<b>NAME OF BIDDER</b>	
<b>CONTACT NUMBER</b>	
<b>CSD NUMBER</b>	
<b>TOTAL BID PRICE</b>	



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**MBD1: PART A  
INVITATION TO BID**

<b>You are hereby invited to bid for requirements of the Maruleng Local Municipality</b>					
Bid Number:	MLM/SCM/26/2026	Closing Date:	13 March 2026	Closing Time:	11h00
Description	<b>APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS</b>				
<b>The successful bidder will be required to fill in and sign a written contract form (MBD7).</b>					

Bid response documents may be deposited in the bid box situated at Budget & Treasury Main entrance at 65, Springbok Street, Hoedspruit 1380

**65 Springbok Street  
Hoedspruit  
1380**

<b>SUPPLIER INFORMATION</b>					
Name of Bidder					
Postal Address					
Street Address					
Telephone Number	Code		Number		
Cellphone Number					
Facsimile Number	Code		Number		
E-Mail Address					
Vat Registration Number					
Tax Compliance Status	TCS PIN:		<b>OR</b>	CSD No:	
Are you the accredited representative in South Africa for the goods /services offered?	Yes	No	Are you a foreign based supplier for the goods /services offered?	Yes	No
	[If yes enclose proof]			[If yes, answer part B:3 ]	
<b>Total Number of Items Offered</b>			<b>Total Bid Price</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>		
Department	Budget and Treasury		Office of the Municipal Manager		
Contact Person	Raphela SE		Contact person	Mr. Lesley Somo	
Telephone Number			Telephone number		
E-Mail Address	raphelae@maruleng.gov.za		E-mail address		



**BID ADVERT**

**BID DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS**

Suitably qualified suppliers are hereby invited to bid for the following:

Bid No.	Description	Evaluation Criteria	Compulsory Briefing	Closing Date & Time	Technical Enquiries
MLM/SCM/26/2026	<b>APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 36 MONTHS</b>	Administrative compliance, Functionality and 80/20 Preference Point System	Not Applicable	13 March 2026 11H00	Mr. Lesley Somo

Bid documents will be available at the cashier office, Municipal Building, 65 Springbok Street, Hoedspruit, 1380. A non-refundable of **R500.00** will be charged for each set of documents issued or downloaded. **Proof of payment for the tender document must be attached as part of the tender submission.**

**Submission of Tenders:**

Bids must be submitted not later than **11H00 on 13 March 2026**. The tender box is accessible during working hours from 7am to 16h00. **Faxed emailed and late proposals will not be accepted.**

Bid documents and supporting documents must be placed in a sealed envelope clearly marked the Bid number & Description respectively', and be deposited in a bid box, on the Municipal Building, 65 Springbok Street, Hoedspruit, 1380

**Opening of Tenders**

Tenders will be opened in public at **11h00, 13 March 2026**.

**Bidders must take note of the following:**

- ✓ Bids must only be submitted on the bid document provided by Maruleng Local Municipality.
- ✓ Persons in the service of the state are not allowed to bid.

**Enquiries**

Administrative enquiries must be directed to Mr.Raphela SE on (015) 590 1650, email address: raphelae@maruleng.gov.za

**Mr. Muroa ML**  
**Acting Municipal Manager**

**DECLARATION BY THE BIDDER**

**BID NUMBER: MLM/SCM/26/2026**

**DECLARATION:**

To:      The Municipal Manager  
          Maruleng Municipality  
          PO Box 627  
          Hoedspruit  
          1380

I/We, the undersigned:

- a)      Tender to supply to Maruleng Municipality all of the services described both in this and the other forms and schedules to this bid.
- b)      Agree that we will be bound by the specifications, prices, terms, conditions and proposals stipulated in the schedules attached to this tender document, regarding delivery and execution.
- c)      Confirm that this bid may only be accepted by the Maruleng Municipality by way of a duly authorized Letter of Acceptance.
- d)      Declare that we are fully acquainted with the schedules and the contents thereof and that we have signed the schedules, attached hereto
- f)      Declare that, each page of the tender document and amendments thereto will be initialed by the relevant authorized person in order for the document to constitute a proper contract between the Maruleng Municipality and the undersigned, on acceptance of the bid by Maruleng Municipality.

