



**REQUEST FOR PROPOSAL (RFP):
INTERNAL AUDIT SERVICES AT
OVERBERG WATER BOARD FOR A
PERIOD OF 36 MONTHS**

**BID Number –
RFP OW-094/2021/22**

DOCUMENT INFORMATION SHEET

Title of Document	REQUEST FOR PROPOSAL (RFP): INTERNAL AUDIT SERVICES AT OVERBERG WATER BOARD FOR A PERIOD OF 36 MONTHS
Type of Document	Request for Proposal
Document Number	RFP OW-094/2021/22
Technical Specifications Prepared	Brian Mokhele
Department	Finance
Prepared for	Overberg Water Board
Date of Issue(Available)	23 November 2021
Closing Date	14 December 2021

DOCUMENT CONTROL SHEET

We, the undersigned, accept this document as a stable work product.

ORIGINAL	Technical Specifications Prepared by	Technical Specifications Reviewed by	Technical Specifications Approved by
Date: 15 November 2021	Name: Brian Mokhele	Name: BSC Chairperson	Name: Phakamani Buthelezi
	Signature:	Signature:	Signature:

Distribution:	<i>Potential Bidders</i>
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REQUEST FOR PROPOSAL

Internal Audit Services At Overberg Water Board For A Period Of 36 Months

Procurement Number: RFP OW-094/2021/22

Overberg Water Board is a Schedule 3B Public Entity established in terms accordance with the Water Services Act, Act No 108 of 1997 and owns several Water treatment schemes within the Overberg Region covering the areas of Caledon, Swelledam, Heidelberg and Head Office which is situated in Somerset West.

INVITATION AND SCOPE OF SERVICES

Overberg Water Board (OWB) is inviting Internal Audit Services At Overberg Water Board For A Period Of 36 Months.

CONDITIONS

- (a) Preference will be given to respondents who comply with the Overberg Water Supply Chain Management Policy & Procedures.
- (b) Preferential Procurement Policy Framework Act (PPPFA) principles and its Regulations, as updated, shall apply, whereby submissions will be evaluated according to the provisions of that Act, its Regulations and the Public Finance Management Act (PFMA).
- (c) Bidders must submit a valid BBBEE Verification Certificate from SANAS Accredited Verification Agency in order to be eligible for empowerment points. The Exempted Micro Enterprises (EME) may submit a sworn affidavit from the Commissioner of Oath confirming its and turnover and black shareholding.
- (d) The following scores will be applied:
- (e) Price - 80,
- (f) BBBEE Status - 20.

Request for Proposal (RFP) documents can be downloaded on e-Tender Portal and Overbergwater Board website (www.overbergwater.co.za). Documents will be available from **12H00 on the 23rd November 2021.**

One original completed bid document shall be placed in a sealed envelope clearly marked: **“RFP OW-094/2021/22 “INTERNAL AUDIT SERVICES AT OVERBERG WATER BOARD FOR A PERIOD OF 36 MONTHS”**. The bidder must submit only one original completed bid document.

The closing date and time for the receipt of completed bids is **14th December 2021 at 12h00pm** at the reception desk of the **Overberg Water Board’s Corporate Office, Trident Park 3, Ground Floor, 1 Niblick Way, Somerset West, Cape Town.** Bids will not be opened in public and no late submissions will be considered.

Failure to provide any mandatory information required in this Bid will result in the submissions being deemed null and void and shall be considered non-responsive. Respondents must include their Tax Compliance Pin Number and/ or CSD Registration printout with their submissions in order to be considered.

Telegraphic, telexed, facsimiled or e-mail submissions will not be accepted.

All enquiries regarding this bid must be in writing only, and must be directed to Supply Chain Management:

Sikhona Mpandeni or Edward Nwamafela

Contact number: 021 851 2155

Email: enwamafela@overbergwater.co.za or smpandeni@overbergwater.co.za

Technical enquiries:

Brian Mokhele

Contact number: 021 851 2155

Email: bmokhele@overbergwater.co.za

The queries must be send to the above mentioned official on and above **06th December 2021 at **17H00****

The OW reserves the right not to accept the lowest proposal in part or in whole or any proposal.

1. BACKGROUND

The Overberg Water Board was established in 1993 with the amalgamation of Duivenhoks and Ruensveld water boards. The Overberg Water Board is one of the national water public entities under the Department of Water and Sanitation (DWS). It exists to complement the work of the department and primarily supports the Minister as the shareholder. It is a water board providing bulk water services in terms of the Water Services Act 108 of 1997 and is subjected to a number of applicable laws such as the Constitution, the National Water Act 36 of 1998, Public Finance Management Act 1 of 1999. Overberg Water discharges its services by placing its customers ahead of the delivery menu. It has a long history of service delivery and placing customers in the forefront since its inception. Overberg Water has been a pillar of hope to its customers in terms of the quality of drinking water. The Head Office of OW is situated in Somerset West which is approximately 40 km from the Cape Town CBD and 30 km from Cape Town International Airport. It also has three water schemes functioning as satellite offices and these are Ruensveld West, Caledon; Reunesveld East Swellendam and Duivenhoks in Heildeberg.

The Overberg Water's area of jurisdiction is the south-western Cape in the west to the Heildeberg/Riversdale districts in the east and bounded by the Langeberg Mountains in the north and by the Indian Ocean in the south. Its area includes the following towns: Caledon, Napier, Bredasdorp, Riviersonderend, Swellendam, Heildeberg, Riversdale and a number of other smaller areas. It is situated in one of the water management areas, namely, the Breede-Gouritz Water Management Area (BGCMA) which measures approximately 72 000 square kilometres. The BGCMA is the sole water resource authority in the catchment. The BGCMA "gives effect to its function to investigate and advise water users on the protection, conservation, management and control of water resources in a cooperative manner" (BGCMA, 2015).

Additionally the Water Board has extended the scope of its operations and now manages the waterworks within the Immovable Asset portfolio of the Department of Public Works & Infrastructure in the Western Cape Province.

2.PURPOSE

The primary function of Overberg Water is mainly the provision of bulk drinking water to its customers. Viewing the location of OW schemes within the BGCMA area of jurisdiction naturally creates a symbiotic relation with the BGCMA in managing the water use.

3.VISION

To become the leading regional water utility providing sustainable and competitive water and sanitation services for the region

4.MISSION

To supply and maintain reliable, affordable and good quality water and sanitation services for the region.

ADMINISTRATIVE MANDATORY REQUIREMENTS

The information contained in the Table below is mandatory and will be used in assessing the responsiveness of bidders. Failure to submit and complete all mandatory information will result in submissions being deemed null and void and shall be considered “non – responsive” and therefore not considered.

Phase One (1):

DESCRIPTION	MINIMUM PROOF REQUIRED	TICK SUPPLIED	
		YES	No
Tax Compliance Status	CSD Tax Compliance Proof of CSD registration number		
Completed and signed Compulsory Declaration of Interest Form			
SBD1	Completed, signed and submitted		
SBD3.2	Completed, signed and submitted		
SBD 4	Completed, signed and submitted		
SBD 6.1	Completed, signed and submitted		
SBD 8	Completed, signed and submitted		
SBD 9	Completed, signed and submitted		
Company registration certificate CIPRO / CIPC	Company registration documents / certificate from CIPRO / CIPC		
Certified copy of B-BBEE contribution level certificate	Submitted BBBEE Verification Certificate from SANAS		
Company profile	Detailed company profile		
Financial Statements (valid year is between 2018 to 2021)	Financial Statement for the last 3 financial years (Financial statement signed off by an independent professional accountant)		
Valid COIDA certificate	Valid COIDA certificate		
Declaration of Tenderer Is the form duly completed and signed?	Declaration of Tenderer Is the form duly completed and signed?		
Minimum qualification Certified Internal Auditor or CA/SA designation.	Proof of certification of CA/SA with SAICA or proof of certification as CIA with IIA		
CISA certificate	Proof of CISA certificate with ISACA		

N.B : Failure of bidders to meet all the above mandatory requirements will result in submissions being deemed null and void and shall be considered “non – responsive” and therefore not considered.

