

### **3.0**

### **THE POLICY**

#### **3.1 ACCESS TO TENDERING INFORMATION**

- 3.1.1 All formal tender notices shall be advertised in the press in accordance with the provisions of applicable law.
- 3.1.2 All formal tender notices as well as informal tender notices shall be displayed on notice boards situated at the Munifin Centre, East London, the King William's Town Municipal Offices, Purchasing and Supplies Offices of both East London and King William's Town, all Zone and rent offices (including the old Public Works Building), Community halls, Beacon Bay, Gonubie and Gompo offices and at such other sites as may be identified as appropriate from time to time, with a view to disseminating such notices as widely as possible.
- 3.1.3 Notices in the press inviting tenders shall be published in English and Xhosa.
- 3.1.4 Tender documentation will be published in English Only.
- 3.1.5 All tender openings shall be open to the public and the name of each tenderer shall be announced and recorded together with the price (if practical) (See Annexure A).
- 3.1.6 A list of all tenders received shall be displayed at the Munifin Centre (East London) as well as at the King William's Town Municipal Office.
- 3.1.7 Where formal tenders are invited, the unsuccessful tenderers shall be advised in writing of the reasons why they were not awarded a tender, but such reasons shall be brief in nature, e.g. price too high, equipment offered not to specification, etc, to enable tenderers to evaluate and improve their performance.
- 3.1.8 The Public Relations Department shall also arrange to publicise all formal tenders through the community radio stations operating in the area.

## **3.2 TENDER ADVICE CENTRES**

- 3.2.1 At all sites where tender documents are available (i.e. not at all points set out in 3.1.2), trained staff will be available to assist tenderers by explaining what they must complete, the date when and where the document or offer is to be submitted, etc.
- 3.2.2 With engineering or construction contracts, tenderers shall be advised at the Tender site meeting what they must complete, the date when and where the document or offer is to be submitted. Tenderers shall also have the opportunity to ask questions. All such Tender site meetings shall be minuted and the copies of the minutes distributed to all parties in attendance. A copy shall also be placed with the official archives.
- 3.2.3 It must be noted that no official may assist any tenderer in compiling his rates or prices, delivery periods, etc, as this would be contrary to law (i.e. strict impartiality must be maintained). It must also be noted that no tenderer may ask an official to check that his document/offer is complete and in order prior to submission as this is also contrary to law as the official would then be aware of the price and could divulge such price to competitors.
- 3.2.4 In as far as is practical workshops, seminars, lectures and the like shall be arranged to inform potential suppliers about procurement issues.

## **3.3 PROCUREMENT PROCEDURES FOR INFORMAL TENDERS FOR GOODS AND SERVICES**

- 3.3.1 For all contracts with an estimated value of less than the level set in notice R.387 dated 26 March 1999 (and as amended from time to time by the Minister by notice in the Government Gazette), the Municipality shall have the option to invite formal tenders or informal tenders.
- 3.3.2 For all goods and services up to R5 000,00 the Municipality shall have the option to invite informal tenders or to contact suppliers telephonically to obtain at least three (3) competitive prices. Where telephonic quotations are invited,

full details shall be given to each tenderer and the prices shall be recorded for review purposes. All parties contacted shall be recorded and the provisions of clause 3.3.4 shall be strictly applied. Responses should ideally be by fax.

- 3.3.3 From R5 000,00 up the Municipality shall obtain informal tenders in accordance with the prescribed procedures and conditions (i.e. advertised on the relevant notice boards, open under controlled circumstances, record and process under the original approved points scoring system).
- 3.3.3.1 From R5 000,00 to R30 000,00 including VAT all informal tenders may be adjudicated and awarded by the City Manager or his delegated nominee. Above R30 000,00 including VAT all informal tenders shall be considered and awarded by the Tender Committee.
- 3.3.3.2 Where it is considered that the work is so urgent that informal tenders, at least, should not be invited and awarded as per 3.3.3.1 above, then the reasons shall be recorded and the approval of the relevant person as indicated below obtained to waive the requirement, which shall only be done in the case of true emergency, e.g. where delay could or would result in a dangerous situation:
  - (a) Up to R50 000,00 including VAT: The relevant Director or his delegated alternate, in consultation with the relevant portfolio holder.
  - (b) Above R50 000,00: The Executive Mayor or his delegated alternate.
- 3.3.4 The Purchasing and Supplies Division shall maintain a list of all suppliers, update such list at regular intervals and ensure that telephonic quotations are obtained on a rotational basis to ensure that over a period of time all have the opportunity to tender. In applying this clause due care shall be taken to ensure that quotations received are competitive.