Signed at ..... on this ..... day of..... 2025

Signature of Bidder.....

Name of Bidder.....

<b>WITNESSES</b>	
1	.....
2.	.....
DATE:.....	



**CLEARANCE CERTIFICATE FOR MUNICIPAL ACCOUNTS**

1. Regulation 38 (d) (i) of Municipal Supply Chain Regulations requires that the municipality must reject a bidder whose municipal services, rates and taxes are in arrears for more than 90 days.
2. The purpose of this form is to obtain proof that municipal services, rates and taxes of the bidder and director(s) are not in arrears for more than 90 days, with the relevant municipality area where the director(s) resides or where the bidder conducts the business. The form must be completed by the relevant municipality in the event that the bidder or its director(s) does/do not receive statement of municipal accounts.

<b>(TO BE COMPLETED BY THE RELEVANT MUNICIPALITY)</b>	
Name of the Municipality:	
Property Physical Address:	
Registered Name:	
Official's Name: _____ Signature : _____ Date: _____	Municipality Stamp Here <div style="border: 1px solid black; height: 100px; width: 100%;"></div>
Please circle whether the account is in arrears or up-to-date	
Rates and taxes : Up-to-date / in arrears for more than (90 Days) 3 months Water: Up-to-date / in arrears for more than (90 Days) 3 months Electricity: Up-to-date / in arrears for more than (90 Days) 3 months Refuse : Up-to-date / in arrears for more than (90 Days) 3 months Other services : Up-to-date / in arrears for more than (90 Days) 3 months	

**N.B: This form must be completed only if the bidder or directors are not receiving municipal statements from their relevant municipality.**

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

**DATE:** .....



**AUTHORITY FOR SIGNATORY**

**TO WHOM IT MAY CONCERN**

It is hereby certified that Mr. /Ms. ....in his/her capacity as  
..... (Designation) is

duly authorized to sign all documents submitted on behalf of..... (Name of company) in  
respect of the following tender:

**BID NO: MLM/SCM/26/2026**  
**APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF INTERNAL AUDIT**  
**SERVICES**

**Yours Sincerely.**

.....  
**Name MD/CEO/ Company Secretary Etc.**

**Specimen Signature (Authorized Person):** .....



**MBD 4: DECLARATION OF INTETREST**

1. No bid will be accepted from persons in the service of the state.
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 person connected with or related to persons in service of the states, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
2. 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, shareholder 2 etc.)												
3.4.	Company Registration Number												
3.5.	Tax Reference Number												
3.6.	VAT Registration Number												

3.7.	Are you presently in the service of the state?	YES		NO	
3.7.1.	If so, furnish particulars:				
3.8.	Have you been in the service of the state for the past twelve months?	YES		NO	
3.8.1.	If so, furnish particulars:				

*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;



<b>3.9.</b>	<b>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?</b>	<b>YE S</b>		<b>NO</b>	
3.9.1.	If so, furnish particulars:				
<b>3.10.</b>	<b>Are you aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?</b>	<b>YE S</b>		<b>NO</b>	
3.10.1.	If so, furnish particulars:				
<b>3.11.</b>	<b>Are any of the company's directors, managers, principal shareholders or stakeholders in the service of the state?</b>	<b>YE S</b>		<b>NO</b>	
3.11.1.	If so, furnish particulars:				
<b>3.12.</b>	<b>Is any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in the service of the state?</b>	<b>YE S</b>		<b>NO</b>	
3.12.1.	If so, furnish particulars:				
	Name of the spouse/child/parent : ..... ID number of the spouse/child/parent:..... Relationship to the official: ..... Designation of the spouse/child/parent: ..... Employer of the spouse/child/parent: .....				
<b>3.13.</b>	<b>Do you or any of the directors, trustees, managers, principal 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?</b>	<b>YE S</b>		<b>NO</b>	
3.13.1.	If so, furnish particulars:				




- 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. an executive 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.

