

# Winnie Madikizela-Mandela Local Municipality

Physical Address  
51Winnie-Madikizela  
Mandela Street  
Postal Address  
P O Box 12  
Bizana

Office of the Municipal  
Manager  
Tel: 039 251 0230  
Fax: 039 251 0917  
mahlakal@mbizana.org.za



REQUEST FOR QUOTATION -REVIEW OF HOUSING SECTOR PLAN: WMM LM 16/08/22/01 HSP

## RE-ADVERT

Quotations are hereby invited from suitable service providers to conduct **Review of Housing Sector Plan**. Specifications and terms of reference are available in the municipal website.

**NB: MANDATORY DOCUMENTS TO BE SUBMITTED, FAILURE TO DO SO WILL LEAD TO THE QUOTATION BEING REGARDED AS NON-RESPONSIVE.**

A valid Tax Pin printout as provided by SARS, Copy of company Registration/Founding Statement/CIPC Document. Certified B-BBEE certificate or a combined B-BBEE in the case of a joint venture (non-elimination item). Signed JV Agreement for Joint venture where applicable. Prices quoted must be firm and must be inclusive of VAT for vat vendors. Certified ID Copies of Managing Directors/ Owners. **No couriered, faxed, hand delivered, incomplete and late quotation will be accepted. No bidders will be considered if not registered on the Central Supplier Database or If Directors are from the Service of the State.** Winnie Madikizela-Mandela Local Municipality reserves the right not to appoint the highest scoring bidder, the value for money will be the key determinant and supply chain management policy will apply. **MBD 1, 4, 6.1, 8 and 9 are compulsory submissions. A signed certificate by the bidder and proof certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other provider in respect of which payment is overdue more than 30 days.** All the certified copies of documents must not be more than 3 months old. Winnie Madikizela-Mandela Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of the bid. **Functionality: Previous Appointment Letters and References 30, Expertise and Experience of Proposed team 30, Methodology 40. Bidders need to score a minimum of 60% to proceed to second stage. 80/20**

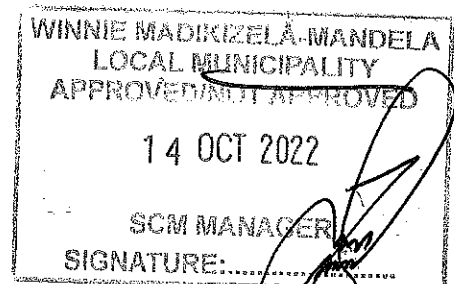
**Published:** on the 14<sup>th</sup> October 2022. Specifications will be available in the Municipal Website as stated above.

Terms of reference or specification must be downloaded from the following link/ address by selecting the project name as indicated: <https://www.winniemmlm.gov.za/quotations/>

**Closing date:** 25<sup>th</sup> October 2022. All quotations must be emailed to [quotes.scm@mbizana.gov.za](mailto:quotes.scm@mbizana.gov.za) by not later than 12h00 "Name of the quotation and Reference number as a subject."

**Enquiries:** Technical enquiries are addressed to **Ms. Z. Ndzelu Manager: Planning and Land Use @ 072 548 7021**, email: [ndzeluz@mbizana.gov.za](mailto:ndzeluz@mbizana.gov.za) and SCM enquiries to **Supply Chain Manager, Mr. Z Khala @ 079-886 0942** email: [khalaz@mbizana.gov.za](mailto:khalaz@mbizana.gov.za), or [Info.scm@mbizana.gov.za](mailto:Info.scm@mbizana.gov.za)

  
Mr. L. Mahlaka  
Municipal Manager



**Letter of Consent**

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The Municipal Manager

Winnie Madikizela-Mandela Local Municipality

P.O. Box 12

Bizana

4800

Sir/Madam

**Granting of authority to request information from any legal entity relevant to this Bid**

I/we acknowledge that the information herein contained shall constitute the basis on which my/our Bid is to be considered. I/we grant approval that any source regarding this Bid may be fully investigated and that all such information shall be of material value to Winnie Madikizela-Mandela Local Municipality and directly relevant to the consideration of my/our Bid.

I/we \_\_\_\_\_ grant my/our consent to such source to provide confidential information.

I/we warrant that all the information herein contained is to the best of my/our knowledge and belief true and correct in all material respects and I/we am /are not aware of any information which, should it become known to the Winnie Madikizela-Mandela Local Municipality, would affect the consideration of my/our Bid in any way.