### **3.4 WAIVER OF SECURITY/SECURITIES**

- 3.4.1 Securities/Performance Guarantees will not be required for contracts of a works nature where the estimated value is not expected to exceed R100 000,00. This condition will remain applicable even if the actual tender value exceeds R100 000,00.
- 3.4.2 To reduce risk in this regard no more than two (2) contracts will be awarded to the same contractor simultaneously if surety has been waived in both cases.
- 3.4.3 Further matters with regard to sureties/performance bonds are dealt with under item 3.10.

### **3.5 BREAKOUT PROCUREMENT (PACKAGING INTO SMALLER CONTRACTS)**

- 3.5.1 Insofar as is technically, contractually and commercially possible and consistent with project, program and budgetary limits, contracts will be split into the smallest components possible so as to enable emerging contractors to compete for the work, be it supply of goods and services or works of a construction nature.
- 3.5.2 When proposing to split work into smaller components, the technical considerations as well as cost implications must be calculated, and reported on. The technical factors include aspects such as time delays due to certain contractors not completing their work on time resulting in the delay in the commencement of the next section by another contractor, excessive costs, additional time for contract administration, in house ability to cope therewith (including the documentation of progress, authorising of payment certificates), the need to prepare separate tender documents, the loss of continuity and the technical and legal ramifications arising from being unable to establish liability for failure of structure, etc.
- 3.5.3 Appropriate standards, specifications, delivery dates and related contractual obligations must be specified to ensure that SMMES and emerging contractors can reasonably be expected to complete such contracts.

- 3.5.4 At the stage of appointing consultants for projects, the relevant Directorate shall discuss the principle of breakout procurement with the appointed Consultants to indicate if a project can be split into smaller components and the technical and financial implications thereof shall be reported to the Tender Board/Committee.
- 3.5.5 When deciding on this matter, the Tender Board/Committee shall exercise care to ensure that the decision does not incur negative impacts on quality, time and cost, and in this regard penalties as provided for in the tender document shall be strictly applied to contractors who fail to complete the works as specified.

### **3.6 EARLY PAYMENT CYCLES**

- 3.6.1 It is recorded that the Council may by law only pay for goods delivered or services actually rendered (e.g. work certified as complete in terms of the contract) and that the terms of the contract shall at all times be complied with.
- 3.6.2 The payment cycle is
- Certification of the work completed and due for payment in terms of contract (by the Consultant/Architect/Engineer),
  - Processing by the Directorate concerned, and
  - Preparation of a cheque by the Chief Financial Officer.
- It must be noted that the process after processing by the Directorate concerned takes on average five (5) working days and contractors must plan around this.
- 3.6.3 The Council is prepared to pay emerging contractors fortnightly or at such other intervals as may be agreed to by the Chief Financial Officer (in respect of work inspected and certified as in order) to improve their cash flow.

- 3.6.4 It must be noted that the processing only commences on receipt of a correct invoice and where the contractor submits claims for work not completed or incorrectly invoices the Municipality, then the Municipality accepts no responsibility for resultant delays in inspection, rectification, and subsequent payment.

### **3.7 SIMPLIFICATION OF TENDER SUBMISSION REQUIREMENTS**

- 3.7.1 The tender specification sets out the items required (goods or services) the quantities, as well as any specific details relating to the items required. The applicable General Conditions of Contract as attached to the specification set out clearly the contractual issues relating to the tender. The tenderers offer is deemed to comply with these requirements in full unless any departures/variations are specifically noted on the appropriate schedule.
- 3.7.2 To assist tenderers all pages are colour coded as follows:
- |        |   |
|--------|---|
| White  | - detailed specification and General Conditions of Tender   |
| Yellow | - pages which must be completed, including price schedule.  |
| Pink   | - pages which <u>must be completed and signed</u> in order to make the tender legal and binding e.g. Form of tender |
| Blue   | - Where additional information is required e.g. copy of registration papers, etc. and must be completed in full.    |
- 3.7.3 Tenderers must note that the tender document submitted must be complete in all respects (i.e. all the required information to ascertain the price and the nature of the offer must be supplied.) The only exception is where the document specifically indicates that the Employer (the Council) will call for specific information after the tender is opened, or where specific information is called for once adjudication is in a fairly advanced stage.
- 3.7.4 Any queries, relating to the tender procedure must be addressed to the Municipal Manager and not to a Councillor.