3.14.	Please provide the following information on ALL directors/shareholders/trustees/members below:		
Full Name and Surname	Identity Number	Personal Income Tax Number	Provide State Employee Number

**DECLARATION**

I, the undersigned (name)

\_\_\_\_\_  
, certify that the information furnished in paragraph 3 above is correct.

I accept that the state may act against me should this declaration prove to be false.

SIGNATURE		DATE	
NAME OF SIGNATORY			
POSITION			
NAME OF COMPANY			



**MBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

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

<b>1.</b>	<b>Are you by law required to prepare annual financial statements for auditing?</b>	<b>YES</b>		<b>NO</b>	
1.1	If YES, attach audited/reviewed annual financial statements for the past three years or since the date of establishment, if established during the past three years.				
<b>2.</b>	<b>Do you have any outstanding undisputed commitment for Municipal services towards the Municipality or any other service provider in respect of which payment is overdue for more than 30 days?</b>	<b>YES</b>		<b>NO</b>	
2.1.	If NO, this serves to certify that the Tenderer has no outstanding undisputed commitment for Municipal services towards the Municipality or any other service provider in respect of which payment is overdue for more than 30 days.				
2.2	If YES, provide particulars				
<b>3.</b>	<b>Has any contract/tender been awarded to you by an organ of state during the past five years where any material, non-compliance or dispute concerning the execution of such contract/tender occurred?</b>	<b>YES</b>		<b>NO</b>	
3.1.	If YES, furnish particulars.				

**CERTIFICATION**

I, the undersigned (full name).....certify that the information furnished on this declaration form true and correct.

I accept that the state may act against me should this declaration prove to be false.

SIGNATURE:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF BIDDER:			



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

**1. GENERAL CONDITIONS**

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

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

**1.2 Applicable Preference Point System**

a) The applicable preference point system for this quotation 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:

	<b>POINTS</b>
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.4.1 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to

claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

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

Where  
Ps = Points scored for price of tender under consideration

Pmin =  $\frac{\text{Price of tender under consideration}}{\text{Price of lowest acceptable tender}}$

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax}\right) \quad \text{or} \quad Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

Where

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

#### 4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black ownership	6	
Women	3	
People living with disability	2	
EME or QSE	2	
Youth	2	
Enterprises located in Limpopo Province – Within Limpopo Province = 2 Within Mopani District = 4 Within Maruleng Municipality = 5	5	
<b>Total</b>	<b>20</b>	

## DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name \_\_\_\_\_ of  
company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

[Tick applicable box]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result

- of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

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

**THIS FORM WILL BE FILLED IN BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2).**

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods described in the attached bidding documents to **Maruleng Local Municipality** in accordance with the requirements and specifications stipulated in bid number **MLM/SCM/20/2026** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Proof of Tax Compliance Status;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Service level Agreement
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF BIDDER.....

WITNESSES	
1.	.....
2.	.....

DATE.....



**CONTRACT FORM - PURCHASE OF GOODS**

DATE .....

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as.....

accept your bid under reference number .....dated..... for the supply of goods indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating delivery instructions is forthcoming.

3. I undertake to make payment for the goods/services delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

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

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

<b>WITNESSES</b>	
1.	.....
2.	.....



**MBD 8: 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:
  - 3.1. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - 3.2. been convicted for fraud or corruption during the past five years;
  - 3.3. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - 3.4. 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).

- 1.1. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
- 1.2. been convicted for fraud or corruption during the past five years;
- 1.3. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- 1.4. 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.