5. OBJECTIVES OF THE INTERNAL AUDIT FUNCTION

- a) The internal Audit Activity is an independent appraisal function established within the Overberg Water to examine and evaluate the economy, effectiveness and efficiency of its activities as a service to management and the Audit Committee.
- b) The primary role of the internal audit function is to assist the Water board in the effective discharge of its responsibilities, by furnishing it with analyses, appraisals, recommendations, counsel and information concerning the activities reviewed.
- c) According to the Public Finance Management (Act No. 1 of 1999) Chapter 6 Section 51, each Water board must have an internal audit unit. This service may be outsourced if the Water board requires assistance with its capacity.
- d) To have access to different specialized expertise it was decided to outsource the internal audit function with an internal audit service provider.
- e) The service provider will assist the Water board to accomplish the internal audit service objectives, and to assist in complying with the relevant legislation such as the PFMA, Water services act, Treasury regulations, etc.
- f) The audit activity will report directly to the Chief Executive Officer and the Audit Committee.
- g) The successful bidder will be required to perform a combination of the following audit services: Each accounting cycle audited every quarter must be audited
 - Financial Auditing (All accounting cycle)
 - Performance Auditing (including performance information)
 - Operational audits
 - Audit of supply chain and compliance
 - Compliance Auditing
 - Follow-up audits
 - Forensic Auditing
 - Project Assurance
 - Combined Assurance Audits
 - Computer (IT) Auditing including General IT Control reviews, Application Control reviews, Computer Aided Auditing Technique (CAATs) reviews, cyber security and business continuity reviews
 - HR Audits

All reviews must meet the International Standards for the Professional Practice of Internal Auditing and Code Ethics of the Institute of Internal Auditors.

6.SCOPE OF THE WORK

In line with best practice the internal audit and risk management functions have been separated. This proposal covers the internal audit function only. The appointed service provider will be required to review Overberg Water risk management and governance processes, and perform the following functions:

- a) Develop a three-year internal audit strategic plan. The plan should take into account the assurance activities of relevant internal and external assurance providers. Based on this requirement, the successful service provider will be expected to work with the Water board to coordinate and develop a comprehensive and integrated assurance plan for the Water board.
- b) Develop a detailed risk based annual plan indicating the scope for each assignment.
- c) Provide a proposed timeline for the period of the project.

- d) Propose annual budgets for the duration of the project.
- e) Discuss coverage plans with management and the audit committee.

6.1 The firm will be further required to do the following:

- a) Perform risk-based internal audit control and compliance reviews in terms of the proposed internal audit plan.
- b) Perform audits in compliance with the Institute of Internal Auditors' standards on internal auditing.
- c) Plan and perform computer-based audits.
- d) Undertake performance review audits
- e) Ensure that line management is fully aware of the implications of the audit findings on business operations and the subsequent recommendations.
- f) Provide a final report on the outcome and findings of audits, including recommendations and agreed management corrective action for internal audit follow-up.
- g) Provide risk mitigation and control advice to management regarding the management of risks, with a summarised report to both executive management and the audit committee.
- h) Provide summary reports to the audit committee on high-risk findings.
- i) Attend relevant audit committee and executive management meetings and provide feedback on audits completed and the management of risks.
- j) Provide an overall annual conclusion for the audit committee on the audited control environment.
- k) Review of interim and annual financial statements to comply with GRAP.
- l) In planning and conducting its work, the consultant should seek to identify serious defects in the internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Chief Executive Officer or, alternatively, to the audit committee, without disclosing these to any other staff member.
- m) Work closely with the external auditors and other assurance providers to ensure that there is synergy of approach with little duplication of effort.
- n) Provide and implement a formal skills transfer process to relevant Water Board staff.
- o) Have the capacity to deal with any special internal audit projects.
- p) Provide value-added services to management on how to improve the municipalities internal control environment
- q) Provide mentorship to internal audit interns and employees tasked with internal audit functions

6.2 Fraud and irregularities

In planning and conducting its work, the internal audit service provider should seek to identify serious defects in the internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Chief Executive Officer and/or Audit Committee, without disclosing these to any other staff. This also applies to instances where serious fraud and irregularities is uncovered.

7. TECHNICAL SPECIFICATIONS

Expected Outcomes and Deliverables Performing audit assignments Each assignment should at least consist of the following: • Pre-audit survey • Audit planning memorandum • Minutes of

entrance meeting • Risk assessment document • System descriptions • Audit programs • Sampling methodology • Mechanisms for follow up on matters previously reported and feedback to the Audit Committee • Mechanism to ensure that working papers are reviewed at the appropriate level. • Record of work performed • Audit of work performed • Audit finding and recommendations • Reporting (draft internal audit report and final internal audit report) • Follow up of previous audit findings.

8. REPORTING REQUIREMENTS

The structure of the report is to be as follows:

• Introduction • Audit objective and scope • Background • Executive summary highlighting significant findings • Findings, recommendations and agreed management action (including implementation dates) • All audits are to be carried out according to the Internal Risk Based Audit Plan approved by the Audit Committee • Conclusion

The auditor is to deliver to the CFO, CEO and chairperson of the Audit Committee an electronic copy and one signed copy of the final report to the CFO and CEO for record keeping purposes.

9. STRUCTURE OF PROPOSAL

The bid must be structured in the following sequence when submitted. Each section/heading must be clearly marked for ease of reference. The headings required are:

1. Company Profile/s
2. Proposal
3. Implementation Plan
4. Organogram
5. CV's
6. Project Experience (Portfolio of Evidence)
7. Compulsory Documents (Checklist)
8. Special Conditions of Tender
9. Functionality assessment
10. Presentation
11. Pricing Schedule

10. PROJECT LOCATION

The location of the project is the area covered by the Overberg Water.

11. IMPORTANT BACKGROUND INFORMATION

Overberg water is situated at the Overberg Water region with its head office in Somerset west. We have around 1000 customer base. The estimated number of creditors is around 400. We have around 106 employees in total. For detail financial information and non-financial information please check our latest annual report.

12. PROPOSAL PRESENTATION

The Service Provider will be required to present its proposal to the Waterboard before award. It must be specifically noted that this presentation aims to provide insight into the components of the Service Provider's proposal, and Overberg Water will not pay a pitch or preparation fee to any bidder. The bidder MUST include all components of their presentation in the submitted bid. Only bidders that meets the functionality threshold will be invited for presentations. Only bidders that meets the functionality threshold will be invited for presentations.

13. DURATION OF CONTRACT

The contract is expected to run for 36 Months, commencing on the date of signing the Service Level Agreement. It will, however, be renewable annually and this will be subject to a review of the previous year's performance against the Internal Audit Plan.

The successful bidder should be able to start from December 2021

14. FUNCTIONALITY

Phase Two (2): Technical Functionality Compliance.