### **3.8 CONTRACT ADMINISTRATION & PROCEDURES TO DEAL WITH COMPLAINTS FROM TENDERERS AND CONTRACTORS**

- 3.8.1 All queries in terms of a contract already awarded shall be dealt with strictly in accordance with the applicable Conditions of Contract.
- 3.8.2 All variations approved in terms of a contract shall be reduced to writing and issued to the contractor for the record. In this regard, the site diary shall at all times be kept up to date and record all events, variations etc.
- 3.8.3 Where complaints relate to the award of a tender these should be addressed to the Municipal Manager.

### **3.9 CLASSIFICATION OF BUILDING AND ENGINEERING CONTRACTS**

#### **3.9.1 CLASSIFICATION**

For purposes of classification the following descriptions are used-

#### **MICRO CONTRACTS**

Micro contracts are contracts which are deemed to have less onerous demands than in the case for minor contracts and where the contract period is normally less than 3 months and certainly not more than 6 months; and the value of the works is usually less than R100 000,00.

#### **MINOR CONTRACTS**

1. The potential risks involved in the works for both contracting parties are deemed to be small
2. the period for completion of the contract does not normally exceed 6 months but certainly not more than 12 months
3. the contract value is usually less than R1 million and generally not more than R2 million;

4. the works are of a straightforward nature in terms of complexity, quality and tolerances and the possibility of significant variations from the work envisaged is deemed to be relatively low;
5. the site establishment requirements are deemed not to be onerous;
6. the contractor has no responsibility for the design of the permanent works other than possible design of a specialist nature;
7. the design of the works, save for design work for which the contractor is made responsible, is complete in all essentials before tenders are invited;
8. the contractors responsibility for nominated/selected subcontractors is limited;
9. the contractor is not required to undertake work of a specialist nature.

### **MAJOR CONTRACTS**

Major contracts are contracts which have more onerous requirements than that described in respect of minor contracts.

### **INTERNATIONAL CONTRACTS**

International contracts are major contracts where the necessary resources required are deemed to be beyond the capacity/capabilities of most large South African companies.

### **PRIME CONTRACTS**

Prime contracts are contracts in which the contractor is unassisted by other contracting parties, separately appointed by the client.

### **COMMUNITY CONTRACTS**

Community contracts are ones in terms of which the client has appointed a development and/or materials contractor to provide certain resources which community/emerging

contractors may lack. Typically, a development contractor would be required to establish the site, to advise, assist and train on-the-job, administer payments made to community/emerging contractors, to provide certain items of equipment, to report to the client on project expenditure, construction and progress and to co-ordinate site activities. In some circumstances a development contractor may be required to engage specialist contractors to perform certain aspects of the works and to construct portions of the work.

### **JOINT VENTURE CONTRACTS**

In a joint venture contract, established and emerging contractors enter into a written joint venture agreement to execute the works.

Pre-qualification can be used to target sectors of the community for community/development projects.

Tender preferences in the form of tender adjudication criteria aimed at involving particular construction practices or small scale enterprises in respect of targeted groups can be used. Set aside schemes can be linked to community/development projects where development contracts support emerging contractors. Appropriate contract documentation can be structured around the contracts classification and types.

## **3.10 PERFORMANCE BONDS (SECURITIES/SURETIES/GUARANTEES)**

- 3.10.1 It is recorded that these bonds (hereinafter contract guarantees) are required to protect the employer (the Council) if a contract is terminated due to contract insolvency or failure to perform.
- 3.10.2 Where the estimated contract value does not exceed R100 000,00 no contract guarantee will be specified.
- 3.10.3 No more than two (2) simultaneous contracts will be awarded to a single contractor where the provision of contract guarantees have been waived.
- 3.10.4 For architectural contracts (not exceeding R100 000,00) contractors shall be given the choice of providing a

construction guarantee, or a 10% retention being withheld on each progress payment up to a maximum of 5% of the contract sum, without the requirement to furnish a contract guarantee, half of which will be released on acceptance of practical completion of the contract, and the remainder at final completion/acceptance after the free maintenance period, defined in the tender document.

3.10.5 For all other contracts the contract guarantees shall be set as follows:

International	10 - 12.5 %
Major	10 - 12.5 %
Minor - estimated contract price < R1 million	10 %
- estimated contract price > R1 million	10 %
Micro (below R100 000,00)	NIL

**COMMUNITY/DEVELOPMENT CONTRACTORS**

Subject to the development contractor providing appropriate guarantees e.g. professional indemnity insurance:

Minor	10 %
Micro (below R100 000,00)	NIL
Major	10 – 12.5 %

**3.11 ADJUDICATION ON A POINTS BASIS**

3.11.1 The Preferential Procurement Policy Framework Act (Act No.5 of 2000) provides the Framework within which the Council’s preference points systems shall be established.