4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?  <i>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).</i>	<b>Yes</b>	<b>No</b>
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)?  <i>(To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>,</i>	<b>Yes</b>	<b>No</b>

	<i>click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</i>		
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?	<b>Yes</b>	<b>No</b>
4.3.1	If so, furnish particulars:		
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?	<b>Yes</b>	<b>No</b>
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?	<b>Yes</b>	<b>No</b>
4.5.1	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:		NAME (PRINT):	
CAPACITY:		DATE:	
NAME OF BIDDER:			



1. This Municipal Bidding Document (MBD) must form part of all bids 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>4</sup> Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - 3.1. take all reasonable steps to prevent such abuse;
  - 3.2. 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
  - 3.3. 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:

## **CERTIFICATE OF INDEPENDENT BID DETERMINATION:**

In response to the invitation for the bid made by:

### **MARULENG LOCAL MUNICIPALITY**

I, the undersigned, in submitting the accompanying bid, hereby make the following statements that I certify to be true and complete in every respect:

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:
  - 5.1. has been requested to submit a bid in response to this bid invitation;
  - 5.2. could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - 5.3. 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>5</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:
  - 7.1. prices;
  - 7.2. geographical area where product or service will be rendered (market allocation)
  - 7.3. methods, factors or formulas used to calculate prices;

- 7.4. the intention or decision to submit or not to submit, a bid;
  - 7.5. the submission of a bid which does not meet the specifications and conditions of the bid; or
  - 7.6. bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
  9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
  10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

SIGNATURE		NAME (PRINT)	
CAPACITY		DATE	
NAME OF BIDDER			



## BID CONDITIONS

**ALL TENDER CONDITIONS AND/OR INSTRUCTIONS SET OUT BELOW MUST BE STRICTLY ADHERED TO, FAILING WHICH THIS TENDER SUBMISSION WILL BE DECLARED NON-RESPONSIVE.**

1. No tender will be considered unless submitted on Maruleng Municipality tender document.
2. Any portion of the tender document not completed will be interpreted as 'not applicable'. Notwithstanding the foregoing, failure to complete any compulsory portion of the tender document may result in the tender being declared non-responsive.
3. Tenders must be properly received and deposited, on or before the closing date and before the closing time, in the relevant tender box at No. 65 Springbok Street, Hoedspruit, and Finance Department. If the tender submission is too large to fit in the allocated box, please enquire at supply chain office for assistance.
4. The municipality reserves the right to accept:
  - 4.1 the whole tender or part of a tender or any item or part of any item, or to accept more than one tender (in the event of a number of items being offered), and municipality is not obliged to accept the lowest or any tender;
  - 4.2 a tender which is not substantially or materially different from the tender Specification.
5. The municipality shall not consider tenders that are received after the closing date and time for such a tender.
6. The municipality will not be held responsible for any expenses incurred by Tenderers in preparing and submitting tenders.
7. The municipality may, after the closing date, request additional information or clarification of tenders in writing.
8. A Tenderer may request in writing, after the closing date, that the tender offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of the municipality after consideration of the reasons for the withdrawal.
9. Telegraphic quotations or quotations by facsimile will not be accepted for consideration except for the instance as indicated above where the employer needs to have amendments to the quotation.

### 10. Validity Period

10.1 Any tender submitted shall remain valid, irrevocable and open for written acceptance by the municipality for a period of 90 days from the closing date or for such extended period as may be applicable.

10.2 The tender amount will not be amended during the aforesaid validity period.

10.3 The aforesaid validity period may be extended by the municipality provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing

10.3 Bidders who fail to respond to such a request before the validity of their tender expires, or who decline such a request shall not be considered further in the evaluation process.

10.5 In the event that an appeal in terms of the Systems Act 32 of 2000, is received, the validity period of the tender shall be deemed to be extended until finalisation of the appeal; unless the bidder has requested in writing that its tender be withdrawn. The provisions in respect of withdrawal as set out in clause 6.8 above will apply to such withdrawal.

10.6 Unauthorized alterations and additions in the nature of statement of interpretation of this bid document must be avoided. If any such amendments are made or if the bid document is not properly completed, it will cause the bid to be invalid. Any point of difficulty or doubt must be cleared with the municipality. Should any query be found to be of any significance, the municipality will inform all bidders accordingly.

