



# **GOVAN MBEKI MUNICIPALITY**

## **SUPPLY CHAIN MANAGEMENT POLICY**

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## 1. **PREAMBLE**

Whereas Section 217(1) of the Constitution of the Republic of South Africa, Act 108 of 1996, (as amended) and Section 112(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003, requires all organs of state in the national, provincial or local spheres of government and any other institution identified in national legislation to have a procurement policy system which is fair, equitable, transparent, competitive and cost effective.

And whereas Section 217 (22) of the Constitution of the Republic of South Africa and MFMA 97 of 1996 LGTA Second Amendment MFMA stipulates that a municipality must, in accordance with a framework prescribed by National legislation, in awarding contract give preference to the protection of or advancement of persons categories of person disadvantaged by unfair discrimination, and shall make the granting of such preferences public in the manner determined by the municipality.

The policy seeks to:

- Give effect to legislation as set out above.
- Ensure that public funds are spent in such a way that all segments of the South African population benefit from such expenditure.
- Address the imbalances of the past through the procurement processes of Council's structures.
- Strike a balance between empowering Historically Disadvantaged Individuals (HDI's) and value for money procurement.
- Stimulate and promote local economic development.
- Promote small and emerging business, especially locally based enterprise.
- To obtain the best services and products at the most competitive prices.

## 2. DEFINITIONS

In this policy document, unless the context otherwise indicate, a word or expression to which a meaning has been assigned in the MFMA has the same meaning as in the MFMA and:

<b><i>“Acceptable bid”</i></b>	means any bid which in all respects complies with the specifications and conditions of bid set out in a call for bid document
<b><i>“Aspirant vendor”</i></b>	means any potential supplier of goods or services who aspires to do business with the municipality
<b><i>“Aspirant preference vendor”</i></b>	means any aspirant vendor who claims preference in accordance with the policy
<b><i>“Bid”</i></b>	means tender, quotation or proposal received from an aspirant or aspirant preference vendor
<b><i>“Competitive bid”</i></b>	means a bid adjudicated in an unbiased, transparent and competitive manner;
<b><i>“Competitive bidding process”</i></b>	means a competitive bidding process referred to: A competitive bidding process for:  a) procurement above a transaction value of R 200 000 (VAT included); and b) procurement of long term contracts.
<b><i>“Closing time and/or date”</i></b>	means the time and date stated in a bid document to be the deadline for the submission of such a bid;
<b><i>“Contender”</i></b>	means any aspirant vendor who has submitted a bid to supply goods or provide a professional service of any nature to or for the municipality
<b><i>“Contender score”</i></b>	means the arithmetical sum of the preference point and the pricing point
<b><i>“Contract”</i></b>	means an agreement between a vendor and the municipality in terms of which the vendor will supply goods, carry out work or provide a professional service to or for the municipality
<b><i>“Contract sum”</i></b>	means the total amount including VAT to be paid to a vendor for goods or services arising from a particular bid, on completion of a contract or delivery of goods

<b><i>“Final award”</i></b>	in relation to bids or quotations submitted for a contract, means the final decision on which the bid or quote is to be accepted
<b><i>“Formal written price quotation”</i></b>	is a quotation for procurement of a transaction value over R10 000 up to R200 000 (VAT included)
<b><i>“Historically Disadvantaged Individual (HDI)”</i></b>	<p>means a South African citizen who, due to the ‘apartheid’ policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, Act 110 of 1983 or the Constitution of the Republic of South Africa, Act 200 of 1993 “the Interim Constitution”; and/or</p> <ul style="list-style-type: none"> <li>- who is a female; and/or</li> <li>- who has a disability</li> </ul> <p>Provided that a person, who obtained South African citizenship on or after the coming into effect of the Interim Constitution, is deemed not to be a HDI;</p>
<b><i>“In the service of the State”</i></b>	<p>means to be-</p> <ul style="list-style-type: none"> <li>(a) a member of: <ul style="list-style-type: none"> <li>(i) any municipal council;</li> <li>(ii) any provincial legislature; or</li> <li>(iii) the National Assembly or the National Council of Provinces;</li> </ul> </li> <li>(b) a member of the board of directors of any municipal entity;</li> <li>(c) an official of any municipality (including the Govan Mbeki Municipality) or municipal entity;</li> <li>(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution with in the meaning of the Public Finance Management Act, Act 1 of 1999;</li> <li>(e) a member of the accounting authority of any national or provincial public entity; or</li> <li>(f) an employee of Parliament or a provincial legislature</li> </ul>
<b><i>“Long term contract”</i></b>	means a contract with a duration period exceeding one year
<b><i>“List of accredited prospective providers”</i></b>	means the list of accredited prospective providers which the Govan Mbeki Municipality or its entity must keep in terms of Regulation 14

<b><i>“Other applicable legislation”</i></b>	means any other South African legislation applicable to Municipal Supply Chain Management, including but not limited to: <ul style="list-style-type: none"> <li>(a) the Preferential Procurement Policy Framework Act, Act 5 of 2000, and its regulations;</li> <li>(b) the Broad-Based Black Economic Empowerment Act, Act 53 of 2003;</li> <li>(c) The Construction Industry Development Board Act, Act 38 of 2000; and</li> <li>(d) The Municipal Finance Management Act, Act 56 of 2003</li> </ul>
<b><i>“Open competition”</i></b>	means the process of obtaining bids without any pre-selection of aspirant vendors
<b><i>“Preference premium”</i></b>	means the difference in Rand value, including VAT, between the contract sum and the lowest acceptable bid received
<b><i>“PPPFA”</i></b>	means the Preferential Procurement Policy Framework Act, Act 5 of 2000 and its regulations
<b><i>“Preferential procurement”</i></b>	means the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, Act 5 of 2000 as published in the Government Gazette
<b><i>“Preference point”</i></b>	means the accredited points awarded to a bid in accordance with its claim for preference
<b><i>“Pricing point”</i></b>	means the points awarded to a bid in accordance with its contract sum relative to the contract sum of the lowest acceptable bid
<b><i>“Procurement preference”</i></b>	means one contender being given preference over another as a results of the application of this policy
<b><i>“Procuring officer”</i></b>	means any person commissioned by the Govan Mbeki Municipality to prepare and request a particular bid, and may be an individual or an organization
<b><i>“Regulations”</i></b>	means the Govan Mbeki Municipality Preferential Procurement Regulations
<b><i>“Request for bid”</i></b>	means a request for a quotation, an advertisement of bid or a call for proposals to supply goods, carry out work or provide a professional service of any nature to or for the municipality

<b><i>“Responsive contender”</i></b>	means a contender who has submitted an acceptable tender, quotation or proposal
<b><i>“Selective competition”</i></b>	means competition on price where aspirant vendors have been pre-selected on the basis of technical competence vis-à-vis the procurement being contemplated
<b><i>“Successful preferential vendor”</i></b>	means an aspirant preference vendor whose bid has been accepted as a result of preferences applied in terms of the preferential procurement policy.
<b><i>“Treasury Guidelines”</i></b>	means any guidelines on supply chain management issued by the Minister in terms of Section 168 of the MFMA.
<b><i>“The MFMA”</i></b>	means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
<b><i>“Written or verbal quotations”</i></b>	means quotations for procurements of a transaction value over R2 000 but not exceeding R10 000 (VAT included).
<b><i>“Broad-Based Black Economic Empowerment”</i></b>	<p>means the economic empowerment of all black people through diverse but integrated socio-economic strategies that includes, but are not limited to:</p> <ul style="list-style-type: none"> <li>- Increasing the number of black people that manage, own and control enterprises and productive assets;</li> <li>- Facilitate ownership and management of enterprise and productive assets by communities, workers, co-operatives and other collective enterprises</li> <li>- Human resources and skills development</li> <li>- Achieving equitable representation in all occupational categories and levels in the work force; and</li> <li>- Preferential procurement; and</li> <li>- Investment in enterprises that are owned or managed by black people</li> </ul>
<b><i>“Black people”</i></b>	is a generic term which means Africans, Coloureds and Indians who are South African citizens.
<b><i>“Specification Committee”</i></b>	is the committee responsible for the compilation of bid specifications
<b><i>“Evaluation Committee”</i></b>	is the committee responsible for the evaluation of bids received, which shall include verification of:

- The capability/ability of the bidder to execute the contract
- Tax clearance certificate issued by the South African Revenue Services
- Payment of any municipal fees, levies and other charges as prescribed by the municipality
- National industrial participation programme requirements (only applicable for contracts in excess of R10 million)
- Check validity of CIPRO certificates and BEE status

***“Bid Adjudication Committee”***

is the committee that could make the final award of the bid, or make recommendations to the Accounting Officer to make the final award.

