



REQUEST FOR PROPOSAL:

**APPOINTMENT OF AN INTERNAL AUDITORS IN
ACCORDANCE WITH THE GIVEN SCOPE FOR A
PERIOD OF 36 MONTHS**

BID NUMBER – RFP 0W- 487/21/22

CLOSING DATE: 08th OF JUNE 2023

DOCUMENT INFORMATION SHEET

Title of Document	Professional service provider for the appointment of an internal auditor in accordance with the given scope for a period of 36 months.
Type of Document	Request for Proposal
Document Number	RFP OW-487/2021/22
Technical Specifications	Ms. Elthecia Basson
Department	Corporate Office
Prepared for	Overberg Water Board
Date of Issue	18th of May 2023

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:	Name: Elthecia Basson	Name: BSC Chairperson	Name: Accounting Officer

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

Appointment of internal auditor in accordance with the given scope for Overberg Water Board for period of 36 months. Procurement Number: RFP OW-487/21/22

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, Swellendam, Heidelberg and Head Office which is situated in Somerset West.

INVITATION AND SCOPE OF SERVICES

Appointment of internal auditor in accordance with the given scope for Overberg Water Board for 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 Overberg Water Board website (www.overbergwater.co.za). Documents will be available from **12H00 on the 18th of May 2023.**

One original completed bid document shall be placed in a sealed envelope clearly marked: **“Appointment of a Professional service provider for the provision of an internal auditor in accordance with the given scope for Overberg Water Board for period of 36 months. “The closing date and time for the receipt of completed bids is 08th of June 2023 at 12h00** at the reception desk of the **Overberg Water Board’s Corporate Office, Trident Park3, 1st 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: Ms. EV Basson (Accountant) at 021 – 851 2155 or email ebasson@overbergwater.co.za, or Edward Nwamafela/ Nompumelelo Khumalo (SCM official) at 0218512155 or email enwamafela@overbergwater.co.za /nkhumalo@overbergwater.co.za. Any enquiry send other email address other than the ones indicated above will not be considered. All enquiries relating to the RFP must be send on or before **02nd of June 2023 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; Ruensveld East Swellendam and Duivenhoks in Heidelberg.

The Overberg Water's area of jurisdiction is the south-western Cape in the west to the Heidelberg/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, Heidelberg, 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).

The Water Board is also responsible for the Wastewater Treatment Plant for the various prison in the Western Cape.

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

5. SCOPE OF THE REQUIRED SERVICE

Overberg Water Board is a Water Services Institution is a state-owned entity listed in Schedule 3B of the Public Financial Act 1999 (PFMA), Act No 1 of 1999 as amended and operating in terms of the water Services Act ,1997 (WSA), Act No 108 of 1997. Overberg Water provides water portable to end users and has the operational responsibility, according to the Water Services Act , to provide water and or sanitation services to one or more end consumers. Overberg Water distribute water to the surrounding and rural areas of Overberg region. The Overberg Water Board is required to ensure that the assets of the water board are safe-guarded and therefore will require a service of internal auditor.

6. 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
 - 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

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

7. SPECIFICATION

7.1 In line with best practice the internal audit and risk management functions have been separated.

7.2 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.

7.3 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 summarized 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 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.

7.4 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.

8 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
- Follow up of previous audit findings.

9 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.

10 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

11 Project Location

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

12 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.

13 PROPOSAL PRESENTATION

The Service Provider must be available for 90 days after the tender closing date to present its proposal to the Waterboard. 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.

14 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.

15 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.

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		
Company registration certificate CIPRO / CIPC	Company registration documents / certificate from CIPRO / CIPC		
Certified copy of B-BBEE contribution level certificate	Submitted BBEE Verification Certificate from SANAS		
Company profile	Detailed company profile		
Financial Statements (valid year is between 2019/20 to 2023)	Financial Statement for the last 3 financial years (Financial statement signed off by an IRBA registered auditor)		
Valid COIDA certificate	Valid COIDA certificate		
Minimum qualification Certified Internal Auditor or CA/SA designation.	Valid Proof of certification of CA/SA with SAICA or proof of certification as CIA with IIA		
Organogram	Team Composition		
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.

- Evaluation Method 2, which entails the balance between Functionality, Financial offer and Price & Preferences 80/20 points system, will be adopted as follows.
- Functionality Points = max 100 points (Minimum threshold=75%)
- Price=80 points (tenders will be awarded a maximum of 80 points for price)
- Preference (B-BBEE) = 20 points

Evaluation criteria

The 80/20 preference points system as prescribed in the Preferential Procurement Regulations, 2011 Pertaining to the Preferential Procurement Policy Framework Act, (ACT NO 5 OF 2000) (PPPFA) will be applied to evaluate this bid. The lowest acceptable bid will score 80 points for price and a maximum of 20 points will be awarded for attaining the Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution. Bids received will be evaluated on the three (3) phases namely **Mandatory Requirements, Functionality Compliance / Specification Compliance** and **Price and Preference**.