Bidders must score at least 75 out of 100 in respect of functionality in order to qualify for advancement to Phase 3. A bidder that scores less than 75 out of 100 will be regarded as submitting a non-responsive bid and will be disqualified.

1 = poor, 2 = average, 3 = good, 4 = very good, and 5 = excellent

A bidder must meet 75 out of 100 on technical mandatory requirements.

Functionality evaluation will be based on the following criteria:

No.	Functionality	Criteria/ Guide	Max Weight	Score Claimed		
1	Company Experience					
	Company profile including demonstrated experience in providing internal audit services in the water sector and/or public sector, with a minimum of five traceable reference letters from previous water sector and/or public sector, clients relevant to this tender including the start and completion dates of the contracts. Failure to include the start and end dates will result in the reference letter not being considered.	<1yr experience	1	30		
		2 to 3yrs experience	2			
		4 to 5yrs experience	3			
		6 to 10yrs experience	4			
		>10yrs experience	5			
Team Capabilities:						
2	2.1 Project Director/partner, 10 Points					
	2.1 Project Director/Partner: years' experience in overseeing internal audit related projects in the water sector and/or public sector.	<1yr experience	1	25		
		2 to 3yrs experience	2			
		4 to 5yrs experience	3			
		6 to 10yrs experience	4			
		>10yrs experience	5			
	2.2 Internal Audit Manager, 5 Points					
	2.2 Internal Audit Manager: years' experience in managing internal audit related projects in the water sector and/or public sector.	<1yr experience	1			
		2 to 3yrs experience	2			
		4 to 5yrs experience	3			
		6 to 10yrs experience	4			
		>10yrs experience	5			
	2.3 Internal auditor, 5 Points					
	2.3 Internal Auditor: years' experience in performing internal audits in the water sector and/or public sector.	<1yr experience	1			
		2 to 3yrs experience	2			
		4 to 5yrs experience	3			
		6 to 10yrs experience	4			
		>10yrs experience	5			
	2.4 Information systems auditor, 5 Points					
	Information System Auditor: years' experience in performing IT internal audits in the water sector and/or public sector.	<1yr experience	1			
2 to 3yrs experience		2				
4 to 5yrs experience		3				
6 to 10yrs experience		4				
>10yrs experience		5				
Attach organogram which clearly outline the role of the team and the indication staff that will be allocated to OWB. Bidders to include comprehensive CVs.						
<u>For relevant experience please refer to the scope of work</u>						
3	Team Capability					
	Project Director/Partner: Minimum qualification Certified Internal Auditor or CA/SA designation.	Project Director/Partner	3	10		
	Internal Audit Manager: Minimum qualification Certified Internal Auditor or CA/SA designation.	Internal Audit Manager	3			

No.	Functionality	Criteria/ Guide	Max Weight	Score Claimed
	Internal Auditor: Minimum diploma or equivalent in internal audit or finance.	Internal Auditor	2	
	Information System Auditor: CISA qualification	Information System Auditor	2	
4	Project plan and methodology	Please refer to the detail scope of work, technical specification, reporting requirement and presentation.	35	
	Plan must provide sufficient hours for each internal audit assignment. All hours budgeted for each assignment must be sufficient to complete tasks per audit.			
	Methodology must include a rolling audit plan with clear timelines and budgeted hours.			
	Plan must cover normal audits to be performed per quarter as well as ad hoc audits			
	Bidder must provide a sample of internal audit reports.			
	Plan should take into account that the entity does not have any internal resources in relation to internal audit			
	Bidder must demonstrate an understanding of the scope of work.			
	Innovative work introduced.			
	Detailed Assessment of presentation included on the proposal.			
	Bidder must demonstrate knowledge of CAATs and fraud investigations			
All documents in support of the various sections above must be submitted in order to claim the maximum . Missing or incomplete documentation will result in a zero score for the relevant section.				
TOTAL			100	

15. Company Experience

- This refers to the details of the company (Supplier) and the services they are offering. Specific details required are as follows:
- The nature and location of the company, its history and when it was registered (Supplier must specify)
- The company's core business e.g., provision of internal audit services preferably in the water sector or/and public government sector (Supplier must specify)
- Positive reference letters from previous clients relevant to this tender.
- We reserve the right to do reference check to confirm the letters provided

16. Team experience

Specific details required here are:

- The consultant's internal audit experience preferably in the water sector and/or public government sector.
- experience in conducting audits required (See Scope of Work paragraph);
- Attach organogram with staff indicated that will be allocated to OB
- Capacity to service Overberg Water Board

17. Qualifications of the team members

A mix of qualifications of the team members and specify the role of each member (especially lead auditors/Directors).

Assessment of the condensed curricula vitae of personnel who will be assigned to the Overberg Water Board:

- Partners/Directors – CIA or CA
- Manager/s – Qualified professional Auditors
- IT specialised auditor/s with CISA

18. Project plan and Methodology

Specific details required here are:

- Include sample of internal audit reports;
- Use of electronic internal audit software to perform audits (CAATs, ACL etc.)
- Demonstrate understanding of the requirements of this tender (Scope of Work)
- Sufficient Project hours
- Innovations introduced
- Any other info relating criteria 4
- Presentation of the proposal to be included and presented to obtain additional insight of the scope of work.
- Only bidders that meets the minimum threshold for functionality of 75% will be moved to the presentation stage.

EVALUATION CRITERIA

Phase Two (2): Summary Technical Evaluation

The evaluation of the technical part of the proposal will be on the basis of the candidate's responsiveness to the terms of reference, as well as the application of the evaluation criteria and points system as indicated below. Each responsive proposal will be given a technical score.

Criteria	Weight	Score (1-5)
Company Experience	30	
Team experience	25	
Qualifications of the team members	10	
Project plan and Methodology	35	
TOTAL	100	
Minimum Threshold for Functionality	75	

The proposals will receive further consideration if they score at least 75% minimum points out of the 100 for both functionality and Methodology presentation.

Phase Three (3): Presentation: Project Methodology

Only bidders that meet the minimum threshold for Functionality will be contacted and invited in writing for third stage of evaluation and below is the presentation guidelines.

Bidder must submit a copy of the presentation in a hardcopy and softcopy on or before the day of the presentation.

1 = poor, 2 = average, 3 = good, 4 = very good, and 5 = excellent

Bidders must score at least 70 out of 100 in respect of presentation in order to qualify for advancement to Phase Four (4). A bidder that scores less than 70 out of 100 will be regarded as submitting a non-responsive bid and will be disqualified.

NO	CRITERIA	Point s (1-5)	Weight Criterion	Individual Scoring %
1	Bidder's Internal Audit Plan must indicate their budgeted hours per assignment and must further demonstrate how these hours will be sufficient to complete each task of the audit plan. Methodology must include a rolling audit plan with clear timelines and budgeted hours. Plan must cover normal audits to be performed per quarter as well as ad hoc audits		30	
2	Bidder must provide a sample of Internal Audit Reports that complies with the Internal Audit Standards, PFMA, Treasury regulations and any other prescript relevant to the public sector. <ul style="list-style-type: none"> • Supply Chain Management report (4) • Performance information report (4) • Asset Management report (4) • Accounts payable and Accounts receivable report (4) • Operations report (4) 		20	
3	Bidder must demonstrate an understanding of the scope of work.		20	
4	Innovative work introduced.		15	
5	Bidder must demonstrate knowledge of CAATs and fraud investigations		15	

Phase 2: Pricing and BEE Evaluation

The following 80/20 criteria will be used for the evaluation of the proposals:

Pricing : 80 points

B-BBEE Points : 20 points

Quantitative Assessment

Bids that achieve the minimum technical requirement will be further adjudicated on Price and BEE status. The method of scoring Financial Proposals and the BEE Verification Certificate is described in the attached Preference Points Claim document (SBD 6.1).