The Act provides that:

1. An organ of state must determine its preferential procurement policy and implement it within the following framework;
  - a. A preference point system must be followed;

- b.
  - i. for contracts with a Rand Value above a prescribed amount a maximum of 10 points may be allocated for specific goals as contemplated in paragraph (d) provided that the lowest acceptable tender scores 90 points for price;
  - ii. for contracts with a Rand Value equal to or below a prescribed amount a maximum of 20 points may be allocated for specific goals as contemplated in paragraph (d) provided that the lowest acceptable tender scores 80 points for price.
- c. any other acceptable tenders which are higher in price must score fewer points, on a pro rata basis, calculated on their tender prices in relation to the lowest acceptable tender, in accordance with a prescribed formula;
- d. the specific goals may include –
  - i. contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.
  - ii. Implementing the programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994.
- e. any specific goal for which a point may be awarded, must be clearly specified in the invitation to submit a tender;
- f. the contract must be awarded to the tenderer who scores the highest points unless objective criteria in addition to those contemplated in paragraph (d) and (e) justify the award to another tenderer;

3.11.2 The Council has adopted a policy that an 80/20 formula shall apply to all contracts with an estimated rand value below the limit prescribed by the Minister of Finance from time to time and that a 90/10 formula shall apply to all contracts with an estimated value above this limit.

**NOTE: The Minister of Finance has set the limit at R500 000,00**

The preference is based on points where –

a. Cost of work (maximum) 80/90 points

Points scored:

$$80 \text{ or } 90 \left\{ 1 - \frac{(T - T1)}{T1} \right\}$$

Where T1 = the lowest responsive tender (offer) which is realistically priced  
T = the respective tender under consideration

b. Equity owned by historically disadvantaged individuals 20 or 10 points

where

Maximum 100 % equity = 20 or 10 points

Minimum 0 % equity = 0

And pro-rata within the limits

**NOTE: The equity % shall be based on ownership as set out in relevant registration papers (e.g. articles of association / partnership agreement, etc.)**

Points scored will be rounded off to two (2) decimal places.

In the event that two or more tenders have scored equal total points, the successful tender must be the one scoring the highest number of preference points for specified goals. Should two or more tenders be equal in all respects, the award shall be decided by the drawing of lots.

RDP factors, consistent with various project objectives may be incorporated into the tender document and such factors awarded adjudication points. These factors include:

- \* Labour based construction
- \* Use of local resources (including use of labour from the local community where the project is conducted, as well as the subletting of portions of the works to local sub-contractors identified by the tenderer prior to tender submission and as recorded in the tender submission
- \* Use of selected contractors engaged in development programmes\*\*
- \* Affirmative Action Principles  
Training and skills transfer
- \*\* Not applicable in the case of minor and micro contracts

Over and above the awarding of preference points in favour of HDI's, the following activities may be regarded as a contribution towards achieving the goals of the RDP (published in *Government Gazette No. 16085* dated 23 November 1994):

- (a) The promotion of South African owned enterprises;
- (b) The promotion of export orientated production to create jobs;
- (c) The promotion of SMMEs;
- (d) The creation of new jobs or the intensification of labour absorption;
- (e) The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province;
- (f) The promotion of enterprises located in a specific region for work to be done or services to be rendered in that region;
- (g) The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered in that municipal area;

- (h) The promotion of enterprises located in rural areas;
- (i) The empowerment of the work force by standardising the level of skill and knowledge of workers;
- (j) The development of human resources, including by assisting in tertiary and other advanced training programmes, in line with key indicators such as percentage of wages spent on education and training and improvement of management skills; and
- (k) The upliftment of communities through, but not limited to, housing, transport, schools, infrastructure donations, and charity organizations.

Specific goals must be measurable and quantifiable and shall be monitored for compliance with such goals.

Where a Joint Venture Participation goal is set to ensure that a predetermined percentage of the value of the contract is undertaken by the Joint Venture Partner, the award of the 10 or 20 points for specific goals will be awarded on a pro rata basis for participation goal percentage proposed. The document "Resource Specification for the Implementation of Targeted Procurement in respect of Structured Joint Ventures", prepared by the Department of Public Works dated 1998, or any amendment thereof may be utilized by the Council for this purpose.