## **11. Tax Matters**

11.1 No award shall be made to a person whose tax matters have not been declared to be in order by the South African Revenue Service (SARS).

11.2 Bidders are therefore required to obtain a valid Tax Pin

12. The municipality will publish the results of this bid on the municipal website.

**GOVERNMENT PROCUREMENT:  
GENERAL CONDITIONS OF CONTRACT**  
July 2010



**GOVERNMENT PROCUREMENT  
GENERAL CONDITIONS OF CONTRACT  
JULY 2010**

**NATIONAL TREASURY: Republic of South Africa**

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**THE NATIONAL TREASURY: Republic of South Africa 2**

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**GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**  
**THE NATIONAL TREASURY: Republic of South Africa 3**

**General Conditions of Contract**

**1. Definitions** 1. The following terms shall be interpreted as indicated:

- 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 “Day” means calendar day.
- 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
- 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
- 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the Factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labor, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the Supply of the goods, such as transportation and any other incidental services, such as installation, commissioning,

provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 “Tort” means in breach of contract.
- 1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product service required by the contract.
- 1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a nonrefundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

## **4. Standards**

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

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

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- 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 as far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in 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.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

## **6. Patent Rights**

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

## **7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance

obligations under the contract, including any warranty obligations, unless otherwise specified.

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

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 8.3 If there are no 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.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

## **9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open

storage. Packing, case size weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit...

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental Services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) Performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
  - (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### **14. Spare parts**

- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and;
  - (b) in the event of termination of production of the spare parts:
    - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

## **17. Prices**

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

## **18. Variation orders**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the 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 subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the

purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.
- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, 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 judgement 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.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

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

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

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

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

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

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase .When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **25. Force Majeure**

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

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, 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.

## **27. Settlement of Disputes**

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

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

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

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

## **28. Limitation of Liability**

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the Purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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

## **30. Applicable law**

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

## **31. Notices**

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

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

## **32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

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

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

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

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

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

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of **restrictive practices** 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 of 1998
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned

**SPECIFICATION /BOQ**

**DETAILED SPECIFICATION FOR THE PROVISION OF INTERNAL AUDIT SERVICES.**

**1. BACKGROUND**

- Maruleng Municipality has established an Internal Audit Function in accordance with Section 62 (1) (c) (ii) of the Municipal Finance Management Act, 2003 (Act 56 of 2003 which states that the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems- of internal audit operating in accordance with any prescribed norms and standards

**2. SCOPE OF WORK**

Year 1-2025/26

PROCESS	PROJECT SCOPE	BUDGETED HRS
IT Governance- Cyber security	To test the adequacy and effective of IT governance(controlling and managing) within the municipality  NB: this includes testing on systems <ul style="list-style-type: none"> <li>• VIP(payload)</li> <li>• munsoft (revenue, debtors, expenditure inclusive of supply chain processes)</li> </ul>	160
Payroll Systems <ul style="list-style-type: none"> <li>• Termination of employment</li> <li>• Compensation and deductions</li> <li>• Recruitment</li> </ul>	To test the adequacy and effectiveness of payroll processes of the municipality	120
Revenue and Debt Management	To test the adequacy and effectiveness of revenue and Debt management processes of the municipality	120
Property rating	To test the adequacy and effectiveness of processes related to billing of property	120
Performance auditing -procurement	To evaluate the measures instituted by management to ensure that resources have been procured economically and are used efficiently and effectively	160
Assets and Inventory Management	To test the adequacy and effectiveness of assets and inventory management processes of the municipality	120
<b>GRAND TOTAL HOURS</b>		<b>800</b>

The projects for the financial year 2025/26 will run for approximately 3 months.