The allocation of tender adjudication points for this Contract shall be as follows:

Area of Adjudication	Maximum Points
Tendered Price (S _P)	80
Empowerment Objectives (S _E)	20
Total Points (S)	100

SPECIFIC CONDITIONS

Respondents should complete all the returnable SCHEDULEs/SBD forms listed below.

RETURNABLE SCHEDULES

(All ANNEXUREs must be completed and returned by the Supplier(s) when submitting the bid.)

RETURNABLE SCHEDULE 1: Invitation to Bid (SBD 1)
RETURNABLE SCHEDULE 2: Pricing Schedule (SBD 3.2)
RETURNABLE SCHEDULE 3: Declaration of Interest (SBD 4)
RETURNABLE SCHEDULE 4: Preference Points Claim Form (SBD 6.1)
RETURNABLE SCHEDULE 6: Contract Form (SBD 7.1)
RETURNABLE SCHEDULE 7: Supplier(s)'s Past Supply Chain Management Practices (SBD 8)
RETURNABLE SCHEDULE 8: Certificate of Independent Bid Determination (SBD 9)

TERMS AND GENERAL CONDITIONS

- (a) All submissions must be received by the OVERBERG WATER no later than **12h00, Wednesday 14th December 2021**. Respondents must submit their proposals before the closing date and time. No late submissions will be considered;
- (b) All submissions and subsequent information received will become the property of the Overberg Water and will not be returned;
- (c) Failure to complete all supplementary information will result in submissions being deemed null and void and shall be considered "non-responsive" and therefore not considered;
- (d) Telegraphic, telexed, faxed or e-mailed submissions will not be accepted;
- (m) One original document shall be placed in sealed envelopes clearly marked.
"RFP OW 094/2021/22 –**REQUEST FOR PROPOSAL (RFP): INTERNAL AUDIT SERVICES AT OVERBERG WATER BOARD FOR A PERIOD OF 36 MONTHS**" at the Reception desk of Overberg Water Board's Corporate Office, Trident Park 3, Ground Floor, 1 Niblick Way, Somerset West, Cape Town;
- (n) Respondents or their representatives (including the courier services) must ensure that they register their submissions in the Lodging Sheet at the Reception Desk of the above-mentioned Overberg Water offices, wherein they will indicate the name of the person delivering the submission, the number of copies submitted, the time and date of submission and sign the document;
- (o) All enquiries and submissions regarding this Request for Tender (RFP) must be directed to:
- Mr Edward Nwamafela: Supply Chain Management Unit Contact Number: 021 – 851 2155; Email: enwamafela@overbergwater.co.za and/or Mr Brian Mokhele (Technical Queries) Contact Number: 021 – 851 2155; Email: bmokhele@overbergwater.co.za;

- (p) The contact persons reflected above shall be the only point of contact for this contract. Failure to observe this requirement might lead to immediate disqualification of the respondent;
- (q) The Overberg Water reserves the right not to accept any submission.
- (r) Bidders must comply with Regulation 13(c) of the Public Service Regulations, 2016 which states that “an employee in the public service shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in ANNEXURE 2 and 3 of the PFMA”.
- (s) Submission of a Request for Proposal and its subsequent receipt by the Overberg Water does not represent a commitment on the part of the Overberg Water to proceed further with any Respondent or any project;
- (t) No costs incurred by the Respondents in the preparation of their submission will be reimbursed;
- (u) Public Liability - Overberg Water shall not be liable in respect of any claims, damages, accidents, etc. to persons, properties, vehicle rights, etc. that may arise from the carrying out of this contract.
- (v) Tender prices must remain valid for a period of 120 days (calculated from closing date of the bid).

DISQUALIFICATION

- (a) It must be stressed that any queries relating to this request must be addressed only to **Mr Edward Nwamafela and/or Mr. Brian Mokhele** who are identified as a contact person for this contract; Mr Edward Nwamafela: Supply Chain Management Unit Contact Number: 021 – 851 2155; Email enwamafela@overbergwater.co.za and/or Mr Brian Mokhele (Technical Queries) Contact Number: 021 – 851 2155; Email: bmokhele@overbergwater.co.za. The queries must be in writing addressed to the above mentioned officials. The queries must be send to the above mentioned official on and above **06th December 2021 at 17H00**
- (b) Respondents are not to communicate in any manner or form whatsoever with members of Overberg Water personnel about the RFP until the preferred Supplier(s) has been selected and the procurement process completed;
- (c) Respondents are advised that should there be any contact with Overberg Water staff and the Adjudication Team which could in any way be seen or deemed to constitute a conflict of interest, bribe or otherwise influence the process and the outcome thereof, will result in immediate disqualification;
- (d) Misrepresentation of information presented to the Overberg Water, be it on capability statement or empowerment credentials will also lead to disqualification of the respondent.

RETURNABLE SCHEDULE 1: INVITATION TO BID AND THE TERMS AND CONDITIONS OF BIDDING (SBD 1)

SBD1

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE OVERBERG WATER					
BID NUMBER:	RFP OW-094/2021/22	CLOSING DATE:	14 th December 2021	CLOSING TIME:	12H00
DESCRIPTION	REQUEST FOR PROPOSAL (RFP): INTERNAL AUDIT SERVICES AT OVERBERG WATER BOARD FOR A PERIOD OF 36 MONTHS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS BE DEPOSITED IN THE BID BOX SITUATED AT					
Overberg Water Board's Corporate Office					
Trident Park 3, Ground Floor					
1 Niblick Way, Somerset West					
Cape Town.					
SUPPLIER(S) INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)			
	<input type="checkbox"/>	A REGISTERED AUDITOR NAME:			
[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(S) FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW]
SIGNATURE OF BIDDER	DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)	
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT/ PUBLIC ENTITY		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**

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE	
1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER(S) DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.	
1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.	
1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) 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 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.	
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.	
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER(S) DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN MANUFACTURERS	
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? NO	<input type="checkbox"/> YES <input type="checkbox"/>
3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? NO	<input type="checkbox"/> YES <input type="checkbox"/>
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE 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

FINANCIAL PROPOSAL

RETURNABLE SCHEDULE 2 – PRICE SCHEDULE

BIDDER: _____

It is understood that internal audits are based on hourly rates and that budgets should be compiled based on the estimated hours as indicated below. Financial proposals will be compared based on estimated amounts and estimated hours. An assessment will be made if the hours proposed below will be sufficient enough to cover the detailed scope of work. Firms are required to submit a table of hourly rates as per the table below. Rates should be **inclusive** of overheads **and** VAT (but exclusive of disbursements and related VAT). If a particular category does not exist for the firm, it can be omitted. The rates below are indicative .

Item (where applicable)	Hourly Rate (including overheads and VAT)
Engagement Partner	R
Partner	R
Senior Manager	R
Manager	R
Assistant Manager	R
Supervisor	R
Senior Auditor	R
Trainee Auditor	R
Specialists (e.g. tax, technical)	R
Average Total per hour	R

The table is for indicative rates only and will not be used in the Pricing Schedule.