**3. GENERAL PROCUREMENT GUIDELINES**

**3.1 Departmental purchases**

3.1.1 Goods and Services

In order to facilitate the speedy processing of purchases, Council in terms of its delegated powers, authorized the departmental purchases up to R200 000. Departmental purchases shall be dealt with as follows;

- 3.1.1.1 Purchases up to R1 000 per transaction one telephonic quotation, approval by senior official minimum post level 6 and upwards
- 3.1.1.2 For purchases above R1 000 not exceed R5 000 per transaction two written quotation must be obtained, approval by senior official minimum post level 6 up to Director
- 3.1.1.3 For purchases above R5 000 not exceeding R20 000, at least three written quotations must be obtained, approval by senior official minimum post level 4 up to Director
- 3.1.1.4 For purchases above R20 000 not exceed R50 000, at least three written quotation and approval of the Director and the Chief Financial Officer should be obtained
- 3.1.1.5 For purchases above R50 000 up to R200 000 (VAT excluded) at least three written quotations and approval of the Director, Chief Financial Officer and the Municipal Manager should be obtained. All purchases in excess of R30 000 (VAT included) should be advertised on the official municipal notice board and web site for at least seven working days.

### **3.2 Delegation of supply chain management powers and duties**

3.2.1 Council hereby delegates all powers and duties to the Accounting Officer which are necessary to enable the Accounting Officer:

- (a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of-
  - (i) Chapter 8 or 10 of the MFMA; and
  - (ii) the supply chain management policy;
- (b) to maximize administrative and operational efficiency in the implementation of the supply chain management policy;
- (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of the supply chain management policy; and
- (d) to comply with his or her responsibilities in terms of Section 115 and other applicable provisions of the MFMA.

3.2.2 Supply chain management powers or duties will exclusively fall to the officials of the municipality nominated by the Accounting Officer.

3.2.3 This paragraph must not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding otherwise than through the committee system.

### **3.3 Sub delegations**

3.3.1 The Accounting Officer may in terms of Section 79 or 106 of the MFMA sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this policy, but any such sub-delegation must be consistent with subparagraph 3.2 of this policy.

3.3.2 The power to make a final award:

- (a) Above R10 million (VAT included) may not be sub-delegated by the Accounting Officer;
- (b) Above R200 000 (VAT included), but not exceeding R10 million (VAT included), may be sub-delegated but only to a adjudication committee of which the Chief Financial Officer or a senior manager is a member.

3.3.3 An official or bid adjudication committee to which the power to make final awards has been sub-delegated must within five days of the end of each month submit to the Accounting Officer official a written report containing

particulars of each final award made by such official or committee during that month, including:

- (a) the amount of the award;
- (b) the name of the person to whom the award was made; and
- (c) the reason why the award was made to that person.

3.3.4 A written report referred to in subparagraph 3.3.3 must be submitted to the Accounting Officer, in the case of an award by

- (a) a bid adjudication committee of which the Chief Financial Officer is a member of.
- (b) this written report should be submitted within five days at the end of each month.

3.3.5 This paragraph (3.3) may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system.

3.3.6 No supply chain management decision-making powers may be delegated to any person who is not an employee of the municipality.

### **3.4 Records of sales and purchases**

Records of all obtained quotations shall be kept by the Finance Department and bids (hard copy and computer/electronic) by the Records Section under Corporate Services

### **3.5 Database for Quotations**

For the purpose of calling for quotations, a database must be drawn up as set out in the implementation manual of this policy by the Finance Department.

## **4. PERSONS BARRED FROM SERVING ON MUNICIPAL TENDER COMMITTEES**

4.1 Councilors are prohibited to participate in any bid or bid committee or any other committee evaluating or approving bids, quotations, contracts or other bids, nor attend any such meeting as an observer.

4.2 The following offences will render people to be barred from participating in the bidding process:

- (a) convicted for fraud or corruption during the past five years;

- (b) who willfully neglected, reneged on or failed to comply with a government contract during the past five years;
- (c) whose tax matters are not cleared by South African Revenue Services;
- (d) if municipal account is not up to date;
- (e) withholding of disclosure of interest.

## **5. THE OVERSIGHT ROLE OF THE COUNCIL**

- 5.1 Council must maintain oversight over the implementation of this supply chain management policy.
- 5.2 For the purpose of such oversight the Accounting Officer must-
  - (a) within 30 days of the end of each financial year, submit a report on the implementation of the policy to Council.
  - (b) whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to Council.
- 5.3 The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the policy to the Executive Mayor's Meeting and Council.
- 5.4 The reports must be made public in accordance with Section 21 of the Local Government System Act, Act 32 of 2000.

## **6. PREFERENTIAL PROCUREMENT**

### **6.1 Giving effect to the objectives of the preferential procurement policy**

In order to give effect to the objections of this policy this Council supports measures to make the bid process more accessible to HDI's and small, medium and micro enterprises (SMME's). Consideration must be given to the relaxation of certain criteria. The Accounting Officer will have the right to deviate from this policy in pursuit of implementing the Black Economic Empowerment Act, Act 53 of 2003. Detail thereof will be covered in the implementation manual

### **6.2 Proudly SA Campaign**

The Govan Mbeki Municipality will support the Proudly South Africa Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from:

- Firstly suppliers and businesses within the Govan Mbeki Municipality
- Secondly suppliers and business within the Gert Sibande District Municipality

- Thirdly suppliers and businesses within the Mpumalanga Province
- Fourthly suppliers and businesses within the Republic of South Africa or outside

### **6.3 Bid documentation for competitive bids**

The municipality requires that all bid documentation criteria for a competitive bidding process must comply with the following:

6.3.1 take into account:

- (a) the general condition of the contract;
- (b) any Treasury guidelines on bid documentation; and
- (c) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure.

6.3.2 includes evaluation and adjudication criteria, including any criteria required by other applicable legislation;

6.3.3 compels bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;

6.3.4 if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish-

- (a) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements:
  - (i) for the past 3 (three) years; or
  - (ii) since their establishment if established during the past three years
- (b) A certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days
- (c) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract
- (d) A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from municipality or its entity is expected to be transferred out of the Republic

- (e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

#### **6.4 Preference Point System: Policy regarding weighting of goals**

- 6.4.1 In evaluating a tender two preference systems are prescribed that are:
  - (i) 80/20 system in respect of procurement with a value between R30 000 and R500 000; and
  - (ii) 90/10 system in respect of procurement with a value above R500 000 to R10 000 000.
- 6.4.2 maximum of 20 or 10 points, depending on the preference point system, may be awarded for specific goals. Points for specific goals is the sum of points scored for goals for the project as obtained at the time of tender by means of the declaration (Annexure B).
- 6.4.3 Over and above price, bids/quotations will be evaluated on the following specific goals:
  - Equity ownership by HDI
  - Local labour
  - Local enterprise
  - Equity ownership by women
  - Equity ownership by disabled
  - SETA accredited training
  - Emerging business/SMME
- 6.4.4. Preference will be given to local companies/contractors and if this is not possible 70% of the contract be reserved for local companies/contractors subject to capacity to perform
- 6.4.5 That the Preference Point System must also be applied for store purchases.

#### **6.5 Selection of preference point system**

Should bids be received both below and above R500 000, the point system stipulated in the tender document will apply. Should all tenders received be in the alternate category, the alternate preference point system will apply. This stipulation must be part of the bid conditions.