Phase 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 60 out of 100 will be regarded as submitting a non-responsive bid and will be disqualified. Bidders who fail to obtain a minimum score for each criterion will be disqualified.

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

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

Functionality evaluation will be based on the criteria in the following table:

Technical Functionality Requirements				
No	CRITERIA	Rating	Weight Criterion	Individual Scoring
1	Company clientele within the last 10 years		30	
	Company Experience			
	Bidder must demonstrate experience in providing internal audit services in the water sector and/or public sector. Bidder must firstly produce a minimum of five positive reference letters from previous water sector clients and/or public government sector clients to be considered for evaluation of this criteria, secondly the reference letters must be used to quantify number of years of experience in providing internal audit services in the government/public sector. (Only bidders that have provided a minimum of 5 reference letters will be considered for this criteria)			
	< than 5 years' experience	1		
	5-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
2	Team Capabilities		5	
	a) SCM Auditor:			
	Must have a degree/diploma in finance or internal audit and at least 3 years in conducting internal/external audits in the public sector. Experience must include a specific focus on supply chain management in the public sector covering the audit of competitive bidding, request for quotations, contract management and irregular expenditure in the public sector. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.			
	< than 3 years' experience	1		
	4-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
	b) HR Auditor:		5	
	Must have a degree/diploma in finance or internal audit and at least 3 years in conducting internal/external audits in the public sector. Experience must include a specific focus on human resources management in the public sector covering the audit of remuneration (payroll), leave, performance management, recruitment, selection and terminations in the public sector. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.			
	< than 3 years' experience	1		
	4-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
>10 years' experience	5			

Technical Functionality Requirements				
No	CRITERIA	Rating	Weight Criterion	Individual Scoring
	<p>c) Operations Audit Must have a degree/diploma in either finance, internal audit or engineering and at least 3 years in conducting internal/external audits in the public sector with a specific focus on water quality, health and safety, asset management, metering, and water losses. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.</p>		5	
	< than 3 years' experience	1		
	4-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
	<p>d) Finance auditor Must have a degree/diploma in finance or internal audit and at least 3 years in conducting internal/external audits in the public sector. Experience must include a specific focus on the conducting audits on the revenue and receipt cycle, accounts payable, asset management in the public sector. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.</p>		5	
	< than 3 years' experience	1		
	4-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
	<p>e) IT auditor Must be a Certified Information Systems Auditor with at least 5 years in conducting IT internal/external audits in the public sector. Experience must include a specific focus general and application controls including cyber security. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.</p>		5	
	< than 5 years' experience	1		
	6-7 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
	<p>f) Performance auditor Must have a degree/diploma in finance or internal audit and at least 5 years in conducting internal/external audits in the public sector. Experience must include a specific focus assessing the reliability, measurability, relevance of performance information and related controls in the public sector. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.</p>		5	
	< than 5 years' experience	1		

Technical Functionality Requirements				
No	CRITERIA	Rating	Weight Criterion	Individual Scoring
	6-7 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
	g) Project Director/manager Must be either a qualified CA/SA or CIA with a minimum of five years' experience in overseeing internal audit related projects in the water sector and/or government public sector. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.		15	
	< than 5 years' experience	1		
	5-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
	h) Internal audit manager Must be a either a qualified CA/SA or CIA with a minimum of five years' experience in managing internal audit related projects in the water sector and/or government public sector. Please include comprehensive CV detailing the abovementioned experience. Failure to include CV will be resulting bidder being considered as non-responsive for this tender.		15	
	< than 5 years' experience	1		
	5-6 years' experience	2		
	7-8 years' experience	3		
	9-10 years' experience	4		
	>10 years' experience	5		
3	Project plan and Methodology 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. 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 consider that the entity does not have any internal resources in relation to internal audit Bidder must demonstrate an understanding of the scope of work. Bidder must demonstrate how technology will be used to enhance the audit process and add value to it. Detailed Assessment of presentation included on the proposal. Bidder must demonstrate knowledge of CAATs and fraud investigations		10	
	No project plan and methodology.	1		

Technical Functionality Requirements				
No	CRITERIA	Rating	Weight Criterion	Individual Scoring
	Project plan provided with no clear timelines/hours, audit rolling plan, technology/CAAT and fraud audits, different audit assignments & sample of internal audit reports.	2		
	Plan covered three out of five requirements of the mandatory project plan.	3		
	Plan covered four out of five requirements of the mandatory project plan.	4		
	Plan covered five out of five requirements of the mandatory project plan.	5		
			100	

Phase 2: Pricing and BEE Evaluation

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

Area of Adjudication	Maximum Points
Tendered Price (S _P)	80
Empowerment Objectives (S _E)	10
Specific Goals	10
Total Points (S)	100

Company Experience

- This refers to the details of the company (Supplier) and the services on offer. 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)
- A minimum of five positive reference letters from previous clients relevant to this tender.
- We reserve the right to do reference check to confirm the letters provided.