NOTE: This does not preclude the Council from incorporating points for any other objectives/goals which it may determine from time to time. The actual objectives/goals for which points will be allocated will be clearly laid out in the Tender Document.

NOTE: Before the preference points as set out above are calculated a preference of 2.5 % for the SABS mark for the supply of goods and 2.5 % for a local supplier/consultant/service provider will be allowed.

Where Joint Ventures are called for, or where the tenderer is a joint venture, the basis of adjudication will be as above, conditional upon the tenderer providing evidence that the partners bear responsibility for due performance in direct proportion to their share of the venture.

Should this ratio not be reflected in the responsibilities/capital input/expertise of the parties then the Council reserves the right to adjudicate based upon these factors and not on the ratios set out in the Joint Venture/Partnership agreement.

Subject to all other factors including, but not limited to ability to perform, previous experience, possible overcommitment, service levels, credit worthiness, financial stability, unit rates, prices, alternative offers, qualifications and compliance with all other provisions of the tender document (e.g. provision of security) the contract will be awarded to the contractor scoring the highest number of points.

The tender document will clearly set out the adjudication criteria to be applied. The formula shall be applied to only those tenders deemed to be responsive. In this regard a "responsive" tender is one that conforms in all respects to the terms, conditions and specifications of the tender document and has been signed by an official duly authorised to sign the document.

Other factors to define a Responsive Tender include but are not limited to the following:-

1. Ability to Perform - The work to be done (or goods to be supplied) must be within the performance limits of the tenderer.
2. Experience - Evidence to substantiate that the tenderer has the necessary levels of expertise, experience, skilled staff and equipment to complete the work (or supply the goods) as specified.
3. Possible - Evidence that the award of a

Overcommitment

tender may result in the tenderer being overcommitted financially, technically and with regard to other resources (e.g. manpower and equipment) resulting in the works not being completed in the specified time or in accordance with specification.

4. Service - Past service must be considered and where past service has been poor, e.g. lack of backup, extensive delays, poor quality of work (or goods), etc., these must be reported on and substantiated by detailed reports.

5. Credit Worthiness - and Financial Stability - The tenderer must substantiate ability to fund the project i.e. purchase materials, pay wages, hire plant, etc. plus cater for unexpected events like insurance claims, etc. If the tenderer cannot obtain credit or has a low banking rating, then the Council runs the risk of the project not being completed due to the contractor running out of funds.

In this regard while some latitude may be allowed to emerging (H.D.I) contractors, the protection of Council's interests remain paramount. (e.g. While the Council in exceptional circumstances may make direct payment to a supplier

on behalf of the contractor, this must not impact on the cash-flow of the contractor to such an extent that he is unable to pay his labourers for work done. The Council may not by law make an advance payment to the contractor.

### **3.11.2.1 CANCELLATION AND RE-INVITATION OF TENDERS**

- 10.(1) In the event that, in the application of the 80/20 preference point system as stipulated in the tender documents, all tenders received exceed the estimated Rand value of R500 000,00, the tender invitation must be cancelled.
- (2) In the event that, in the application of the 90/10 preference point system as stipulated in the tender documents, all tenders received are equal to, or below R500 000,00, the tender must be cancelled.
- (3) If a tender has been cancelled as contemplated in (1) and (2) the Council may re-invite tenders and stipulate the preference point system to be applied.

The Council may, prior to the award of a tender, cancel a tender if -

- (a) due to changed circumstances, there is no longer need for the goods or services tendered for; or
- (b) funds are no longer available to cover the total envisaged expenditure; or
- (c) no acceptable tenders are received.

### **3.11.2.2 DUTY TO PLAN FOR INVITATION OF TENDERS**

The Council shall, prior to making an invitation for tenders -

- (a) properly plan for, and, as far as possible, accurately estimate the costs of, the provision of services or

goods for which an invitation for tenders is to be made;

- (b) determine the appropriate preference point system to be utilised in the evaluation of the tenders; and
- (c) determine the deliverables or performance indicators in terms of which a person awarded a contract will be assessed.

### **3.11.3 NON-AWARD OF H.D.I. POINTS**

3.11.3.1 Note that no H.D.I. equity points will be awarded for equity ownership as defined in 2.2.3 read with 2.2.4 if the tenderer does not fully comply with the provisions of Sections 2.2.1 (Control), 2.2.2 (Commercially useful function), 2.2.4 (Owned) 2.2.5 (Local Supplier) and 2.2.9 (Business Enterprise).

