



045 932 8125

1, Seller Street, Maclear, 5480

045 9321 094

kwaneles@elundini.gov.a

Dear Sir / Madam

REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS

Kindly furnish me with a written quotation as detailed in the enclosed list.

The quotation must be submitted on the letterhead of your business **must** be deposited in the tender box situated in 1 Seller Street Maclear, Finance Department, Cashier Reception area before 12h00 on the **02 October 2018**. For queries please email to at kwaneles@elundini.gov.za or faxed to 086 216 8784

For Technical Queries: Ms H Mdzulwana
For Supply Chain Queries: Mr K Sobekwa –SCM

Tel: 045 932 8125
Tel: 045 932 8198

PROVISION OF SUPPORT IN SCM POLICY REVIEW AND DEVELOPMENT OF SCM SOPS: *ELM-2/013/2018-2019*

Only those tenderers who satisfy the following eligibility criteria and who provide the required evidence in their tender submission are eligible to submit tenders and have their tenders evaluated:

1. Tender offers will only be accepted if:

- 1) the tenderer is registered on the Central Supplier Database (CSD) for the South African government (see <https://secure.csd.gov.za/>) unless it is a foreign supplier with no local registered entity.
- 2) the tenderer provides written proof from SARS that the tenderer either has no Tax obligations or has made arrangements to meet outstanding Tax obligations,
- 3) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in
- 4) the financial offer is market related (See Regulation 6 (9) and section 7 (9) of the 8(9) OF Preferential Procurement Regulation 2017.
- 5) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
- 6) the tenderer has not:
 - i) abused the Employer's Supply Chain Management System; or
 - ii) failed to perform on any previous contract and has been given a written notice to this effect; and
 - iii) the tenderer has completed the Compulsory Declaration and there are no conflicts of interest Which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process.
- 7) the statement of municipal account that is not older than three months or Lease Agreement OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates with a letter from a ward councillor is submitted with the tender document.
- 8) the price(s) quoted are valid for at least thirty (30) days from date of your offer.
- 9) the price(s) quoted are firm and are inclusive of VAT where applicable.
- 10) the Joint Venture has attached the following :
 - a) J V agreement,
 - b) original or certified copy of consolidated BBBEE certificate, and
 - c) letter of signatory.

2. The tenderer is required to submit with his tender the following certificates:

- 1) Proof of registration with Central Supplier Database must be attached.
- 2) Tax Compliance status documents with PIN from SARS must be attached
- 3) Certified copies of company registration certificate and IDs
- 4) Proof of B-BBEE status level of contributor in the form of an appropriate original or certified completed affidavit downloaded from www.thedti.gov.za/economic_empowerment/bee_codes.jsp or an original or certified copy of a valid verification certificate from a verification agency accredited by SANAS and IRBA recognized as an Accredited B-BBEE Verification Agencies (www.sanas.co.za/afdirectory/bbbee_list.php) or accounting officers as contemplated in the CCA or registered auditors

3. Returnable schedules required for tender evaluation processes

MBD 1: Invitation to Bid

MBD 4: Declaration of Interest form

MBD 6.1: Preference Points Claim Form In Terms Of the Preferential procurement Regulations 2017

MBD 8: Declaration of Bidder's Past Supply Chain Management Practices

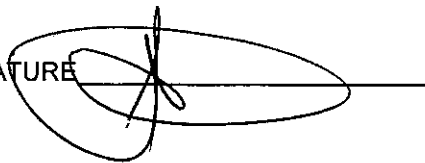
MBD 9: Certificate of Independent Bid Determination

NB: No quotations will be considered from persons in the service of the state

BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- 1) The Elundini Local Municipality Supply Chain Management Policy will apply;
- 2) The Elundini Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid;
- 3) Bids which are late, incomplete, unsigned, faxed or sent electronically will not be accepted;
- 4) Bids submitted are to hold good for a period of 30 days;
- 5) Bidders will be required to register as a supplier/service provider on the ELM's Supplier/Service Provider Database, if not already registered
- 6) The latest General Conditions of Contract and any Special Conditions of Contract will apply.
- 7) Failure to comply with these conditions may invalidate your offer.
- 8) Upon submission of a bid/quote the bidder automatically grants confirmation that SARS may, on ongoing basis during the contract term the bidder's tax compliance status to the municipality.
- 9) General Conditions of Contract 2010 will apply in this Request for Quotation
- 10) By mere submission of the bid, the bidder automatically consent to deliver within 14 days of issue of an order unless a declaration for variance in this regard has been submitted to the municipality on the day of issue of an order.
- 11) National Treasury circular no. 9 of 2017/18 Price shall apply.

SIGNATURE



DATE

28/09/2018

Terms of Reference of Provision of Support in SCM Policy review and development of SCM SOP's

1. **Background**

- ✓ Elundini Municipality invites suitably qualified and experienced service provider for the review and development of financial management procedures, processes and policies.
- ✓ The municipality has identified the need to develop and align the Supply Chain Management Standard of Procedures with Supply Chain Management Policies as the clear guide for daily operations in the BTO and to comply with the relevant legislation and guidelines provided by the National Treasury, MFMA , SCM Regulations, CIDB regulations , SIPDM and other pieces of legislation that govern SCM.