The Winnie Madikizela-Mandela Local Municipality wishes to inform you that all information regarding your personal matters is treated as strictly confidential.

Please tick the appropriate box.

	<b>I/We hereby consent to the above</b>
	<b>I/We hereby withhold consent and fully understand the implications and ramifications of my/our decision and will not hold the Winnie Madikizela-Mandela Local Municipality responsible for not considering my/our Bid.</b>

Signature: ..... Date: .....

Witness: ..... Signature: .....

# TERMS OF REFERENCE

## Housing Sector Plan for Winnie Madikizela Mandela Local Municipality



ISSUED BY:  
Issued and Prepared by:  
Winnie Madikizela-Madikizela Local Municipality  
Development Planning Department  
51 Winnie Madikizela-Mandela Street  
Bizana  
4800  
Municipal Manager: Mr. L. Mahlaka  
Contact Person: Mrs. Z. Ndzelu  
Tel: 072 548 7021

**NAME OF TENDERER:** \_\_\_\_\_

**AMOUNT:** \_\_\_\_\_

**Bid Number:** \_\_\_\_\_

## Terms of reference

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### **1. INTRODUCTION**

As part of its legislative mandate; local government is required to develop its communities. Winnie Madikizela Mandela Local Municipality has identified the need to have an updated strategic document that intends to inform and guide the Winnie Madikizela Mandela Local Municipality in the allocation of resources with regards to housing, access to services, administration, and socio-economic realities.

### **2. BACKGROUND**

In terms of Section 9(1) of the National Housing Act 107 Of 1997, it is a prerequisite that every municipality as part of the municipality's process of integrated development planning acquire all reasonable and obligatory steps to make certain that people within its area of jurisdiction obtain access to adequate housing on a progressive basis by setting goals for housing delivery, identifying appropriate land for human settlements development and planning, facilitating, initiating and co-ordinating human settlements development in its area of jurisdiction.

Winnie Madikizela Mandela Local Municipality is a small municipality which is made up of rural areas that are under traditional council with a small area which can be identified as an urban area, which is Extension 1, Extension 2, Extension 3, and Extension 4. Extension 1 is a CBD and Extension 2 may be regarded as a mid-class residential area. Extensions 3 and 4 have low cost houses that had been already built but, there are still shacks in Extension 4 (Down Town). The majority of the poor communities' areas that are under traditional council still survive under poor accommodation with no access to basic services such as water, sanitation, refuse removal and electricity. Even those who have jobs find it difficult to sustain a decent quality of life as they fall outside subsidy bracket but at the same time are unable to afford and access mortgage products available from commercial banks.

The purpose of these terms of reference is to appoint a Service Provider that will review a Housing Sector Plan in terms of appropriate legislation and manage all key milestones.

### **3. Municipal Vision**

A Vibrant socio-economic growing municipality that creates sustainable communities with equal opportunities for all.

### **4. APPROACH**

The terms of reference are the municipality's point of reference, with which it will engage the service provider or consultants.

The Municipality expects the successful consultant to undertake the reviewal of a Housing Sector Plan in line with legislation and policies at various government levels. The service

## Terms of reference

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provider will also provide recommendations to the Municipality on the suitable approach with which the project will be best implemented.

### **5. OUTCOMES AND DELIVERABLES**

- Comprehensive Human Settlements Sector Plans for the entire Winnie Madikizela Mandela Local Municipality
- Compiling credible and recent research on all social, economic and demographic issues impacting on housing planning and delivery for the entire Winnie Madikizela Mandela Local Municipality;
- Workshop reports;
- Progress reports (monthly); and
- Presentation of all documents to the relevant committee/s
- A hard and a soft copy document
- Spatial Maps and shape files.

### **6. DETAILED SCOPE OF WORK**

#### **Project Area**

#### **6.1 PHASE 1**

#### **Consultation**

The service provider in consultation with the Municipality will be expected to design and implement a consultation process plan.

Consultation is central to this development process and assumes critical significance when dealing with development that involves more than one organisation/party. The Service Provider needs to communicate and consult with the municipality in order to be effective but they also need to exchange information with other relevant stakeholders which necessitates lateral communications. Failure to recognise this need may lead to discrepancy of approach.

The consultant is required to engage in this process plan, ensure that all issues are captured within the required timeframe and ensure that all relevant stakeholders are included throughout the process. The Service Provider shall participate in stakeholder meetings and produce information material for stakeholders as required, but guided by legislation or policies.