#### **6.6 Cancellation and re-invitation of bids**

- 6.6.1 In the event that, in the application of the 80/20 preference point system as stipulated in the bid document, all bids received exceed the estimated Rand value of R500 000, the tender invitation must be cancelled.

- 6.6.2 In the event that, in the application of the 90/10 preference point system as stipulated in the bid document, all tenders received are equal to, or below R500 000 the tender invitation must be cancelled.
- 6.6.3 If a bid invitation as contemplated in clauses 6.6.1 and 6.6.2 has been cancelled, bids must be re-invited and the bid document must stipulate the correct preference point system to be applied.
- 6.6.4 The municipality may, prior to the award of a bid, cancel a bid if –
- (a) due to changed circumstances, there is no longer a need for the goods, works or services offered,
  - (b) funds are no longer available to cover the total envisaged expenditure;  
or
  - (c) no acceptable bids are received.

## **7. SUPPLY CHAIN MANAGEMENT UNIT**

The training of officials involved in implementing the supply chain management policy must be in accordance with any treasury guidelines on supply chain management training.

## **8. TRAINING OF SUPPLY CHAIN MANAGEMENT OFFICIALS**

The training of officials involved in implementing the supply chain management policy should be in accordance with any Treasury guidelines on supply chain management training.

## **9. EVALUATION AND ALLOCATION OF BIDS/QUOTATIONS**

9.1 The bid specification, evaluation and adjudication process must be within the ambit of Section 217 of the Constitution and the Broad-Based Black Economic Empowerment Act, Act 53 of 2003 and its associated regulations.

### **9.2 Specification Committee**

- The specifications should be written in an unbiased manner to allow all potential bidders to offer their goods and or services.
- The Specification Committee may be compiled from officials of a department (i.e. the procurement department or the department requiring the goods or services), a committee appointed by the Accounting Officer or his/her delegate, one or more qualified officials or an external consultant under direction of the officials concerned.

### 9.3 **Evaluation Committee**

- Bids may only be evaluated in accordance with the criteria specified in the bid specifications.
- According to the prescripts of Section 2 of the Preferential Procurement Policy Framework Act, Act 5 of 2000, bids must be evaluated in accordance with a preference point system.
- Any specific goal for which a point may be awarded must be clearly specified in the invitation to submit a bid.
- The Evaluation Committee should be cross-functional and should be compiled from supply chain management practitioners and officials from user departments requiring the goods and service.
- This committee should evaluate all bids received and submit a report and recommendation(s) regarding the award of the bid(s) to the adjudication committee.
- Members of Evaluation Committee should not have any voting power on the Adjudication Committee.
- Only municipal officials (or technical expert if necessary or required) should serve in the Evaluation Committee.

### 9.4 **Adjudication Committee**

- The committee must be compiled from at least four senior officials of the municipality or municipal entity and should consider the report(s) and recommendation(s) made by the Evaluation Committee.
- The Evaluation Committee and Adjudication Committee must comprise of different members to ensure that a transparent review of the evaluation is undertaken.

### 9.5 The Adjudication Committee must:

- (a) accept the bid which in all the circumstances appears to be the most advantageous to the municipality, taking into consideration the objectives and stipulations of the preferential procurement policy; or
- (b) reject all bids.

### 9.6 The Evaluation Committee may allocate bid/quotations to the highest scoring offer, as calculated in terms of the preference point system of this policy.

### 9.7 The Evaluation Committee shall not accept a bid if:

- (a) there has been a failure to comply with the provisions of paragraph 3.7 of the implementation manual;
- (b) the bidder has canvassed or solicited or caused to be canvassed or solicited the support of any member sitting on the tender committee or employee of Council in favour of his or against any other tender;
- (c) the bid documentation has not been duly signed by the bidder; or
- (d) the bid does not comply with tender specifications.
- (e) the bid is received after the closing date and time as stated in the bid notice.

9.8 It remains the Adjudication Committee's prerogative to award a contract on reasonable and justifiable grounds to a bidder that did not score the highest number of points, whatever will be in municipality's best interest

- (a) Reasonable and justifiable grounds may include:-
  - (i) Extraordinary contracts (due to e.g. specialization).
  - (ii) Budgetary constraints.
  - (i) Poor service and performance on previous contracts.
  - (ii) Judgement on the potential on the lack of performance and capacity

9.9 Companies falsely claiming preference points may be penalized and excluded from tendering for five years, including the owners and shareholders of such companies.

9.10 Functionality and price base to be motivated when appropriate in cases of specialised and/or very big contracts, when functionality will be evaluated in terms of specifications before further evaluation of price and goals.

9.11 All companies that are awarded contracts should comply with the relevant labour legislation and the MFMA, within the ambits of sound labour practices.

9.12 Departmental reports shall indicate the cost of preferential procurement when reports are submitted to Council.

## **10. FORMAT OF SUPPLY CHAIN MANAGEMENT**

This supply chain management policy provides systems for-

- (i) demand management;
- (ii) acquisition management;
- (iii) logistics management;
- (iv) disposal management;
- (v) risk management; and
- (vi) performance management.

## **DEMAND MANAGEMENT**

### **11. SYSTEM OF DEMAND MANAGEMENT**

The Accounting Officer must establish through operational procedures, an effective system of demand management in order to ensure that the resources required in support the strategic and operational commitments are delivered at the correct time, at the right price and at the right location, and that the quantity and quality satisfy the needs.

## **ACQUISITION MANAGEMENT**

### **12. SYSTEM OF ACQUISITION MANAGEMENT**

12.1 The Accounting Officer must establish, though operational procedures, an effective system of acquisition management in order to ensure:

- a) that goods and services are procured by the municipality or municipal entity in accordance with authorised processes only;
- b) that expenditure on goods and services is incurred in terms of an approved budget in terms of Section 15 of the MFMA;
- c) that the threshold values for the different procurement processes are complied with;
- d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
- e) that any Treasury guidelines on acquisition management are properly taken into account.

12.2 This supply chain management policy, except where provided otherwise in the policy, does not apply in respect of the procurement of goods and services contemplated in Section 110(2) of the MFMA, including:

- a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
- b) electricity from Eskom or another public entity, another municipality or a municipal entity.

12.3 The following information must be made public wherever goods or services contemplated in Section 110(2) of the MFMA are procured other than through the supply chain management system:

- (a) the kind of goods or services; and
- (b) the name of the supplier.

### **13. RANGE OF PROCUREMENT PROCESSES**

13.1 The procurement of goods and services through this policy is provided by way of-

- a) Two verbal quotation for transaction value up to R2 000 (VAT included) should be obtained
- b) Three written quotations for procurements of a transaction value over R2 000 up to R10 000 (VAT included);
- c) Formal written price quotations for procurements of a transaction value over R70 000 up to R200 000 (VAT included); and
- d) a competitive bidding process for-
  - (i) procurements above a transaction value of R200 000 (VAT included); and
  - (ii) the procurement of long term contracts.

13.2 The Accounting Officer or Chief Financial Officer may, in writing:

- (a) lower, but not increase, the different threshold values; or
- (b) direct that
  - (i) verbal quotations be obtained for any specific procurement of a transaction value lower than R1 500,
  - (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R10 000 and above R1 500;
  - (iii) a competitive bidding process be followed for any specific procurement of a transaction value above R200 000.

13.3 Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

# IMPLEMENTATION MANUAL

## 1. HOW TO APPLY THE PREFERENCE POINT SYSTEM

### 1.1 Criteria

- The municipality, in the bid document must stipulate the preference point system which will be applied in the adjudication of bids.
- The criteria for the allocation of points as set out in the policy are as follows:-

TABLE 1

<b>80/20</b>	<b>90/10</b>
80 pts - price	90 pts - price
15 pts - equity ownership by HDI's	5 pts - equity ownership by HDI's
1 pt - local labour	1 pt - local labour
0,5 pt - local enterprise	0,5 pt - local enterprise
2 pts - equity ownership by women	1 pts - equity ownership by women
1 pt - equity ownership by disable	1 pt - equity ownership by disable
0,5 pt - emerging business/SSME	1 pt - SETA accredited training
	0,5pt - emerging business/SSME

### 1.2 Calculation points for price (Ps)

1.2.1 General formula: 
$$Ps = A \left( 1 - \frac{(Pt - Pmin)}{Pmin} \right)$$

- Ps : Points scored for price by tender/quote under consideration.
- 1 : Max points for price.
- Pmin : Rand value of lowest acceptable tender price of lowest acceptable tender.
- Pt : Rand value of offer/tender under consideration.