Team Composition mix

It is recognised that it is difficult for a prospective bidder to be firm about the extent of the work based solely on the terms of reference. However, to assist with assessments, a firm must provide a typical distribution of time for members of the audit team on a job of this nature. This should be expressed in percentages of the total person-hours billed on a typical job (see table below, which is indicative only and not binding on the firm).

Item (where applicable)	Typical Percentage of Total Hours on Project
Engagement Partner	%
Partner	%
Senior Manager	%
Manager	%
Assistant Manager	%
Supervisor	%
Senior Auditor	%
Trainee Auditor	%
Specialists	%
TOTAL	100

The table is for indicative hour composition only and will not be used in the Pricing Schedule.

The financial proposal should be based on the audit budget detailed in terms of budgeted hours for each type of audit. Please populate the table below.

Overberg Water Board		Internal Audit costing							
Audit Area	Actual hours	Average Rates Per Hour	Total	Actual Hours	Average Rates Per Hour	Total	Actual Hours	Average Rates Per Hour	Total
	2021	Year 1		2022	Year 2		2023	Year 3	
Accounts receivables linked with billing/revenue	280	R	R	280	R	R	280	R	R
Cash management, petty cash and investment (two audits per year)	120	R	R	120	R	R	120	R	R
Accounts payables linked with SCM and expenditure	300	R	R	300	R	R	300	R	R
Expenditure management and payroll	250	R	R	250	R	R	250	R	R
SCM and compliance including inventory	300	R	R	300	R	R	300	R	R
Assets management	160	R	R	160	R	R	160	R	R
Irregular expenditure, Fruitless and wasteful	180	R	R	180	R	R	180	R	R
Corporate Governance (one audit per year)	80	R	R	80	R	R	80	R	R
Human resource and performance management	180	R	R	180	R	R	180	R	R
Strategic planning and Quarterly performance information (AOPO)	200	R	R	180	R	R	180	R	R
Operational audits (including Technical audits and projects) (two audits per year)	200	R	R	180	R	R	180	R	R
Other Compliance matters	120	R	R	120	R	R	120	R	R
Follow-up audits	60	R	R	60	R	R	60	R	R
Combined Assurance Audits (review of interim and annual financial statement)	120	R	R	120		R	120	R	R
ITC audits (all types of controls at least two audits per year)	80	R	R	80		R	80	R	R
At least 4 Ad hoc/Special audits	120	R	R	120		R	120	R	R

Overberg Water Board		Internal Audit costing							
Audit Area	Actual hours	Average Rates Per Hour	Total	Actual Hours	Average Rates Per Hour	Total	Actual Hours	Average Rates Per Hour	Total
	2021	Year 1		2022	Year 2		2023	Year 3	
Internal Audit Plan	40	R	R	40		R	40	R	R
Auditcom and board meetings (10 meetings per annum with the maximum of 3 hours per meeting)	60	R	R	60		R	60	R	R
Enterprise wide risk management	80	R	R	80		R	80	R	R
Interim and Annual stock take	80	R	R	80		R	80	R	R
Other	200	R	R	180		R	180	R	R
Total	3 210		R	3 150		R	3150		R
VAT			R			R			
Total Budget			R			R			
Total for year one, two and three							R		
<i>The above audits are the minimum requirements, however you are allowed to be innovative without reducing the scope of work.</i>									
<i>The estimated hours provide a guideline of hours required to perform the audit.</i>									
<i>The costing will be used as a basis of the award,however this will be limited to budget available.</i>									

NB. Please note that payment will be done per deliverable. The costing should be all inclusive. No travel allowance will be claimed separately.

Pricing Instructions:

By signing the Price Schedule, a bidder warrants that:

- 2.1.1 the relevant quotation is correct;
- 2.1.2 the rates(s) and prices(s) quoted cover all the work/item(s) specified in the quotation document;
- 2.1.3 the rate(s) and price(s) cover all the Supplier(s)'s obligations under a resulting contract, including all disbursements;
- 2.1.4 any mistakes and/or omissions regarding rate(s) and price(s) or errors in calculation shall be at the Supplier(s)'s risk.
- 2.1.5 Bidders must show VAT payable separately on the Price Schedule.

SIGNED at _____ (place) on the _____ day of _____ (month),
20____

Signature

Date

Print name: _____
On behalf of the Supplier(s) (duly authorised)

RETURNABLE SCHEDULE 3: DECLARATION OF INTEREST (SBD 4)

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

1. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

1.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

2.3 Position occupied in the Company (director, trustee, shareholder²):

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

1.1.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹“State” means –

- (a) 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);
- (b) any municipality or municipal entity;
 - I provincial legislature;
- (d) national Assembly or the national Council of provinces; or
 - I Parliament.

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

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed :

Position occupied in the state institution:

Any other particulars:
.....
.....
.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:
.....
.....
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:
.....
.....
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

1.1.1 If so, furnish particulars.
.....
.....
.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.
.....
.....
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

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

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

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Pernal Number

1 DECLARATION

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

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

3 I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

RETURNABLE SCHEDULE 4: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017 (SBD 6.1)

SBD 6.1

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

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

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

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

- 1) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the ...80/20..... preference point system shall be applicable;

1.3 Points for this bid shall be awarded for:

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

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

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

- 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:

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

80/20 or 90/10

Where

- P_s = Points scored for price of bid under consideration
- P_t = Price of bid under consideration
- P_{min} = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (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 last 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

OR

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

- Supplier(s)
- Supplier(s)
- Professional Supplier(s)
- Other Supplier(s)s, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

8.8 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.

.....

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

DATE:

ADDRESS

.....

CONTRACT FORM - PURCHASE OF GOODS/WORKS PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

accept your bid under reference numberdated.....for the supply of goods/works 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/works 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	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

RETURNABLE SCHEDULE 6: DECLARATION OF SUPPLIER(S)'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (SBD 8)

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 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 Manufacturers 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>The Database of Restricted Manufacturers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</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>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</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 outside of 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:		
4.4	<p>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

RETURNABLE SCHEDULE 7: CERTIFICATE OF INDEPENDENT BID DETERMINATION (SBD 9)

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ 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).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a Supplier(s) of goods and services if the Supplier(s) committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD 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 (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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.

SBD 9 :- CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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 consortium³ 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.

³ 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

IT IS HEREBY AGREED AS FOLLOWS:

1. AGREEMENT DOCUMENTS

1.1 Overberg Water and the Supplier agree that the Supplier shall deliver chemicals on and Overberg Water shall pay the Supplier only for such items of the chemicals used and/or purchased by Overberg Water. The Agreement consist of the following:

Agreement

General Conditions of Contract

Specifications

2. VARIATION

- 2.1 The parties agree that this Agreement constitutes the entire agreement between them and that no alteration or variation thereof shall be of any force or effect unless recorded in writing and signed by both parties
- 2.2 Notwithstanding the provisions of clause 2.1, the Scope of the Supply shall be subject to changes by additions, deletions or revisions thereto by Overberg Water. The Supplier shall be advised of any such changes by written notification from Overberg Water describing the change. The Supplier shall promptly perform and strictly comply with each such change when so instructed by Overberg Water. Any additional obligations resulting from such changes will be charged at the Supplier's normal or agreed prices.

3. REFERENCE TO DAYS

Where reference is made to a number of days same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday.

4. HEADINGS

The headings contained in this Agreement are inserted for convenience only and shall not be deemed to have any substantive meaning in interpreting this Agreement.

5. DURATION

Notwithstanding the dates of signing hereof, this agreement shall be deemed to have commenced on the date of award of the tender and will continue for an initial period of 36 months.