2. **Scope of Work**

- ✓ The following is the scope of work required by the municipality in executing the task:
- ✓ To review the developed Supply Chain Management policy, Develop and align with the SCM SOP's taking into consideration the 2011 SCM regulations that came in to effect on the 7th of December 2011, and all the relevant SCM circulars provided by the National Treasury that are applicable in municipal environment.
- ✓ Develop a comprehensive and cohesive SCM procedure manual incorporating all applicable procurement threshold values: R 100-R2 000; R 2,001-R 30,000; R30,001-R200,000 and above R200,000.
- ✓ SCM Policy has been reviewed and adopted in June 2018, however the service provider will be required to align the SOP's to the existing Policy and further workshop the following:
 - ✚ Elundini SCM SOP's (Which must be aligned to National Treasury's prescribed format)
 - ✚ SCM Policy
- ✓ Ensure that the existing policy is a fully compliant SCM policy which is consistent with the MFMA, SCM Regulations, CIDB regulations and applicable National Treasury circulars.
- ✓ Present the final version of the policy and SOP's after taking into consideration the comments from the municipality.

The SCM covers the following:-

- ✓ Align policy to SARS requirements (MFMA Circular No 90 Municipal Finance Management Act No. 56 of 2003)
- ✓ Price index for goods and services procured by the municipality.
- ✓ Circular 69 . Local Production Content
- ✓ Circular 26 of 2016 /2017 (Steel products and components for construction)
- ✓ The Constitution of the Republic of South Africa, 1996

- ✓ The Municipal Finance Management Act, No. 56 of 2003;
- ✓ The Preferential Procurement Policy Framework Act (PPPFA) (No. 5 of 2000);
- ✓ The Preferential Procurement Policy Framework Act (PPPFA, 2017)
- ✓ The Broad Based Black Economic Empowerment Act (No. 53 of 2003);
- ✓ Construction Industry Development Board Act (No. 38 of 2000);
- ✓ National and Provincial and Practice Notes and Circulars;
- ✓ Chapter 11, Part 1 of the MFMA;
- ✓ Municipal SCM Regulations issued in terms of the MFMA;
- ✓ Municipal SCM 'Model' Policy issued by National Treasury to be adopted by the / municipal entity;
- ✓ "Supply Chain Management: A Guide for Accounting Officers of Municipalities and Municipal Entities", to assist the accounting officer in compiling their internal processes and procedures (operating manual);
- ✓ National Treasury's standard and generic bid documentation to promote and enhance SCM uniformity

The Service provider must advise the municipality of any omissions and alignment to relevant legislation in the SCM policy .

The municipality has three SCM bid committees and other SCM role players that will need to undergo workshop and the total number of delegates is thirty (30) .

The training may be done in two days (2):

- ✓ First Day : workshop on SCM Policy
- ✓ Second Day : SCM SOP'S

3. Transfer of Skills

The Municipality will make available all key staff at finance department to work closely with the consultants through this transferring of skills and capacitating of staff will be done based on a hands on approach by involving them in performing the above mention tasks.

4. Project Phases

| Phases | Tasks | Resources | Start | End | Duration |
|---------|--|-----------|-------|-----|----------|
| | | | | | Days |
| Phase 1 | Advise the municipality of any omissions and alignment to relevant legislation in the SCM policy. (Review) | | | | |
| Phase 2 | Development of SCM Processes and Procedures | | | | |
| Phase 3 | Facilitate a workshop and draw an implementation and monitoring plan (An implementation and monitoring plan will be drawn and presented to the CFO and Senior SCM staff) | | | | |
| | TOTAL NUMBER OF DAYS | | | | |

5. Pricing Schedule

| Team member | Hourly Rate | Fees | Disbursements | | |
|--------------------------|-------------|------|---------------|------|---------------|
| | | | Travelling | Cost | Accommodation |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Sub total | | | | | |
| Sub-Total fees | | | | | |
| Disbursements | | | | | |
| Sub-Total Excluding VAT | | | | | |
| VAT (Not VAT Registered) | | | | | |
| Bid Amount | | | | | |

Functionality:

- ✓ All bidders to note that a Pre-qualification Evaluation will be undertaken.
- ✓ A minimum score of 70 points out of 100 must be scored in order to proceed to the Financial Evaluation.

due

| No | Criterion | Weight |
|-------|---|--------|
| 1 | Past experience of the firm: completed five similar projects 5 x Reference letters accompanied by appointment letters (10 Points per completed project with contactable references) | 50 |
| 2 | Principal Project Leader : Principal Leader must be someone who have completed similar projects in the local government. Bidder must reflect the municipalities of which Principal Project Leader was part of in rendering relevant services with contactable references. 30 points (3x Completed projects) (CV to be attached) Qualifications in Finance : 10 Points Project Team : CV'S and Qualifications must be attached Exprience and Qualifications of Team Members. Each member must possess qualification in Finance : 10 Points to each member that complies to the following requirement as depicted in the CV of each individual. Each team member must provide proof of a suitable qualification in the field of Finance and provide proof of suitable experience a minimum of 3 project of similar nature in order to be allocated the 10 points per member Maximum : 20 points | 60 |
| 4 | Methodology: <ul style="list-style-type: none"> • Structure of the proposal (clear understanding of scope of work with deliverables and timeframes not exceeding One month : 10 points • Understanding of MFMA and other legislative framework = Maximum 4 points • Understanding SCM processes = Maximum 6 points | 20 |
| Total | | 130 |

EVALUATION CRITERIA

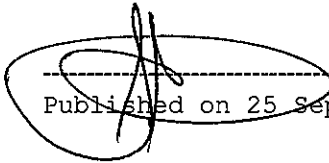
The 80/ 20 preferential procurement point system will be applied as the project is estimated to be more than R30, 000.00

Price - 80 points
B-BEE status level of Contribution - 20 points

BBBEE Points Breakdown:

| LEVEL | POINTS AWARDED |
|----------------------|----------------|
| 1 | 20 |
| 2 | 18 |
| 3 | 14 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant | 0 |

DELIVERY ADDRESS:
Elundini Local Municipality
No.1 Seller Street,
Maclear
5480



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