Team experience

Specific details required here are:

- The consultant's internal audit experience preferably in the water sector and/or public government sector.
- At least five years of 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

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 with at least 5 years' experience

- Manager/s – Qualified professional Auditors with at least 5 years’ experience
- IT specialized auditor/s with CISA and with at least 5 years’ experience

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.

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 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 E 4: Preference Points Claim Form (SBD 6.1)

TERMS AND GENERAL CONDITIONS

- (a) All submissions must be received by the OVERBERG WATER no later than **Thursday 08rd June 2023 at 12h00**. 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; One original document shall be placed in sealed envelopes clearly marked. “RFP OW 043/2021/2022 – “Appointment of a Service Provider to supply, deliver, install, configure and maintain a hosted PABX in various offices for Overberg Water Board for 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;
- (e) 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.

- (f) All enquiries and submissions regarding this Request for Proposal (RFP) must be directed to:
 - Mr. Edward Nwamafela/Ms. Nompumelelo Khumalo: Supply Chain Management Unit ContactNumber:028512155;Email:enwamafela@overbergwater.co.za/nkhumalo@overbergwater.co.za and/or Ms. Elthecia Basson (Technical Queries) Contact Number: 021 851 2155; Email:ebasson@overbergwater.co.za;
- (g) 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.
- (h) The Overberg Water reserves the right not to accept any submission.
- (i) 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”.
- (j) 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.
- (k) No costs incurred by the Respondents in the preparation of their submission will be reimbursed.
- (l) 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.
- (m) 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/ Ms. Nompumelelo Khumalo and/or Ms. Elthecia** 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/nkhumalo@overbergwater.co.za and/or **Ms. Elthecia Basson** (Technical Queries) Contact Number: 021 851 2155; Email: ebasson@overbergwater.co.za. The queries must be in writing addressed to the above-mentioned officials.
- (b) Respondents are not to communicate in any manner or form whatsoever with members of Overberg Water personnel about the RFP until the preferred Service Provider 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-487/2021/22	CLOSING DATE:	08 th of June 2022	CLOSING TIME:	12H00
DESCRIPTION	Appointment of an internal auditor in accordance with the given scope 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 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 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 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 DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

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

8 FINANCIAL PROPOSAL

RETURNABLE SCHEDULE 2 – PRICE SCHEDULE

BIDDER: _____

The financial proposal should be submitted in a separate sealed envelope, with the documents as stated below.

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 the award will be based on the total budget after considering if the hours will be sufficient to cover the scope of work.

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

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 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	Budgeted hours	Budgeted Amounts	Budgeted hours	Budgeted Amounts	Budgeted hours	Budgeted Amounts	Total Budgeted hours	Total Budgeted Amounts
	2021	Year 1		Year 2		Year 3			
Accounts receivables linked with billing/revenue	320								
Cash management, petty cash and investment (two audits per year)	120								
Accounts payables linked with SCM	352								
Expenditure management and payroll	300								
SCM and compliance including inventory	534								
Assets management	328								
Irregular expenditure, Fruitless and wasteful	285								
Corporate Governance (one audit per year)	80								
Human resource and performance management	250								
Strategic planning and Quarterly performance information (AOPO)	250								
Operational audits (including Technical audits and projects) (two audits per year)	300								
Other Compliance matters	220								
Follow-up audits	150								
Combined Assurance Audits (review of interim and annual financial statement)	200								
ITC audits (all types of controls at least two audits per year)	300								
At least 4 Ad hoc/Special audits	350								
Internal Audit Plan	40								
Auditor and board meetings (10 meetings per annum with the maximum of 3 hours per meeting)	60								
Enterprise wide risk management	120								
Interim and Annual stock take	80								
Other	250								
Total	4 889								
VAT									
Total Budget									

The above audits are the minimum requirements, however you are allowed to be innovative without reducing the scope of work.

Overberg Water Board		Internal Audit costing							
Audit Area	Actual hours	Budgeted hours	Budgeted Amounts	Budgeted hours	Budgeted Amounts	Budgeted hours	Budgeted Amounts	Total Budgeted hours	Total Budgeted Amounts
	2021	Year 1		Year 2		Year 3			
<i>Please estimate the hours and amounts for the next three years. The actual hours provide a guideline to estimate the future. Whether you decide to increase or decrease the number of hours the scope of work can not change. We still expect you to cover four quarters per audit particularly on transaction related audits and AOPO.</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:

2.1 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 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 risk.