6. RELATIONSHIP

- 6.1 The relationship which the Supplier holds to Overberg Water is that of an independent Supplier. The Supplier shall not have any authority to create or assume in the name of Overberg Water, or on its behalf, any obligation expressed or implied, or to act or purport to act as an agent of Overberg Water or legally empowered representative for any purpose whatsoever, except as expressly provided for herein.

7. CESSION AND ASSIGNMENTS

- 7.1 This Agreement is exclusive to the Supplier, and the Supplier shall not subcontract, cede or assign to performance of all or any portion of the supply of Goods to any other person or legal entity without first obtaining written approval from Overberg Water.

8. GOODS

- 8.1 The Supplier shall have readily available all the goods as specified in the prices scheduled in section SBD 3.3.
- 8.2 The Supplier shall SUPPLY, DELIVER, OFFLOAD and STACK the Goods to Overberg Water at the Place of Delivery at own cost, risk and expenses.
- 8.3 Goods must have a minimum shelf-life of 6 months from the date of delivery.
- 8.4 Should any of the Goods become damaged during or prior to the delivery process to Overberg Water (irrespective of the cause thereof), Overberg Water shall not be liable for any costs related to the repair of such Goods. In the Event that the Goods are expired, become damaged beyond repair, or have a shelf-life less than required, the Supplier will remove and recover the damaged goods and supplies at its own costs.
- 8.5 The Goods shall be kept by Overberg Water in a visibly demarcated area within its premises where the Goods shall remain until used by Overberg Water.

9. GOODS PRICE

- 9.1 The purchase price for such Goods shall be the fixed Agreement unit price (as recorded in the Price Schedule) multiplied with the total quantity of all such units issued, used and/or purchased by Overberg Water as recorded; excluding VAT. Annual escalation of the Goods unit price is provided for in the Price Schedule.

10. PAYMENTS OF GOODS

- 10.1 Payment by Overberg Water for the Goods shall be in accordance with the provisions in Section 22 as attached hereto.

11. INDEMNITY

- 11.1 The Supplier agrees to indemnify, hold harmless and defend Overberg Water and its officers, employees, agents, Suppliers and representatives from and against any claims, demand, cause of action, liability, loss and/or expense arising from:
- 11.1.1 Any claims, irrespective of the cause of action, against Overberg Water or its employees arising, directly or indirectly, from the supply of Goods by the Supplier, its sub Suppliers, employees, agents, representatives or invitees, irrespective of the degree of fault involved.
- 11.1.2 Any damage to or loss of the property of the Supplier (including the property of the offices, employees, agents, sub Suppliers and representatives of the Supplier) arising directly or indirectly through the acts or omissions to act of Overberg Water or its sub-Suppliers, employees, or agents, irrespective of the fault, delict or negligence of Overberg Water (including its officers, employees, agents, Suppliers and representatives).
- 11.1.3 Any injury to or death of the personnel of the Supplier (including officers, employees, agents, sub-Suppliers and representatives, and suppliers of the Supplier) arising directly or indirectly through acts or omission to act

of Overberg Water or its sub-Supplier, employees, agents, irrespective of the fault, delict or negligence of Overberg Water (including its officers, employees, agents, Suppliers and representatives.);

11.1.4 Any failure of the Supplier to comply with any Act of Parliament, ordinance, regulation, provincial, regional, municipal, local or other authority, provided that compliance by the Supplier was required under the provisions of this agreement, in law or otherwise, including, without limitation, failure of the Supplier to pay taxes, duties or fees.

11.1.5 Any actual or asserted infringement or improper appropriation or use by the Supplier of trade secrets, proprietary information, intellectual property rights, know-how copyright (both statutory and non-statutory) or pretend or unpatented inventions, or for actual or alleged unauthorised imitation of the work of others, or arising out of the use of methods, processes, designs, information, or other things furnished or communicated to Overberg Water by the Supplier in connection with the supply of the Goods; and

11.1.6 The failure of the Supplier to comply with any collective agreement, statute, arbitration award, court order, wage determination or similar instrument regulating terms and conditions of employment, health and safety, dismissal or termination of employment.

11.2 The Supplier shall insure itself against any liability arising from the above indemnities and Overberg Water may require proof of such insurance. If the Supplier fails to take such insurance, Overberg Water reserves the right to procure insurance on behalf of and for the cost of the Supplier.

11.3 The Supplier shall inform its employees of the above indemnities, and Overberg Water may require proof of knowledge by the employees of the above indemnity undertakings.

12. INSURANCE

12.1 In addition to the insurance referred to in sub-clause 11.2, the Supplier shall be responsible for providing his own insurance, inclusive of public liability insurance (to the value of R10million), and specifically comprehensively insure all his own material and equipment on an all-risk basis, as well as workmen's compensation insurance as required in terms of the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 as amended or any similar enactment which may replace this act.

12.2 The Supplier's total liability for any and all claims arising out of this Agreement or the provision of the Services shall be limited to the extent to which the Supplier is indemnified in respect of such claim/s and shall exclude damage or loss due to theft.

13. SAFETY, HEALTH AND THE ENVIRONMENT

13.1 The Supplier shall ensure that it complies with all relevant occupational health and safety legislation.

13.2 The Supplier shall ensure that the supply of Goods comply with the Environmental Management Plans of Overberg Water.

14. SECRECY AND CONFIDENTIALITY

14.1 Both parties undertake to keep hold secrets and confidential all information regarding the business of Overberg Water howsoever obtain and shall not use the same other than for purposes of the parties association with each other, nor disclose to or discuss the same with each other parties without the express prior consent of each other.

14.2 The foregoing restrictions shall not, however, apply to any portion of the said information which at the time of disclosure is or thereafter becomes part of public domain by publication or otherwise, or corresponds in

substance to information furnished to the Supplier as a matter of right without restriction on disclosure and was not acquired directly from Overberg Water.

- 14.3 Notwithstanding the termination of this Agreement for any reason whatsoever, the contents of this clause 14 shall be valid effective for a period of four (4) years.

15. CONFLICT OF INTEREST

- 15.1 Both parties shall not engage in practices or pursue interest which are in conflict with the interests of the other party and which could result in financial damage or loss being suffered by the parties or the reputation of the parties being harmed in the eyes of business community or the public at large.

16. DOCUMENTATION

- 16.1 All information and/or documentation given to the Supplier by Overberg Water, for purposes of assisting the Supplier in the execution of the supply of Goods shall be used solely with regards to rendering the supply of Goods, shall remain the property of Overberg Water and shall be returned to Overberg Water on termination of this Agreement.
- 16.2 Any documentation or intellectual property of whatever nature resulting from the supply of Goods shall be the property of Overberg Water and may be used by Overberg Water without restriction, unless marked and proved to Overberg Water's reasonable satisfaction as being confidential or proprietary information of the Supplier in which case Overberg Water shall protect the confidential or proprietary nature of the information to the same degree as if it was the property of Overberg Water and use the information only for the purpose for which the disclosure was originally made.

17. RIGHT OF AUDIT

- 17.1 The Supplier shall maintain all records and accounts pertaining to the supply of Goods performed by the Supplier under this Agreement for a period of two (2) years after the final payment. Overberg Water or its representatives shall have the right to audit, copy and inspect the said reports and accounts at all reasonable times during the currency of Agreement and for the above two year period purpose of verifying incurred.