Year 2- 2026/27

PROCESS	No of Projects	PROJECT SCOPE	BUDGETED HRS
Risk Based Audits including ICT and Infrastructure maintenance	3	To test the adequacy and effectiveness on risks related to processes in the municipality	360
Business Continuity	1	To test the adequacy and effectiveness of the business continuity processes instituted by the municipality.	120
Financial Discipline Audits	4	To test the adequacy and effectiveness of programs/processes in place to ensure effective financial management	480
<b>GRAND TOTAL HOURS</b>			<b>960</b>

The aforementioned projects for the financial year 2026/27 will run for approximately 3 months.

Year 3- 2027/28

PROCESS	No of Projects	PROJECT SCOPE	BUDGETED HRS
Performance auditing – Infrastructure projects	1	To evaluate the measures instituted by management to ensure that resources have been procured economically and are used efficiently and effectively	120
Risk Based Audits including ICT	2	To test the adequacy and effectiveness on risks related to processes in the municipality	240
Financial Discipline Audits	3	To test the adequacy and effectiveness of programs/processes in place to ensure effective financial management	360
<b>GRAND TOTAL HOURS</b>			<b>720</b>

The aforementioned projects for the financial year 2027/28 will run for approximately 3 months.

N.B. The budgeted hours include planning, execution and reporting phases

Project objectives will be determined in consultation with Maruleng Municipality's Internal Audit Services. The firm which the Municipality will partner with will be expected to sign a three year service level agreement for the professional services that will be provided.

### **3. COMPETENCY, KNOWLEDGE AND SKILLS AND ABILITIES REQUIRED**

Company profile should include:

- a) Skills and expertise.
- b) Capacity and continuity to deliver the services including the number of full-time employees employed at the time of the RFP (Request for Proposal); and a breakdown in terms of race and gender at the top and middle management levels.
- c) Brief curriculum vitae of senior staff assigned to the assignment
- d) Value added services to be provided to Maruleng Municipality including an indication of experience in Government (including Local government) environment in conducting audits of a similar nature.
- e) The firm has to possess at least 3 years' experience in conducting related internal audit projects in municipalities
- f) Broad Based Black Economic Empowerment.

### **4. SPECIAL CONDITIONS**

- a) Proposals should include CVs of the team members which should be attached to the proposal.
- b) Maruleng Municipality reserves the right to reject an award of a specific category where responses are found to be insubstantial by the evaluating panel.
- c) Maruleng Municipality reserves the right to award the contract to one or more service providers.
- d) In terms of the Supply Chain Management Policy, preference points will be given to service provider(s) who have offices in Limpopo. Proof of local offices must be submitted. Proof of relevant experience/track record is essential.
- e) The successful service provider(s) must sign a Service Level Agreement (SLA) with Maruleng Municipality within 7days of being awarded the bid.

### **5. OUTPUTS, TIMING AND REPORTING**

- a) Summary of Issues, Recommendations, and Closing Conference:
  - i. Issues should be brought to the attention of the CAE as they come up throughout the audit and discussed as appropriate. The closing conference should hold no surprises but should be regarded as an opportunity to summarise and formalize the views of the audit team, management and the CAE.
  - ii. No conclusions or recommendations should be included in the final report that were not presented or discussed at the closing conference.
- b) Reporting:

- i. After the closing conference, the service provider is to prepare a draft report with recommendations and send it to the Management and CAE..
  - ii. The final report, in conjunction with the management response or action plan, should be addressed to the CAE with copies included to be distributed to the Chairperson of the Audit Committee and the Accounting Officer (Municipal Manager).
- c) The successful service provider(s) must be in a position to commence work within one week (7 days) of the awarding of the contract.
- d) Timing of reviews will be mutually agreed upon between the Internal Audit Unit, other stake holders and service provider(s).
- e) When deadlines are set, it will be expected of the successful service provider(s) to deliver the required services in a set timeframe, provided that these instructions are issued timeously. It will be expected of the successful service provider not to exceed eight (8) weeks in the conduct of and reporting on their review for the financial year.