#### **Housing Sector Plan**

The Service Provider will be required to review and update the existing Housing Sector Plan.

## Terms of reference

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### **Deliverable**

- A reviewed and updated Housing Sector Plan

### **Feasibility analysis**

A feasibility analysis report for the project; will also be expected. The five principle areas of feasibility that the Service Provider is expected to also take into consideration are technical, economic, legal, operational and scheduling.

**Technical:** Is the project technically feasible? The Service Provider Given has to overview technical capabilities of the organization, including the availability of skilled staff and appropriate facilities.

**Economical:** Is the project affordable given the economic resources available? Even if it can be afforded, is the projected return on investment sufficient? A project that is simply too expensive and which doesn't offer sufficient economic benefits is not feasible.

**Legal:** Is the proposed venture in compliance with applicable laws and regulations?

**Operational:** Is the project in line with the operations and objectives of the organization?

**Schedule:** Given the recommended schedule, is it realistic to expect that the project will be completed on time? If the project takes too long to complete, costs can escalate and the overall feasibility can be negatively affected.

### **Key document**

- Inception report
- Legislative and policy background critique review
- Location and general analysis
- Strategic framework review
- Project pipeline and capital budget
- Integration report
- Approved and adopted housing sector plan
- Spatial illustration of projects, demand and backlogs in ward based approach

## Terms of reference

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### PHASE 2

#### Implementation plan

The implementation of the outcomes of the project will be the responsibility of the Municipality. The project must, however provide guidance to the Municipality for the implementation with indicators and responsibilities to achieve this. The Implementation Plan is designed to be a key resource for the municipality in ensuring that the goals and policies of the Housing Sector Plan are reflected in day-to-day municipal operations and services including preparing plans and programs, reviewing development proposals, and maintaining infrastructure. The implementation plan must also consider the institutional arrangements and capacity. Implementation Plan should address specific actions required of the municipality.

#### *Deliverable*

Indicators for set objectives  
A schedule of activities and responsibilities

### 7. QUALIFICATION/ELIGIBILITY

Evaluation of submitted proposals is on both price and functionality and 80/20 preference point system will apply:

Functionality [100]

Price [80]

B-BBEE [20]

The bid will be evaluated in two stages namely: stage one: Functionality, stage two: Price and B-BBEE, Bidders who scores less than 60% on stage 1 will not be evaluated further. Only bidders who score 60% or more would be evaluated further and therefore eligible for the award.

Table 1– Evaluation Criteria

ITEM	Weight
<b>STAGE 1 OF EVALUATION – FUNCTIONALITY</b>	
<b>Functionality</b>	<b>100</b>
• Previous Experience with similar projects	30
• Expertise, and Experience of proposed team	30
• Methodology	40

It must be noted that failure to meet 60% of the points for functionality (100) will result in the tender not considered further. This will lead to the tender deemed non-responsive

✓ 30 points for company experience are spread as follows:



## Terms of reference

- i. 10 and more similar projects undertaken by the Tenderer in the past 5 years with references (30 points)
- ii. 5-9 similar projects undertaken by the Tenderer in the past 5 years with references (15 points)
- iii. 2-4 similar projects by the Tenderer in the past 5 years with references (7.5 points)
- iv. 0-4 similar projects undertaken by the Tenderer in the past 5 years with references (0 points)
- v.
  - ✓ 30 points for Experience and Expertise of proposed team are spread as follows:
    - i. 7.5 points for the relevant experience of the team members (Pr Planner, GIS, Socio Sciences, Social Facilitation, Engineering)
    - ii. 7.5 points for the team leader (Professional Planner)
    - iii. 15 points for having NQF level 7 qualifications in Planning, and extensive experience in development and management of at least the proposed team leader and the project manager.
  - ✓ 40 points for methodology
    - i. Proposed Methodology and the implementation plan;
    - ii. Appropriateness of proposed approach and methodology
    - iii. Skills transfer
    - iv. Proposed Project Management linked to the milestone and timeframe
    - v. The degree to which the methodology proposed is sound, professional, realistic and logical. Method and clarity regarding presentation of the final outputs of the project
    - vi. Programme with clear timelines and output;
    - vii. Quality assurance steps indicated;
    - viii. Clear reporting mechanism
    - ix. Indicators and means of verifying progress

**Table 2 – Price and B-BBEE**

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	<b>80</b>
BBBEE (Status Level Verification Certificate)	BBBEE Level Contributor	<b>20</b>
<b>TOTAL</b>		<b>100</b>

Supply Chain Management Policy shall apply and will be the base for evaluation of the tenders received, 80/20 system will apply.