18. APPLICABLE LAW AND DISPUTES

- 18.1 This Agreement shall be governed by and construed in accordance with laws of the Republic of South Africa.
- 18.2 No dispute or reference to litigation shall entitle the Supplier to discontinue or suspend the execution of any of the supply of Goods under this Agreement or Overberg Water for non-payment of goods.

19. WAIVER

- 19.1 No relaxation or indulgence which either party may allow the other at any time with regard to the carrying out of its effective obligations under this Agreement shall prejudice or be regarded as a waiver of any of such party's rights under this Agreement in any manner whatsoever, especially the right to insist on specific performance.

20. FORCE MAJEURE

20.1 For the purpose of this Agreement, Force Majeure is described as any occurrence which could not have been reasonably foreseen, controlled or prevented by the party who is experiencing Force Majeure and which occurrence makes it impossible for such party to partially or fully adhere to its obligation in terms of this Agreement. The party experiencing Force Majeure is excused from proper performance in terms of this Agreement for as long as Force Majeure exists and to the extent that such party is unable to fulfil its obligations in terms of agreement. Should Force Majeure exist for a period of more than thirty (30) days either party may terminate this Agreement by means of written notice to the other and the other and the Supplier shall be paid for the issued, used and/or purchased Goods by Overberg Water of Goods up to the date of termination.

21. DEFAULT

21.1 In the event of:

21.1.1 The estate of the Supplier being sequestered as insolvent or places under judicial management provisionally or finally.

21.1.2 The Supplier publishing a notice of surrender or approaching any court for the acceptance of the surrender of his estate as insolvent or making an arrangement with or composition or assignment in favour of its creditors or agreeing to carry out this Agreement under a committee of his creditors or goes into liquidation, whether provisionally or finally; or

21.1.3 The Supplier defaulting in the performance of any express or material obligation to be performed by him under this Agreement and fails to correct such default within fifteen (15) days following written notice from Overberg Water; Overberg Water may, without prejudice to any other rights or remedies which Overberg Water may have in common law or otherwise, terminate this Agreement by written notice to the Supplier specifying the date of termination.

21.2 In the event of such termination, Overberg Water may take possession of all documents of whatsoever nature generated by the Supplier in fulfilment of his obligations in terms of this Agreement and complete the supply of Goods by whatever method may deem expedient and/or prudent.

22. PAYMENT FOR GOODS

22.1 Overberg Water agrees to pay the Supplier in accordance with the relevant Price/Rates Schedule in this Agreement for supply of such Goods to the satisfaction of Overberg Water. No payment or reimbursement shall be due by Overberg Water to the Supplier unless otherwise specifically provided for in this Agreement.

22.2 The supplier's prices and/or rates are fully inclusive of all the Supplier's cost and expenses for supply of Goods pursuant to this Agreement, including but not limited protective and safety clothing, mobilisation and demobilisation costs, compliance with laws, the Supplier's portion of any employee insurance and social security benefits, payroll and income benefits and costs to the Supplier for its personnel, unless otherwise specifically provided for in this Agreement.

22.3 All prices and/or rates are fully inclusive of any and all costs and expenses incurred by its Supplier in establishing and maintaining a supply base/office or any other establishment.

22.4 The supplier shall be deemed to have satisfied itself as regards the sufficiency of its prices and/or rates for the supply of Goods as specified herein and all such prices and/or rates shall remain fixed and firm until agreed differently in writing.

22.5 The Supplier shall invoice Overberg Water as per clause 25 below.

22.6 If Overberg Water queries or disputes any part of an invoice, it shall give written notice to the Supplier of that and of the reasons thereof as soon as reasonable practicable and shall hereupon be entitled to withhold payment of the amount in question or dispute, without any liability for interest, pending resolution of dispute.

22.7 Overberg Water shall not be obliged to pay any invoices or demand payment received by Overberg Water more than ninety (90) days from the date expiry or termination of this Agreement or completion of the relevant service forming part of the supply of Goods, whichever is the earlier.

23. SCHEDULE OF PRICES

23.1 Prices and rates are firm and fixed for twelve months, after which price adjustments/escalation shall apply according to the Price Schedule. For tender evaluation purposes, the Bidder MUST include an annual price escalation even if this may not be the final actual price escalation(s) implemented or agreed upon.

23.2 Should, after 12 months, the price adjustment(s) be different to what was stipulated in the Price Schedule, Overberg Water and the successful Supplier shall negotiate the adjustment(s) and these will only be implemented once both parties have reached agreement.

23.3 In the event no agreement is reached following the negotiation process, Overberg Water will have the right to terminate this Agreement early (refer to clause 32 of the Agreement hereunder).

23.4 Prices include delivery costs, insurance and freight.

23.5 The cost of renting gas cylinders on a monthly basis must be specified.

24. VAT

24.1 All rates are exclusive of VAT. If applicable, VAT at the rate applicable at the time of supplying the Goods is to be added to the total invoiced amount.

25. TERMS OF PAYMENT

25.1 Original invoice and monthly statements are to be sent to:

Overberg Water

PO Box 589

CALEDON

7230

Attention: Creditors Department (krediteure@overbergwater.co.za)

by the end of a calendar month. Invoices shall only be considered for payment when accompanied by originals of the supporting documentation signed by the authorised Overberg water representative and the invoice has been approved for payment.

Overberg Water's VAT NO. 4420102347

26. TAXES

26.1 All amounts payable in terms of this Agreement exclude VAT but are inclusive of all other costs, and no contributions, levies, imposts, duties or the like shall be payable by Overberg Water.

32. EARLY TERMINATION

Overberg Water shall have the right to terminate this Agreement early by giving the Supplier thirty (30) days written notice. On the date of such termination, the Supplier shall discontinue the supply of any additional Goods, pending the instruction from Overberg Water and shall deliver to Overberg Water or its nominees all the documentation and all other data prepared by the Supplier in connection with the terms of this Agreement. Overberg Water will pay the Supplier for the supply of such Goods satisfactorily issued up to and including the date of such early termination.

33. ADDRESSES AND NOTICES

Each party chooses, for the purpose of all notices in terms on this Agreement and the serving of any process, its Domicillium Citandi et Executandi addresses as follows:

Overberg Water Board (Head Office)

Physical Address:

Unit 17, First Floor
Trident Park 2
1 Niblick Way
Somerset West
Western Cape
7130

Postal Address:

P O Box 1005
Somerset Mall
7137

The Supplier: _____

Physical Address:

Postal Address:

All notices and other communication required, permitted, or desired to be given hereunder must be in writing and sent by registered or certified mail (return receipt requested), or by courier or overnight delivery, with all postage or charges fully repaid, or by hand delivery, facsimile transmission or by electronic mail.

Date of service by mail or hand deliver is the date on which such notice or other communication is received by the addressee, or if by facsimile or electronic mail, receipt of notice or communication shall be the date the

facsimile or electronic mail is sent, provided however, if such date is not a business day, then the date of notice or communication shall be the next day succeeding business day. Each party may change its address by notifying the other party in writing.

Thus done and signed at _____ on this ____ day of _____, 20__

Witnesses:

1. _____

2. _____

For on behalf of:

Overberg Water

Thus done and signed at _____ on this ____ day of _____, 20__

Witnesses:

1. _____

2. _____

For on behalf of:

SUPPLIER

PART B: RFP CONDITIONS

ALL RFP CONDITIONS MUST BE STRICTLY ADHERED TO, FAILING WHICH THE RFP MAYBE REJECTED OR DECLARED NON-RESPONSIVE.