## **6. MANDATORY CRITERIA**

### **a. First stage: Returnable Documents**

Following critical criteria will apply to the evaluation of this bid and any non-compliance thereto will lead to a submitted bid being regarded as non-responsive and disqualified from further evaluation on functionality. Bidders will be required to submit the following documents to enable the municipality to assess compliance with the bid administrative requirements:

- Provision of tax clearance certificate pin.
- Company Registration Documents
- Joint Venture Agreement (Where Applicable)
- Attendance of Compulsory Briefing Session.
- Completion of information on all municipal documentation provided in terms of this bid.
- National Treasury Central Supplier Database (CSD).
- Bidders and directors' proof of payment of municipal rates and taxes or a lease agreement accompanied by a municipal statement of the lessor or a letter of good standing from tribal authority. Any municipal statement of account that is in arrears for more than 90 days will not be accepted.
- Certified ID Copy for Directors not older than three months
- Proof of purchase (receipt) of tender document collected or downloaded

To be responsive, bidders must submit a valid offer, which complies with the specifications along with the required compulsory documents before or on the closing date and time of bid. **Failure to submit the following documents will invalidate the bid. It is emphasised that duly completed and signed, original Bid document must be submitted to avoid disqualification:**

Please indicate YES or NO ✓ Place a Tick in the appropriate column	YES	NO
The project leader must provide a valid membership with a Institute of Internal Auditors (IIA) or SAICA		
<p><b>Signed Letter of Resolution authorizing a person to sign the bid documents.</b></p> <ul style="list-style-type: none"> <li>• In the case of a <b>ONE PERSON CONCERN / SOLE PROPRIETORSHIP</b> submitting a tender, this shall be clearly stated on the company letter head.</li> <li>• In the case of a <b>COMPANY</b> submitting a tender, include a copy of a resolution by its board of directors authorizing a director or other official of the company to sign the documents on behalf of the company.</li> <li>• In the case of a <b>CLOSED CORPORATION</b> submitting a tender, include a copy of a resolution by its members authorizing a member or other official of the corporation to sign the documents on each member's behalf.</li> </ul> <p>In the case of <b>PARTNERSHIP</b> submitting a tender, all the partners shall sign the documents, unless one partner or a group of partners has been authorized to sign on behalf of each partner, in which case proof of such authorization shall be included in the Tender.</p>		
Fully completed and signed Bidder's Disclosure (Standard Bidding Document (MBD4)		
<p>All bidders must be registered with the <b>Central Supplier Database (CSD)</b> failure to do so will be automatically disqualified.</p> <p>It is the responsibility of the bidder to ensure that the following key information is in order to avoid any disqualification during the bid evaluations:</p> <ul style="list-style-type: none"> <li>• Tax compliance status</li> <li>• The Business registration status</li> </ul>		

Please indicate YES or NO ✓ Place a Tick in the appropriate column	YES	NO
<ul style="list-style-type: none"> <li>• Bid restrictions and defaulters status</li> <li>• Bank Account information</li> <li>• Identification number and the service of the state status</li> </ul> <p><b>Failure to submit or adhere to the above will lead to automatic disqualification</b></p>		
Bidder must have a minimum of three (3) years or more relevant experience in providing internal audit services.		
Signed Financial proposal		

**Note: All bidders who do not comply with the items listed above will be disqualified**

**7. Second stage: Functionality evaluation as per Terms of Reference**

7.1. Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference.

7.2. Bidders must as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. The panel responsible for scoring for the respective bids will evaluate and score all bids based on the submissions and the information provided.