1.2.2 An 80/20 approach be followed for contracts from R70 000 up to and including R200 000 and

1.2.3 An 90/10 approach be followed for contracts above R200 000

1.2.4 The point system stipulated in the tender documents, will be applied if bids are received both below and over R200 000, and if all bids received are in the alternate category, the alternate system will apply.

### **1.3 Calculation of preference point system**

This point system must be used for acquiring of goods and/or services, sale and letting of assets. Points for specific goals are the sum of points scored for goals, based on the 80/20 or 90/10 system. Based on the information supplied by the supplier/service provider in Annexure B the points are calculated as follows:

#### **1.3.1 80/20 System**

##### **1.3.1.1 Historically Disadvantaged Individuals -15 points**

Equity ownership by HDI's (0 - 15 points), 15 points for 100% HDI ownership and progressively less for lower percentage HDI ownership.

##### **1.3.1.2 Local Labour – 1 Point**

Use of local labour (0 – 1 point), 1 point for 100% labour being local, and progressively less for lower percentage.

##### **1.3.1.3 Local Enterprise – 0.5 Points**

Local enterprise	0–0.5 points
Mpumalanga Province	0.1 point
Gert Sibande District	0.2 points
Govan Mbeki Municipal Area	0.5 points

##### **1.3.1.4 Women – 2 points**

Equity ownership by black women (0 - 2 points), 2 points for 50% and above ownership by women and progressively less for lower percentage ownership.

##### **1.3.1.5 Disabled – 1 point**

Equity ownership by disabled (0–1 point), 1 point for any % ownership by disabled person/s.

##### **1.3.1.6 Emerging Businesses – 0.5 points**

Emerging business/SMME (0–0.5 point), 0.5 point allocated for bidders complying with the definition and SMME's categorized as micro, small or medium.

### 1.3.2 **90/10 System**

#### 1.3.2.1 **Historically Disadvantaged Individuals – 5 points**

Equity ownership by HDI's (0 - 5 points), 5 points for 100% HDI ownership and progressively less for lower percentage HDI ownership.

#### 1.3.2.2 **Local Labour – 1 point**

Use of local labour (0 – 1 point) 1 point for 100% labour being local, and progressively less for lower percentage.

#### 1.3.2.3 **Local Enterprise - 0.5 points**

Local enterprise	(0-0.5 points)
Mpumalanga Province	0.1 point
Gert Sibande District	0.2 points
Govan Mbeki Municipal Area	0.5 points.

#### 1.3.2.4 **Women – 1 point**

Equity ownership by women (0 - 1 point), 1 point for 50% and above ownership by women and progressively less for lower ownership.

#### 1.3.2.5 **Disabled – 1 point**

Equity ownership by disabled (0 – 1 point) 1 point for any % ownership by disabled person/s.

#### 1.3.2.6 **SETA Accredited Training and Skills Transfer – 1 point**

SETA accredited training and skills transfer (0 - 1 point), 1 point for the most training offered, compared to other bidders for the contract under consideration.

#### 1.3.2.7 **Emerging Businesses 0,5 points**

Emerging business/SMME (0 – 0.5 point) 0.5 points allocated for bidders complying with the definition and SMME's categorized as micro, small or medium.

### 1.4 **Total Points (Pt)**

Total points (Pt) are the sum of points for price (Ps) and points for goals (Pg).

## 2. **QUOTATION PROCEDURES**

### 2.1 **Lists of accredited prospective providers**

#### 2.1.1 The Accounting Officer must-

- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the through written or verbal quotations and formal written price quotations; and

- (b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
- (c) specify the listing criteria for accredited prospective providers; and
- (d) not allow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.

2.1.2 The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

2.1.3 The list must be compiled per commodity and per type of service, including receipts and appropriate documents for each purchase.

## **2.2 Procedures for procuring goods or services through written or verbal quotations and formal written price quotations**

The Accounting Officer must determine the operational procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, which must stipulate-

- (a) that all goods and/or services in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, be advertised for at least seven days on the website and an official notice board of the municipality or its entity;
- (b) that when using the list of accredited prospective providers the Accounting Officer must promote ongoing competition amongst providers, including by inviting providers to submit quotations on a rotation basis;
- (c) that the Accounting Officer must take all reasonable steps to ensure that the procurement of goods and services through written or verbal quotations or formal written price quotations is not abused;
- (d) that the Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation; and
- (e) requirements for proper record keeping.

## **2.3 Procurement of banking services**

### 2.3.1 Banking services-

- (a) must be procured through competitive bids;
- (b) may not be for a period of more than five years at a time.

2.3.2 The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

2.3.3 The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper. Bids must be restricted to banks registered in terms of the Banks Act, Act 94 of 1990.

## **2.4 Procurement of IT (Information Technology) related goods or services**

2.4.1 The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.

2.4.2 Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

2.4.3 The Accounting Officer must notify SITA together with a motivation of the IT needs if-

- (a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
- (b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

2.4.4 If SITA comments on the submission and the municipality disagrees with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the Council, the National Treasury, the relevant provincial treasury and the Auditor General.

## **2.5 Procurement of goods necessitating special safety arrangements**

2.5.1 The acquisition and storage of goods in bulk (other than water) which necessitate special safety arrangements, including gasses and fuel, should be avoided wherever possible.

2.5.2 Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the Accounting Officer.

The table hereunder is an example of the various categories of contractors/ suppliers to be provided for in the database:-

**TABLE 2: CATEGORIES FOR PREFERENTIAL PROCUREMENT QUOTES**

<b>Construction</b>	<b>Services (non- professional)</b>	<b>Services (professional)</b>	<b>Supplies</b>
Brickwork/Masonry Cabinet/Furniture making Carpeting/Tiling/Floor covering Ceilings, Partitioning and Shopfitting Concrete works Demolition Fencing General building work General electric work Glazing Painting Paving Plastering Plumbing Precast concrete manufacture Civil engineering works <i>(Additional categories may be added as and when necessary)</i> Electrical Engineering Mechanical Engineering	Cleaning services Printing services Lawn Mowing		Bricks Timber Building material Hardware Clothing Furniture Office supplies & stationery Medicine for clinics Paint supplies

Specialised Services: Bulk Supply (Civil, Electrical, Mechanical and Building)

Non Specialised Services: All the rest

## **2.6 Modus operandi for preparing a database**

2.6.1 A notice shall be placed in the press quarterly inviting all contractors/suppliers that wish to render a service, supply goods or services or carry out construction work, to register to the municipality's database by completing the enclosed registration form. The registration form must be certified.

2.6.2 Registration and updating of information will be a continuous process.

2.6.3 The official web-site of the municipality must also be used as a medium to invite contractors/suppliers to register.

## **2.7 Use of a database**

2.7.1 The database will indicate the various categories of contractors/suppliers in order to facilitate the process of inviting quotations.

2.7.2 Contractors/suppliers that have registered to the municipality's database will be approached for quotations. Quotes may be obtained from contractors/suppliers outside the database if deemed in the interest of the municipality.

2.7.3 Where too many database contractors/suppliers occur in a category, they may be invited to quote on a rotational basis.

## **2.8 General preconditions for consideration of written quotations or bids**

A written quotation or bid may not be considered unless the provider who submitted the quotation or bid-

2.8.1 has furnished that provider's:

- (a) full name;
- (b) identification number or company or other registration number; and
- (c) tax reference number and VAT registration number, if any;

2.8.2 has authorized the municipality to obtain a tax clearance from South African Revenue Services that the provider's tax matters are in order; and

2.8.3 has indicated:

- (a) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
- (b) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
- (c) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (b) is in the service of the state, or has been in the service of the state in the previous twelve months.