2.2 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 (duly authorized)

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

3 DECLARATION

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

4

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

SBD 6.1

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

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

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

1. GENERAL CONDITIONS

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

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

-the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

(Delete whichever is not applicable for this tender).

- a. The applicable preference point system for this tender is the 90/10 preference point system.
- b. The applicable preference point system for this tender is the 80/20 preference point system.
- c. Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS	
BEE POINTS	
Total points for Price and SPECIFIC GOALS	100

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1 POINTS AWARDED FOR PRICE

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2 In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

Regarding paragraph 4.2(a) 50% of the 20/10 points will be allocated to promote this goal and points will be allocated in terms of the B-BBEE scorecard as follows

B-BBEE Status Level of Contributor	Number of Points for Preference (80/20)	Number of Points for Preference (90/10)
1	10	5
2	9	4.5
3	7	3
4	6	2.5
5	4	2
6	3	1.5
7	2	1
8	1	0.5
Non-compliant contributor	0	0

Regarding paragraph 4.2(b) 50% of the 20/10 points will be allocated to promote this goal. Points will be allocated as follows:

A tenderer failing to submit proof of required evidence to claim preferences for other specified goals, which is in line with section 2 (1) (d) (ii) of the Act. may only score in terms of the 80/90-point formula for price; and scores 0 points for the relevant specific goals where the supplier or service provider did not stipulate locality.

Specific Goal	Number of Points for Preference (80/20)	Number of Points for Preference (90/10)
100% Women Group owned	5	2.5
100% Black Designated Group owned	3	1.5
Within the boundaries of the Western Cape	2	1

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3 Name of company/firm.....

4.4 Company registration number:

4.5 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

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

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

QUOTATION CONDITIONS

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

1. No quotation will be considered unless submitted on the official Contract Form together with all Returnable Schedules duly completed and signed.
2. Quotations can 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 a quotation which is not substantially or materially different from the Specification.
5. Overberg Water is not obliged to accept the lowest or any quotation.
6. Overberg Water shall not consider quotations which are received after the closing date and time for such quotations.
7. Overberg Water will not be held responsible for any expenses incurred by suppliers in preparing and submitting quotations.
8. Overberg Water may, after the closing date, request additional information or clarification from suppliers, in writing.
All enquiries regarding this bid must be in writing only, and must be directed to Edward Nwamafela/Nompumelelo Khumalo– Supply Chain Management Unit, e-mail address [:enwamafela@overbergwater.co.za/ nkhumalo@overbergwater.co.za](mailto:enwamafela@overbergwater.co.za).
9. Any quotation 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 may request in writing, and after the closing date, that his or her quotation 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 in such a written request for withdrawal.
11. All suppliers submitting quotations must be registered on National Treasury Central Supplier 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 Database please contact the helpdesk at 012 – 4069222 or email csd@treasury.gov.za
12. If the supplier is an employer as defined in the Compensation for Occupational Injuries and Diseases Act, Act 130 of 1993 (COIDA), the supplier shall submit either a Letter of Good Standing issued by the Compensation Commissioner in terms of the COIDA, confirming that the supplier is registered as an employer in terms of the COIDA; or confirmation of cover with a licensed compensation insurer for the full extent of the supplier'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. Suppliers are required to complete all declarations in the Returnable Schedules attached hereto, failing which the quotation may be declared non-responsive.
16. An 80/20 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:

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

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:

- a) Points will be awarded to tenderers who are eligible for preferences in respect of B-BBEE contribution in terms of Returnable Schedule 3: Preferencing Schedule.
- b) The terms and conditions of Schedule 3 shall apply in all respects to the quotation evaluation process and to any subsequent contract.
- c) A maximum of 20 quotation evaluation points will be awarded for preference to suppliers 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 **10** 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 (80/20)	Number of Points for Preference (90/10)
1	10	5
2	9	4.5
3	7	3
4	6	2.5
5	4	2
6	3	1.5
7	2	1
8	1	0.5
Non-compliant contributor	0	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.

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.

1. Acceptance/Contract Commencement and purchase orders

The supplier's offer will be accepted by Overberg Water when a purchase order and/or letter of appointment is issued to the supplier. The date of issue of the purchase order and/or letter of appointment shall be the commencement date of the contract. The supplier 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.

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 suppliers 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. Suppliers 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 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 in terms of this contract, the supplier shall effect and maintain the following insurances:

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

5.2 The supplier shall be obliged to furnish Overberg Water with proof of such insurance