1. No RFP will be considered unless submitted on the official Contract Form together with all Returnable Schedules duly completed and signed.
2. RFP's can be deposited in the tender box on or before the stipulated closing date and before the closing time at the Overberg Water Board's Corporate Office, situated at Ground Floor, Trident Park 3, 1 Niblick Street, Somerset West, 7137, Cape Town.
3. Overberg Water reserves the right to accept the whole quotation or part thereof, or any item or part of any item, or to accept more than one quotation (in the event of a number of items being offered).
4. Overberg Water reserves the right to accept an RFP which is not substantially or materially different from the Specification.
5. Overberg Water is not obliged to accept the lowest or any RFP
6. Overberg Water shall not consider RFP's which are received after the closing date and time for such RFP's.
7. Overberg Water will not be held responsible for any expenses incurred by manufacturers in preparing and submitting RFP's.
8. Overberg Water may, after the closing date, request additional information or clarification from manufacturers, in writing.
All enquiries regarding this bid must be in writing only, and must be directed to
Edward Nwamafela – Supply Chain Management Unit, e-mail address :enwamafela@overbergwater.co.za
9. Any RFP submitted shall remain valid, irrevocable and open for acceptance by Overberg Water for a period of 120 days from the closing date.
10. A Supplier(s) may request in writing, and after the closing date, that his or her RFP be withdrawn, which withdrawal will be permitted or refused at the sole discretion of Overberg Water after consideration of the reasons for the withdrawal, which shall be set out by the Supplier(s) in such a written request for withdrawal.
11. All manufacturers submitting quotations must be registered on National Treasury Central Supplier(s) Database (CSD) as Overberg Water will not award any bid for price quotation to a bidder(s) not registered on the CSD. For more information of the Central Supplier(s) Database please contact the helpdesk at 012 – 4069222 or email csd@treasury.gov.za
12. If the Supplier(s) is an employer as defined in the Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993 (COIDA), the Supplier(s) shall submit either a Letter of Good Standing issued by the Compensation Commissioner in terms of the COIDA, confirming that the Supplier(s) is registered as an employer in terms of the COIDA; or confirmation of cover with a licenced compensation insurer for the full extent of the Supplier(s)'s potential liability as contemplated in terms of Section 84 of the COIDA.
13. No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed of or to be disposed of may directly or indirectly influence or interfere with the work of any Overberg Water officials involved in the procurement process in order, *inter alia*, to:
 - a) influence the process and/or outcome of a bid;
 - b) incite breach of confidentiality and/or the offering of bribes;
 - c) cause over-or under-invoicing;
 - d) influence the choice of procurement method or technical standards;

- e) influence any Overberg Water Official in any way which may secure an unfair advantage during or at any stage of the procurement process.
14. Abuse of the supply chain management system is not permitted and may result in the quotation being rejected, cancellation of the contract, 'blacklisting', and/or any such remedies as set out in Overberg Water's SCM Policy.
15. Manufacturers are required to complete all declarations in the Returnable Schedules attached hereto, failing which the quotation may be declared non-responsive.
16. An 90/10 price/preference points system will be applied to the evaluation of responsive quotations, whereby the order(s) will be placed with the Supplier(s) scoring the highest total number of adjudication points.

16.1 Price shall be scored as follows:

$$P_s = 90 \times \left(1 - \frac{(P_t - P_{min})}{P_{min}}\right)$$

Where: P_s is the number of points scored for price;
 P_t is the comparative price of the quotation under consideration;
 P_{min} is the comparative price of the lowest responsive quotation.

16.2 Preference points shall be scored as follows:

- Points will be awarded to Bidders who are eligible for preferences in respect of B-BBEE contribution in terms of Returnable Schedule 3: Preferencing Schedule.
- The terms and conditions of Schedule 3 shall apply in all respects to the quotation evaluation process and to any subsequent contract.
- A maximum of 10 quotation evaluation points will be awarded for preference to manufacturers with responsive quotations who are eligible for such preference, in accordance with the criteria listed below.

Exempted Micro Enterprise or B-BBEE Status Level of Contributor

The Tenderer shall indicate on Schedule 3 his or her company/firm/entity's B-BBEE status level of contributor, in accordance with one of the following:

- Exempted Micro Enterprise (>50% black-owned)
- Exempted Micro Enterprise (≤50% black-owned)
- Verified B-BBEE status level of contributor in terms of the Construction Sector Charter on Black Economic Empowerment (Board Notice 111 of 2007 published in Government Gazette No. 29616 of 9 February 2007)
- Non-compliant contributor¹

Up to **20** tender evaluation points (N_P) will be awarded for the level of B-BBEE contribution, in accordance with the tables below:

B-BBEE Status Level of Contributor	Number of Points for Preference
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

¹

A non-compliant contributor is one who does not meet the minimum score for a level 8 contributor, or who is not verified in terms of the Construction Sector Charter.

PART C: GENERAL & SPECIAL CONDITIONS OF CONTRACT

THESE SPECIAL CONDITIONS OF CONTRACT (SCC) SUPPLEMENT AND MUST BE READ WITH THE CORRESPONDING PROVISIONS OF THE GENERAL CONDITIONS OF CONTRACT (GCC) (download at <http://www.treasury.gov.za/divisions/ocpo/sc/GeneralConditions>) WHICH SHALL CONSTITUTE THE AGREEMENT BETWEEN OVERBERG WATER AND THE SUPPLIER(S).

1. Acceptance/Contract Commencement and purchase orders

The Supplier(s)'s offer will be accepted by Overberg Water when a purchase order and/or letter of appointment is issued to the Supplier(s). The date of issue of the purchase order and/or letter of appointment shall be the commencement date of the contract. The Supplier(s) undertakes work and incurs expenses prior to the issuing of a purchase order and/or letter of appointment entirely at its own risk. Overberg Water shall only incur liability for payment in terms of this contract if a valid purchase order and/or letter of appointment has been issued to the Supplier(s).

2. Standards

Failure to comply with the Specification and standards as set out in the quotation document shall constitute a material breach, and Overberg Water reserves the right to cancel the contract in terms of Clause 23 of the GCC.

3. Payment – Clause 16 of the GCC

3.1 A monthly payment cycle will be the norm. All invoices received for goods and services dated on or before the 20th of a particular month will typically be paid between the 23rd and the 26th of the ensuing month.

3.2 More frequent payment to manufacturers is not a right. Requests for such payments will be considered at the sole discretion of Overberg Water.

3.3 In order to give effect to a more frequent payment cycle (if approved), an additional mid-month payment run will be effected as necessary. The additional payment run dates will be between the 10th and the 13th of the month.

3.4 The actual payment run dates will be dependent on the number of days of the month and the influence of public holidays. Manufacturers on a 14-day cycle who submit invoices by the 25th of a particular month will be paid between the 10th and the 13th of the next month.

4. Applicable Law – Clause 30 of GCC

4.1 The Supplier(s) must comply with the Basic Conditions of Employment Act, Act 75 of 1997 and Amendments including all laws relating to wages and conditions governing the employment of labour and Bargaining Council agreements.

5. Insurance – Clause 11 of GCC

5.1 Without limiting the obligations of the Supplier(s) in terms of this contract, the Supplier(s) shall effect and maintain the following insurances:

a) Any goods supplied to Overberg Water by the Supplier(s) in terms of this Agreement shall be fully and adequately insured by the Supplier(s) against any loss or damage incidental to manufacture or acquisition, transportation, storage and delivery.

5.2 The Supplier(s) shall be obliged to furnish Overberg Water with proof of such insurance.