### **3. BID PROCEDURES**

#### **3.1 Duty to plan for invitation of bids**

3.1.1 The municipality must prior to making an invitation for bids:

- (a) properly plan for, and as far as possible, accurately estimate the cost of the provision of services, works for goods for which an invitation for bids is to be made.
- (b) determine the appropriate preference point system to be utilized in the evaluation of bids.

#### **3.2 Public invitation for competitive bids**

3.2.2 The Accounting Officer must determine the procedure for the invitation of competitive bids, which must stipulate that:

- (a) any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or its entity or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and
- (b) the information contained in a public advertisement, must include-
  - (i) the nature of the proposed contract;
  - (ii) particulars of such contract as deemed fit;
  - (iii) that all bids for such contract shall be submitted in a sealed envelope upon the outside whereof is clearly stated that such envelope contains a tender and the contract for which such tender is being submitted;
  - (iv) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature (more than 12 months) or 14 days in any other case, from the date on which the advertisement is placed in a newspaper;
  - (v) the place where and the hour and day when such bids will be opened; and
  - (vi) that the bid committee reserves the right to accept bids either wholly or in part, or not to accept any bid.

(vii) a statement that bids may only be submitted on the bid documentation provided by the municipality or its entity.

3.2.3 The Accounting Officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical impossible to follow the official procurement process.

3.2.4 Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

3.2.5 Bids Advertisements

(a) Notices inviting bids, shall be prepared in English, shall be placed in either one of the following local and national papers or which ever is more beneficial to municipality:

- (i) Ridge Times
- (ii) The City Press
- (iii) Government Tender Bulletin
- (iv) HBDC
- (v) Municipality's web-site

(b) Specialized services shall be advertised in all the abovementioned newspapers.

(c) Notices shall appear on notice boards at municipal facilities.

### **3.3 Accessibility of bid procedures**

3.3.1 Bid procedures shall be made more accessible to all contractors and service providers by:

- (a) Improving access to bid information through advertising bids in local newspapers.
- (b) Displaying bid notices/results on notice boards in selected municipal buildings, libraries, HBDC, etc.
- (c) Conducting public bid closings, where tenders received are announced.
- (d) Distributing bid information to accredited tender advice centres.
- (e) Establishing a bid advice centre where general bid advice could be provided
- (f) The unbundling/breaking down of bid projects and contracts where appropriate.

### **3.4 Simplification of bid requirements**

3.4.1 The municipality will simplify its bid submission requirements by:-

- (a) restructuring the format of bids;
- (b) including all adjudication criteria in bid documentation;
- (c) devising a standard preamble/set of bid conditions;
- (d) unbundling contracts where appropriate; and
- (e) appointing sub-contractors in line with the policy.

### **3.5 Bid deposits**

3.5.1 Bid document deposits are as follows, and will be reviewed annually with the consideration of budget tariffs:-

- (a) Small and medium projects (R70 001 – 1 000 000) = R150,00
- (b) Large projects (R1 000 001 and above) = R250,00

### **3.6 Emergency Procurement Provisions**

3.6.1 The municipality may dispense with the calling of bids if the execution of such work or the supply or sale of such goods, or materials is so urgent that it would not be in the interest of the municipality to invite bids.

3.6.2 The conditions, warranting emergency/urgent procurement should include one or more of the following or there should be an imminent danger of it about to happen:

- (a) The interruption of essential services, including transportation and communications facilities or support services critical to the effective functioning of the organization as a whole.
- (b) The possibility of serious damage occurring to the natural environment.
- (c) The possibility of human injury or death.
- (d) The prevalence of human suffering or deprivation of rights.
- (e) The possibility of damage to property, or suffering and death of livestock and animals.

- (f) The possibility that the security of the municipality could be compromised.
- (g) The possibility that failure to take the necessary action, may result in the municipality not being able to render an essential community service.
- (h) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for normal procurement systems to be used.
- (i) Available details of the nature and extent of the work and services required should be insufficient to permit and accelerated, or normal procurement system to be used.
- (j) Substantial financial loss to the municipality.

3.6.3 At least three quotations should be obtained failing which, reasons should be provided as to why it is not possible to obtain the required number of quotes.

3.6.4 The contract should be adjudicated as with any other contract and targeted procurement.

### **3.7 Opening of bids**

3.7.1 No faxed bids, telegrams, e-mails or unsealed bids shall be considered.

3.7.2 At the closing hour and place stated in the bid notice, the Director Corporate Services, or his nominee, shall -

- (a) reject all envelopes and telegraphic bids which were not received after the closing hour as stated in the tender notice;
- (b) publicly open all envelopes not rejected;
- (c) open the envelopes at the same time and as soon as possible after the period for the submission of bids has expired;
- (d) reject all telegraphic bids which do not comply with the above provisions;
- (e) endorse on all bids the date and hour of the opening thereof and initial such endorsements, and
- (f) cause a list of the names of all persons who have submitted bids which have not been rejected, to be made and posted in a conspicuous place at the municipal office.

3.7.3 The Director Corporate Services must-

- (a) record in a register all bids received in time;
- (b) make the register available for public inspection; and
- (c) publish the entries in the register and the bid results on the website.

### **3.8 General Conditions**

3.8.1 For specific industries ( identified by the Department of Trade and Industry), where the award of bids to local manufacturers are of critical importance, such bids may be advertised with a specific bids condition that only locally manufactured products will be considered.

3.8.2 Only a bidder who has completed and signed the declaration part of the bid documentation may be considered for preference points.

3.8.3 The municipality may, before a bid is adjudicated and at any time, require a bidder to substantiate claims it has made with regard to preference.

3.8.4 The municipality must, when calculating comparative process, take into account any discounts which have been offered unconditionally.

3.8.5 A discount which has been offered conditionally must, despite not being taken into account for evaluation purposes, be implemented when payment is effected

### **3.9 Principles**

- In the event that the percentage equity ownership by an HDI changes after the closing date of the bid, the bidder must notify the municipality of the changes.
- If the percentage ownership by an HDI increases the bidder will not be eligible for any additional preference points.
- Should the percentage equity ownership by an HDI decrease, the preference points for equity ownership will be reduced accordingly.
- A person awarded a contract as a result of preference for Broad-Based Black Economic Empowerment may not subcontract more that 25% of the contract to a person who does not qualify for such preference.

### **3.10 Declarations**

A bidder must, in the stipulated manner, declare that:

- the information provided is true and correct;
- the signatory to the tender document is duly authorised;
- documentary proof regarding any tendering issue will, when required, be submitted to the satisfaction of the relevant organ of state.

### **3.11 Penalties**

3.11.1 The municipality, upon detecting a preference in terms of the MFMA and these regulations has been obtained on a fraudulent basis, or any of the Government's Broad-Based Black Economic Empowerment objectives are not attained in the performance of the contract, act against the person awarded the contract.

3.11.2 The municipality may in addition to any other remedy it may have against the person contemplated in (3.11.1):

- (a) recover all cost, losses or damages it has incurred or suffered as a result of that person's conduct;
- (b) cancel the contract and claim any damages which it has suffered as a result of having to make less favorable arrangements due to such cancellation; and
- (c) impose a financial penalty more severe than the theoretical financial preference associated with the claim which was made in the bid.

### **3.12 Deviation from and ratification of minor breaches of, procurement processes**

3.12.1 The Accounting Officer may-

- (a) Dispense with the official procurement processes established by this policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only:
  - (i) in an emergency;
  - (ii) if such goods or services are produced or available from a single provider only;
  - (a) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
  - (iii) acquisition of animals for zoos and/or nature and game reserves; or
  - (iv) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
- (b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

3.12.2 The Accounting Officer must record the reasons for any deviations in terms of subparagraphs (1) (a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.