**8. Evaluation criteria**

Criteria	Weight	Score	Final points awarder
<b>Experience and Capacity</b>			
Bidder must have a minimum of three (3) years or more relevant experience in providing internal audit services in local government. Bidder must provide detailed profile of rendering the required services	30		
<b>Measure of Experience:</b>			
seven (7) years and above	30		
4-6 years	20		
3 years	10		

<b>Experience of project team</b>			
Project members including team leader, should have a qualification in internal audit or related field.	25		
The project leader must be accredited with Institute of Internal Auditors as a CIA (Certified Internal Auditor), ISACA as CISA (Certified Information Systems Auditor) or SAICA as a CA(SA) (Chartered Accountant). Detailed CV of team leader and members with certified qualifications:			
<b>Measurement of Qualifications:</b>			
All project members have relevant qualification and accreditation	25		
Most project members have qualifications and accreditation	20		
Some project members have qualifications and accreditation	15		
None project members have qualifications and accreditation	0		

<b>Understanding of the scope of work</b>				
<p>Knowledge and understanding of the scope of work. A detailed methodology and proposed plan for the scope of work to be provided- it should include: work plan, timelines, approach to be implemented and motivations, resources to be used.</p> <p><b>Measurement of understanding of the scope of work:</b></p>		30		
Bidder demonstrates an exceptional understanding of the scope of work	30			
Bidder demonstrates a above average understanding of the work	20			
Bidder demonstrates an average understanding of the work	10			
Bidder demonstrates a below average understanding of the work	5			
<b>References</b>				
<p>Three traceable references for similar work done to be provided. The bidder must provide at least three (3) valid reference letters as proof to have successfully completed projects. Letters will only be considered valid if they meet the following criteria: on official client letterhead- where similar work was done.</p> <p><b>Measurement of References:</b></p>		10		
Three traceable references with associated appointment letters	10			
Two traceable references with associated appointment letters	7.5			

One traceable reference	5			
No traceable references	0			
Offices in Limpopo Province		5		
<b>Total Points Awarded</b>		100		

## 9. BIDDING PROCESS

## 10. EVALUATION OF BIDS PROCEDURE

- 10.1. Proposals will be evaluated at different stages; **the first stage** would be general validity in terms of the compulsory requirements stated above under returnable documents.
- 10.2. Bids, which fail in general to meet the compulsory returnable requirements, will be rejected and will not be evaluated further.
- 10.3. The **second stage** will be the consideration of functionality. Requirements are set which will assist Maruleng Municipality to assess the capacity and experience of the service providers. The evaluation of the functionality will be evaluated individually by members of the Bid Evaluation Committee in accordance with the criteria indicated in the table prior to consolidation.
- 10.4. The minimum threshold of 70% for functionality must be met in order for bid offers to continue to the next stage of evaluation. Only bids that achieved the minimum qualifying score for functionality will be evaluated. Bids that fail to achieve a minimum of 70% for functionality will be disqualified and will not be evaluated further.
- 10.5. The **third stage** of evaluation will be according to the preference points claimed for specific goals and price (refer also to MBD 6.1) and the Preferential Procurement Regulations, 2022 (80/20 preference point system). Bids will be evaluated in terms of 80/20 Preference Points System.

## 11. COSTING

- a) Fees must be quoted at an hourly rate for the different levels of proposed resources to be utilized. A total cost must also be indicated on the quotation.
- b) All fees quoted must be inclusive of VAT.
- c) The total fee quoted must be further broken down to reflect:
  - i. Planning, execution and reporting;
  - ii. Disbursements (All-inclusive rates per hour including administration costs like traveling, accommodation, etc.).
- d) The fees for planning, execution, and reporting must include a schedule which will reflect the number of persons who will be taking part in the engagement, their roles/positions; their hourly rates; hours to be spent, and eventually the total cost per person

**1.3****Preference Point System – Phase Three****Preference Point System**

The value of this bid is estimated to not exceed R50 million, and therefore, the bid will be evaluated in terms of the 80/20 Preference Point System as prescribed in the Preferential Procurement Regulations, 2022, where the 80 points will be allocated for price and 20 points will be allocated on the basis of points scored for specific goals.

<b>Enquiries</b>	<i>SE Raphela at: 015 590 1650</i> <i>Email:raphelae@maruleng.go.za</i>
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**BANKING DETAILS**

Account Holder	Maruleng Local Municipality
Name of Bank	Standard bank
Account Number	033355487
Type Of Account, (I.E. Cheque Account)	Current
Branch Name	Hoedspruit
Branch Code	052752