## Term of reference

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### Proposals must be accompanied by:

- A detailed cost breakdown including incidentals
- A company profile
- Curriculum vitae of proposed members of the team
- Proof of registration with relevant authorities
- A valid tax clearance certificate
- Company registration

Non-submission of the following document will render the tender document as a non-submission:

A valid tax clearance  
Certified copies of company registration documents

### Project Duration

The project will be guided by the project process plan developed. The project, from appointment should not take longer than 6 Months from the date of appointment.

### Education AND Capacity Building

The appointed service provider will be required to transfer skills and share knowledge on this nature of the exercise with the relevant officials and management from the WMMLM for the duration of the project, as the data updates and maintenance will be done internally.

### Briefing

A compulsory briefing will be held on the day specified on the advert.

### Presentation

Shortlisted candidates might be requested to come and present.

### Submission of proposals

The closing date for the submission of proposals is specified on the advert. Proposals must be emailed to [tenders.scm@mbizana.gov.za](mailto:tenders.scm@mbizana.gov.za), late proposals will not be accepted.

A compulsory briefing will be attended as per communication in the advert.

**Terms of reference**

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**OUT-CLAUSE**

The Municipality reserves the right not to appoint if suitable candidates are not found, at the complete discretion of the municipality.

The municipality reserves the right to terminate the contract in the event that there is clear evidence of non-performance.

**CONTACT PERSONS WITH REGARDS TO THIS DISPOSAL BRIEF**

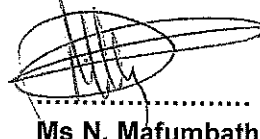
- |    |               |                               |
|----|---------------|-------------------------------|
| 1. | Mr Z Khala    | Supply Chain Manager          |
|    | Tel:          | (039) 251 0230                |
| 2. | Mrs Z. Ndzelu | Manager Planning and Land Use |
|    | Tel:          | (072) 548 7021                |

**Recommended by**



.....  
**Mrs. Z. Ndzelu**  
**Manager Land Use Planning**  
**Date: 13 July 2022**

**Approved by**



.....  
**Ms N. Mafumbatha**  
**Senior Manager: Development Planning**  
**Date: 13 July 2022**

**PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)**

BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					

**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).**

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX  
SITUATED AT (STREET ADDRESS


**SUPPLIER INFORMATION**

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes  <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes  <input type="checkbox"/> No	

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
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TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
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SIGNATURE OF BIDDER	.....	DATE	
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**CAPACITY UNDER WHICH THIS BID IS SIGNED**

<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

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

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

**MBD 4**

**DECLARATION OF INTEREST**

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

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

3.2 Identity Number: .....

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

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

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

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

3.8.1 If yes, furnish particulars. ....

.....

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

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

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

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

3.9.1 If yes, furnish particulars.....  
.....

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

3.10.1 If yes, furnish particulars.  
.....  
.....

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

3.11.1 If yes, furnish particulars  
.....  
.....

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

3.12.1 If yes, furnish particulars.  
.....  
.....

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

3.13.1 If yes, furnish particulars.  
.....  
.....

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

3.14.1 If yes, furnish particulars:  
.....  
.....

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

Full Name	Identity Number	State Employee Number

**CERTIFICATION**

**I, THE UNDERSIGNED (NAME)**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

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



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

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

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

**1. GENERAL CONDITIONS**

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

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

1.2

- a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the  preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

## 2. DEFINITIONS

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

## 3. POINTS AWARDED FOR PRICE

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

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

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

Where

- P<sub>s</sub> = Points scored for price of bid under consideration
- P<sub>t</sub> = Price of bid under consideration
- P<sub>min</sub> = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**5. BID DECLARATION**

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

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

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

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?  
 (*Tick applicable box*)

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

7.1.1 If yes, indicate:

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

(*Tick applicable box*)

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

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

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

Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

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

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

8.2 VAT \_\_\_\_\_ registration  
number:.....

8.3 Company \_\_\_\_\_ registration  
number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

**8.7 MUNICIPAL INFORMATION**

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

**Registered Account Number:** .....

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

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

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

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

WITNESSES

1. ....

2. ....

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

DATE: .....

ADDRESS .....

.....

.....

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

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

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

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

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
  
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.



**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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