### **3.13 Unsolicited bids**

- 3.13.1 In accordance with Section 113 of the MFMA there is no obligation to consider unsolicited bids received outside a normal bidding process. The municipality may consider unsolicited bids.
- 3.13.2 The Accounting Officer may decide in terms of Section 113(2) of the MFMA consider an unsolicited bid, only if:
- (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
  - (b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
  - (c) the person who made the bid is the sole provider of the product or service; and
  - (d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- 3.12.3 If the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) the decision must be made public in accordance with Section 21 of the Local Government: Municipal Systems Act, Act 32 of 2000, together with:
- (a) reasons as to why the bid should not be open to other competitors;
  - (b) an explanation of the potential benefits if the unsolicited bid were accepted; and
  - (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- 3.12.4 All written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, must be submitted to the National Treasury and the relevant provincial treasury for comment.
- 3.12.5 The Adjudication Committee must consider the unsolicited tender and may award the tender or make a recommendation to the Accounting Officer, depending on its delegations.
- 3.12.6 A meeting of the Adjudication Committee to consider an unsolicited bid must be open to the public.
- 3.12.7 When considering the matter, the Adjudication Committee must take into account:
- (a) Any comments submitted by the public; and
  - (b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.

3.12.8 If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

3.12.9 Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

#### **4. PAYMENT OF EMERGING CONTRACTORS FOR CAPITAL WORK DONE**

##### **4.1 Payments**

4.1.1 To enhance economic empowerment of SMME's and HDI's, the following will apply:

- (a) On a fourteen (14) day basis up to a maximum of R40 000 bi weekly, provided that all documentation are duly completed and authorised.

4.2 No payment to be made to any creditor that is indebted to the municipality for any services fees/rentals.

4.3 Any outstanding amount must be deducted from the payment due to the creditor.

#### **5. CONSTRUCTION CONTRACTS**

##### **5.1 Sureties/Guarantees**

The municipality will reduce the level of sureties/guarantees as follows on all contracts between R70 001 and R200 000:

<u>Contract Value</u>	<u>Surety/Guarantees</u>
Small – R70 001 to R200 000	6%
Medium – above R200 001 to R500 000	7%
Large – above R500 000	10%

Where in the case of small projects the sureties have been reduced, a cash surety will be allowed which, can be deducted from the first three payment certificates in equal amounts. In the case of medium and large contracts the surety is required from a bank or insurance company in accordance with the general conditions of contract.

## 5.2 **Retention**

Retention money withheld from a contractor during the construction and defects liability period must be afforded according to risk. The following limits to retention shall be applicable:

<b>Type of Project</b>	<b>Value</b>	<b>Defects Liability Period</b>
Small Projects (R70 000 to R250000)	5%	One year
Medium Projects (R200000 to R500000)	7%	One year
Large Projects (above R500000)	10%	One year

## 5.3 **Insurance**

5.3.1 Every contractor appointed by the municipality should insure all plant and equipment owned leased or hired by him which is brought on the site.

5.3.2 The contractor shall comply with the Occupational Health and Safety Act and be required to sign an indemnity form as prescribed by municipality's insurers.

5.3.3 The contractor shall be required to take out public liability insurance cover to the satisfaction of the municipality.

5.3.4 In the absence of acceptable public liability cover, the municipality will take out the necessary insurance on behalf of the service provider on the following conditions:

- (a) The premium / installment would be payable by the contractor and deducted from the first progress payment of the project; and
- (b) All excess amounts would be payable by the contractor.

## 5.4 **Procurement of goods and services under contracts secured by other organs of state**

5.4.1 The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if:

- (a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
- (c) There is no reason to believe that such contract was not validly procured;

- (d) There are demonstrable discounts or benefits to do so; and
- (e) That other organ of state and the provider have consented to such procurement in writing.

5.4.2 Subparagraph 5.4.1(c) and (d) do not apply if:

- (a) The municipal entity procures goods or services through a contract secured by its parent municipality; or
- (b) The municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

## **6. PROCEDURE FOR APPOINTMENT OF CONSULTANTS (PROFESSIONAL SERVICES)**

### **6.1 Advertising for Presentations and Briefing the Consultants**

- 6.1.1 Projects/services shall be advertised in the local and regional newspapers for submissions by consultants. In addition, if the project/service is very specialized, specific consultants may be invited to make presentations.
- 6.1.2 Investigations which require specialized testing and/or expertise may also be allocated to Universities, Technikons, the Council for Scientific and Industrial Research or similar institutions when it is in the municipality's interest to do so.
- 6.1.3 In all cases a project brief should be compiled and made available. The brief should describe, as fully and accurately as possible, the nature of the service to be provided, and should cover the following:
  - (a) scope of the professional services required; and
  - (b) any specific, or exceptional, requirements tender committee may have in regard to the professional services to be performed.

### **6.2 Evaluation of Competence**

- 6.2.1 Once the consultants' presentations have been received, the suitability of consultants for the appointment should be established.
- 6.2.2 A declaration with a list of evaluation criteria and weighting values as given below in Tables 3 and 4 shall be used as the basis for the evaluation of the suitability of the proposed consultants and is therefore to be included in the presentation by the consultant.

The evaluation criteria and declaration form may be amended to include key aspects which are considered relevant for a particular appointment, and aspects considered irrelevant may be disregarded.

6.2.3 The presentations by the consultants may be adjudicated in accordance with the points indicated in the declaration. The consultant with the highest score may be appointed under normal circumstances.

### **6.3 Criteria for evaluation of consultants**

The under-mentioned tables contain examples of the evaluation criteria for the evaluation of consultants in two main categories of consultant services:

### 6.3.1 Construction and Town Planning Services

**TABLE 3: CRITERIA FOR THE EVALUATION AND APPOINTMENT OF CONSULTANTS (CONSTRUCTION/ TOWN PLANNING ENVIRONMENT)**

<b>Evaluation Categories</b>	<b>Criteria</b>	<b>Detail Criteria</b>	<b>Value (points)</b>	<b>Category total (points)</b>
Consultant's practice – 70%		Organisation and management systems Relevant experience (available expertise) Financial status and indemnity Quality assurance systems Reputation and references Locality Previous jobs for Council		
Proposed methodology Project management – 10%		Implementation plan for project Organisation of project team and authority levels of team members Planning and organisational capabilities of project team Control procedures		
Key personnel for project – 10%		Suitable qualifications Relevant experience Specific knowledge relating to project Communication skills, Commitment and Enthusiasm Compatibility with client Workload and resources		
Empowerment – 10%		HDI owned firm Human Resources development, including capacity building with reference to HDI's Technology transfer and training on this project		
<b>TOTAL</b>				<b>100</b>

## **6.4 Appointment of consultants**

- 6.4.1 The Accounting Officer may procure consulting services provided that any National Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
- 6.4.2 Consultancy services must be procured through competitive bids if:
- (a) the value of the contract exceeds R200 000 (VAT included); or
  - (b) the duration period of the contract exceeds one year.
- 6.4.3 In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of:
- (a) all consultancy services provided to an organ of state in the last five years; and
  - (b) any similar consultancy services provided to an organ of state in the last five years.
- 6.4.4 The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

## **7. DETAILS OF COMPANY PROFILE**

In order to implement aspects of this policy as well as to identify contractors that wish to do business with the municipality, the contractors' information must be supplied on the form attached as Annexure "A". This will apply in respect of quotes as well as bids.

## **8. IMPLEMENTATION PROCEDURES**

8.1 The Accounting Officer of the municipality must:

- (a) Implement the supply chain management policy of the municipality;
- (b) And take all responsible steps to ensure that the proper mechanism in separation of duties in the supply chain management system is in place to minimize the likelihood of fraud, corruption, favoritism and unfair irregular practices.

8.2 No person, employee or councillor may impede the Accounting Officer in fulfilling this responsibility.

## **CODE OF CONDUCT APPLICABLE TO PARTIES INVOLVED IN PROCUREMENT**

### **1. THE PARTIES TO THE PROCUREMENT PROCESS**

The various parties involved in the procurement process are the following:

#### **Official**

Official is an employee of the municipality.

#### **Consultant**

A professional service provider engaged by the municipality.

#### **Bidder**

One who submits a competitive bid for the supply of goods, services, or engineering and construction works to the municipality.

#### **Contractor**

The successful bidder to whom the municipality awards the contract for the supply of goods, services, or engineering and construction works.

#### **Sub-Contractor**

One who contracts to the contractor to assist the latter in the execution of his contract by supplying certain goods, services or works.

#### **Representative**

A representative of the public, or of the private sector, who serves on a body responsible for legislating, controlling, or approving any aspect of procurement by the municipality.

### **2. COMBATING OF ABUSE OF THE SUPPLY CHAIN MANAGEMENT SYSTEM**

The parties listed hereunder shall observe the following prescriptions: (The prescriptions listed hereunder are not exhaustive, but serve to highlight unacceptable actions and defaults which are more commonly encountered.)

## **2.1 Bid Committee**

The Bid Committee shall, itself, or through its officials, or agents:

- (a) Ensure that the basis on which bids will be adjudicated is clearly set out in the tender documents.
- (b) Ensure that the bid documents are clear and comprehensive and set out the rights and obligations of all parties.
- (c) Not breach the confidentiality of information, particularly intellectual property, provided by bidders in support of their tenders.
- (d) Not attempt to “trade off” bidders against each other in an attempt to obtain better offers.
- (e) Ensure that all bidders are fairly treated and that tenders are adjudicated without bias.
- (f) Ensure that, except when extraordinary circumstances dictate otherwise, transparency is maintained in the bid process. This implies, inter alia, inviting bids as widely and publicly as possible, opening bids in public and reading out/making available key information, such as bid prices and times required for completion, and, in due course, making known to unsuccessful bidders the outcome of the adjudication process.
- (g) Ensure that his obligations in terms of contracts with contractors and consultants are scrupulously and timeously met, particularly in regard to making payments and giving decisions.

## **2.2 Officials**

An official shall:

- (a) Ensure that he/she is not responsible for an unacceptable action, or default, being attributed to the employer.
- (b) Not allow himself/herself to be influenced in the execution of his/her duties by any consideration other than the legitimate and reasonable interests of the employer.
- (c) Not accept any gift, or other consideration, of anything more than token value from any other party to the procurement process.
- (d) Not have any interest or share (directly or indirectly) in the business of consultants, bidders, contractors, or sub-contractors, or in any offer, quotation or tender referred to in this document.

### **2.3 Consultants**

A consultant shall:

- (a) Strictly observe the code of conduct laid down by the body governing his/her profession.
- (b) Act in an impartial manner towards all other parties in the procurement process and take account of the legitimate and reasonable interest of them all.
- (c) Not accept gifts, or other considerations, of anything more than token value from any other party to the procurement process.

### **2.4 Bidder**

A bidder shall:

- (a) Not become involved in collusion with other bidders, or potential bidders.
- (b) Not exchange information regarding tenders with any other bidder prior to the closing date for tenders.
- (c) Not price his tender in such a way as to gain an unfair advantage from an obvious error, or oversight, in the tender documents.
- (d) Not attempt, in any way, to influence the tender adjudication process.

### **2.5 The Contractor**

The contractor shall:

- (a) Undertake the contract with the objective of fulfilling it in accordance with the needs of and in the best interests of the municipality and in pursuit of this objective, co-operate with all other parties in the procurement process.
- (b) Aim to meet all statutory and contractual obligations fully and timeously in regard to, inter alia, conditions of employment, occupational safety, training, employment of sub-contractors and fiscal matters.
- (c) Not attempt to influence the judgement, or actions, of consultants or officials by inducements of any sort.
- (d) Employ sub-contractors only on the basis of fair, unbiased, written sub-contracts.

- (e) Not engage in unfair, or unethical, practices in order to drive sub-contract prices down.
- (f) Not approach any representative directly or indirectly in connection with a contract.

## **2.6 Sub-contractors**

A Sub-contractor must comply to all legislation.

## **2.7 Representatives**

A representative shall:

- (a) Perform his duties in an unbiased and conscientious manner, bearing in mind the legitimate interest of all parties to the procurement process and the public.
- (b) Not entertain representations, except through the employer, from any consultant, bidder, contractor, or sub-contractor in regard to a bid or contract.
- (c) Not allow himself/herself to be unduly influenced by, or accept any gift or consideration from any party which might have an interest in the procurement process.
- (d) Disclose any circumstances which may possibly be construed as constituting a conflict of interest and reclude himself from deliberations in such matters.

# **LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT**

## **3. LOGISTICS MANAGEMENT**

The Accounting Officer must establish an effective system of logistics management in order to provide for the setting of inventory levels, placing of order, receiving and distribution of goods, stores and warehouse management, expediting order, transport management, vendor performance, and maintenance and contract administration.

### **3.1 Stores Procedures**

No stores item will be issued without an official requisition properly signed by the authorised officials.

3.1.1 Requisition must be properly completed and must contain the following:

- Description of goods and the reason thereof.
  - Amount
  - Vote Number (ensure that the relevant budget vote number is entered).
  - Special request where applicable.
  - Council resolution where applicable.
  - Job card numbers where applicable e.g. building maintenance.
  - Purpose and approval of Director, Chief Financial Officer and Municipal Manager
- 3.1.2 Separate requisitions from stores item and for an order in respect of direct purchase item.
- 3.1.3 Requisitions for direct orders must be handed in at the Head Office in Secunda.
- 3.1.4 Requisition for direct purchase order from Bethal must be handed in at the Direct Purchase Section in Secunda on a daily basis. Stores item can be obtained at Bethal stores (Follow procedures as outlined above).
- 3.1.5 Emergency stock at sub stores run by departments concerned must be controlled and inspected on a regular basis. Stock piling must be restricted.
- 3.1.6 Secunda main Store staff will perform administrative activities.
- 3.1.7 After completion of an assignment or project all unused material or stock must be returned to the stores.
- 3.1.8 Replacement of tools and equipment will only be executed where items to be replaced are handed in at the Stores Section.
- 3.1.9 Changes or tampering with official orders will not be allowed.
- 3.1.10 Where orders have not been placed or are no longer needed, such order must be returned to the Stores Section for cancellation with immediate effect.
- 3.1.11 Material to be collected at suppliers will be performed by Stores or as arranged with department concerned.
- 3.1.12 Where applicable departments may be requested to assist Stores Section in the obtainment of quotations or tenders e.g. where special technical knowledge is required.
- 3.1.13 Signatures of authorized employees (post level 1 to 4) to be submitted to Stores Section.

#### **4. DISPOSAL MANAGEMENT**

- 4.1 The Accounting Officer must establish an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to Sections 14 and 90 of the MFMA, which must stipulate the following:
- 4.2 The disposal of assets must-
- 4.2.1 Be by one of the following methods:
- (a) Transferring the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets;
  - (b) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
  - (c) Selling the asset; or
  - (d) Destroying the asset.
- 4.2.2 Provided that:
- (a) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
  - (b) movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
  - (c) in the case of the free disposal of computer equipment, the indicate within 30 days whether any of the local schools are interested in the equipment; and
  - (d) in the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic.
- 4.2.3 Furthermore ensure that:
- (a) immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise; and
  - (b) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed.
- 4.2.4 Ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.
- 4.2.5 An asset must not be needed for basic service delivery.

## **5. RISK MANAGEMENT**

- 5.1 The Accounting Officer must establish an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.
- 5.2 Risk management must include:
  - 5.2.1 the identification of risks on a case-by-case basis;
  - 5.2.2 the allocation of risks to the party best suited to manage such risks;
  - 5.2.3 acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
  - 5.2.4 the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
  - 5.2.5 the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

## **6. PERFORMANCE MANAGEMENT**

The Accounting Officer must establish an effective internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the desired objectives were achieved.

## **OTHER MATTERS**

### **7. PROHIBITION TO AWARD TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER**

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- 7.1 The Accounting Officer must ensure that, irrespective of the procurement process followed, no award above R15 000 is given to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- 7.2 Before making an award to a person the accounting person must first check with SARS whether that person's tax matters are in order.
- 7.3 If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

**8. PROHIBITION TO AWARDS TO PERSONS IN THE SERVICE OF THE STATE**

- 8.1 The Accounting Officer must ensure that irrespective of the procurement process followed, no award may be given to a person-
- 8.1.1 who is in the service of the state; or
  - 8.1.2 if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
  - 8.1.3 a person who is an advisor or consultant contracted with the municipality or its entity.

**9. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE**

- 9.1 The notes to the annual financial statements must disclose particulars of any award of more than R2 000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including-
- 9.1.1 the name of that person;
  - 9.1.2 the capacity in which that person is in the service of the state; and
  - 9.1.3 the amount of the award.

**10. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO THE MUNICIPALITY, OFFICIALS AND OTHER ROLE PLAYERS**

- 10.1 No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant-
- 10.1.1 any inducement or reward to the municipality for or in connection with the award of a contract; or
  - 10.1.2 any reward, gift, favour or hospitality to-
    - (a) any official or Councillor
    - (b) any other role player involved in the implementation of the supply chain management policy.

- 10.2 The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such

person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

10.3 Subparagraph (1) does not apply to gifts less than R350 in value.

## **11. SPONSORSHIPS**

11.1 The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is-

- (a) a provider or prospective provider of goods or services; or
- (b) a recipient or prospective recipients of goods disposed or to be disposed.

## **12. OBJECTIONS AND COMPLAINTS**

Persons aggrieved by decisions or actions taken in the implementation of this supply chain management policy, may lodge within 14 (fourteen) days of the decision or action, a written objection or complaint against the decision or action to the Accounting Officer.

## **13. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES**

13.1 The Accounting Officer must appoint an independent and impartial person, not directly involved in the supply chain management processes:

13.1.1 to assist in the resolution of disputes between the municipality and other persons regarding:

- (a) any decisions or actions taken in the implementation of the supply chain management system; or
- (b) any matter arising from a contract awarded in the course of the supply chain management system; or

13.1.2 to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

13.2 The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his/her functions effectively.

- 13.3 The person appointed must-
- (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
  - (b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.
- 13.4 Any dispute, objection, complaint or query may be referred to the relevant Provincial Treasury if-
- (a) a dispute, objection, complaint or query is not resolved within 60 days; or
  - (b) no response is forthcoming within 60 days; or
- 13.5 If the Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- 13.6 The paragraph (13) must not be read as affecting a person's rights to approach a court at any time.

#### **14. CONTRACTS PROVIDING FOR COMPENSATION BASED ON TURNOVER**

- 14.1 If a service provider acts on behalf of the municipality to provide any service or act as collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate:
- 14.1.1 a cap on the compensation payable to the service provider; and
  - 14.1.2 that such compensation must be performance based.

#### **15. ADOPTION AND AMENDMENT OF POLICY**

- 15.1 This policy takes effect on the date on which it is adopted by the Council.
- 15.2 The Accounting Officer of the municipality must:
- 15.2.1 submit proposals for the amendment whenever necessary or required by legislation.
  - 15.2.2 subject the policy implementation to review annually



4. REGISTERED AS::

<input type="checkbox"/>	CLOSE CORPORATION	<input type="checkbox"/>	PTY LTD COMPANY	<input type="checkbox"/>	CO-OPERATIVE
<input type="checkbox"/>	SOLE TRADER	<input type="checkbox"/>	LTD COMPANY		
<input type="checkbox"/>	PARTNERSHIP	<input type="checkbox"/>	NOT REGISTERED		

4.1 REGISTERED NO. (if applicable)

5. VAT REGISTRATION NO.

(If applicable) (Attach Certified Copy)

5.1 RATES SERVICES ACCOUNT NO.

(GOVAN MBEKI MUNICIPALITY)

6. ANNUAL SALES/TURNOVER (Previous Financial Year)

20.....	R.....
20.....	R.....

7. TOTAL ASSETS (Previous Financial Year)

20.....	R.....
20.....	R.....
20.....	R.....

8. CURRENT CONTRACTS WITH COUNCIL

CONTRACT NO	1.	<input type="text"/>	2.	<input type="text"/>	3.	<input type="text"/>
DURATION		<input type="text"/>		<input type="text"/>		<input type="text"/>
APPROXIMATE VALUE		<input type="text"/>		<input type="text"/>		<input type="text"/>
DATES CONTRACTS WERE SIGNED		<input type="text"/>		<input type="text"/>		<input type="text"/>
PAYMENT TERMS		<input type="text"/>				

9. PREVIOUS CONTRACTS WITH COUNCIL (Last Financial Year Only)

CONTRACT NO	<input type="text"/>	<input type="text"/>	<input type="text"/>
APPROXIMATE VALUE	<input type="text"/>	<input type="text"/>	<input type="text"/>



**12. NAMES AND NUMBERS OF DIRECTORS/PARTNERS/MEMBERS - % HOLDING**

	Initials	Surname	ID Number	Sex	% Holding	HDI
1.	<input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	YES/NO
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**13. INDICATE ON WHICH DATE YOUR BUSINESS STARTED ITS CURRENT TYPE OF BUSINESS**

<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
-------------------------------------------	-------------------------------------------	-------------------------------------------------------------------------------------

\*DEFINITION OF HISTORICALLY DISADVANTAGED INDIVIDUAL (HDI) MEANS A SOUTH AFRICAN CITIZEN.

I.....(FULL NAME) HEREBY CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT.

.....  
SIGNATURE

.....  
DATE

*(ADDITIONAL INFORMATION MAY BE ATTACHED IF NECESSARY.)*

**GOVAN MBEKI MUNICIPALITY**

**DECLARATION BY SUPPLIER/SERVICE PROVIDER  
SUBMITTING A TENDER/QUOTE: POINTS FOR GOALS**

1. Name of owner/company/business:.....  
.....  
.....  
.....  
.....
2. Physical address: .....  
.....  
.....  
.....
2. Postal address: .....  
.....  
.....
- Code: .....
- Telephone and code: .....
3. Description of work tendered for: .....
- Tender/quotation No: .....
4. State the percentage of ownership presently being held by HDI's  
(See definition of HDI - Par 2 Part A of Policy): .....%
5. Indicate how this percentage was calculated: .....
6. State the percentage of ownership presently being held by women: .....%
8. Indicate how this percentage was calculated:
9. State the percentage of ownership presently being held by disabled persons:  
.....%
10. Indicate how this percentage was calculated: .....
11. Indicate what percentage of labour to be used on this contract, will be local labour:  
.....%
12. Indicate what SETA accredited training has been provided to your employees:  
.....
13. Where is your company's head office located: .....  
.....  
.....

14. Does your company have an office: .....

(1) In Mpumalanga province

Yes	No
-----	----

(2) In the Gert Sibande district

Yes	No
-----	----

(3) In the Govan Mbeki area

Yes	No
-----	----

15. State the address of your office in the Gert Sibande Municipal Area (if applicable):

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

16. Give a brief description of recent (past 2 years) social upliftment project undertaken/supported by your company, as well as the cost thereof:

.....  
.....

17. Furnish names and contact details of institutions/bodies/organisations who gained from such social upliftment projects/support:

**NAME**

**ORGANIZATION**

**TEL**

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

18. Indicate the date on which your business started its current type of operations:

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--	--

--	--	--	--

I.....(full name).....representing  
(company).....

hereby declare that the above information is true and correct

.....  
**SIGNATURE**

.....  
**WITNESS**

.....  
**DATE**

**LEGAL FRAMEWORK**

The following statutes and statutory provisions underpin this policy: -

- Section 217(1) - (3) of the Constitution (Act 108 of 1996) as amended.
- Section 10(G) (5) of the Local Government Transition Act (Act 209/93), as amended.
- The Preferential Procurement Policy Framework, Act 5 of 2000.
- National Small Business Act, No. 102 of 1996.
- Preferential Procurement Regulations, R725 dated 10 August 2001.
- Regulations regarding the Calling of Tenders R1224 dated 2 October 1998.
- Amendment of Dispensing of Tender Regulations, No. 387 dated 26 March 1999.
- Preferential Procurement Regulations, 2004. Government Gazette, 4 October 2004.
- Framework for Supply Chain Management, 21 September 2004