3.11.3.2 No H.D.I. equity points will be awarded for equity ownership as defined in 2.2.3 read with 2.2.4 if the tenderer is a public company.

### **3.11.4 AWARD TO AN AGENT**

3.11.4.1 An agent will, if awarded a tender, be regarded as a contractor and will be liable for all benefits/losses.

3.11.4.2 H.D.I equity points as defined in 2.2.3 read with 2.2.4 will only be awarded to an agent if documents substantiating such an appointment accompany the tender submission.

### **3.11.5 TAX CLEARANCE CERTIFICATE**

No contracts will be awarded to tenderers who have failed to submit an original Tax Clearance Certificate from the South African Revenue Service certifying that their taxes are in order or that suitable arrangements have been made with the South African Revenue Service to satisfy them. The said certificate should be dated or issued after the date of the advertisement calling for tenders but before the closing date for receipt of tenders.

### **3.11.6 CLEARANCE CERTIFICATE FOR MUNICIPAL LEVIES, SERVICES ETC**

No contracts will be awarded to tenderers who have failed to submit an original Municipal Service/Levies clearance certificate issued by the Chief Financial Officers for Buffalo City and the Amatole District Municipality or such other Municipality where the Head Office is situated certifying that their service charges/levies etc. are in order, or that suitable arrangements have been made for their payment. The said certificate should be dated or issued after the date of the advertisement calling for tenders but before the closing date for receipt of tenders.

### **3.11.7 PENALTIES**

Should information furnished be found to be false, the Council will act against the contractor and in addition to any other remedy it may have:

- a. recover all costs, losses or damages incurred or sustained by the Council as a result of the contract; and/or
- b. cancel the contract and claim any damages which the Council may suffer by having to make a less favourable arrangement after such cancellation; and/or
- c. impose a penalty not exceeding 5 % of the value of the contract.
- d. blacklisting

NOTE: The actual formula for calculation of such penalties, which shall be in addition to any penalties provided for the applicable Conditions of Contract shall be specified in the Tender Document.

### **3.12 GENERAL**

3.12.1 The intention of this policy is to comply with the principles set out in Legislation.

These principles are to create an environment which allows small, medium and micro enterprises to participate in the procurement process. It also provides a policy for the protection and/or advancement of persons or categories of persons disadvantaged by unfair discrimination in an open, fair and transparent manner, while not compromising cost effectiveness to any great degree.

3.12.2 Sealed tenders endorsed on the envelope with the tenderers name and the contract number shall either be deposited in the formal Tender Boxes situated in the Main Payments Hall, Munifin Centre, Caxton Street, East London, and in the Bisho Civic Centre, King William's Town, or posted so as to reach the City Manager, P.O. Box 134, East London in sufficient time for it to be placed in the Tender Box before the closing time and date as stated. Telegraphic tenders received in sufficient time to be placed in the tender box before the advertised closing hour and date will be considered provided the name of the tenderer, the contract number and the price in respect of each item tendered for are clearly indicated and the relevant tender documents are dispatched before the advertised closing hour and date as set out in the notice. The Council reserves the right to require the submission of proof of time of dispatch.

It must be expressly understood that the Council disclaims any responsibility for seeing that tenders sent by post or delivered in any other way to the council, are lodged in the Tender Box. It is accordingly preferable for the Tenderer to personally ensure that the tender is placed in the Tender Box by the Tenderers own staff, or where appropriate, a courier appointed by the Tenderer.

Tenders will be opened in public at the designated time and place.

Canvassing of Councillors or Municipal officials shall disqualify a tender. Tenderers should note that once the tenders have been opened, they should not contact officials or Councillors to discuss the contract, or the award of the contract, as this may result in the tender being disqualified. This does not, however, preclude a tenderer from enquiring when the tender will be awarded, or furnishing such other information as may be requested by the adjudicating parties.

Should a tenderer wish to, or believe it necessary to lodge a complaint regarding the tender procedure, then such complaint should be addressed to the City Manager and not to any Councillor as such complaint may be seen as an effort to canvas support and may result in disqualification.

Late, incomplete, unsigned, faxed or electronic mailed tenders will not be considered.

The Council reserves the right to extend the tender period by notice published in the press and notification to all parties who have drawn documents.

The Council reserves the right not to accept the only or lowest tender or any tender at all, or to accept the whole or part of any tender.

The Council further reserves the right to set-off amounts legally due to a contractor in terms of the contract, against any unpaid liquid debts owing by the contractor to the Council.

Tenderers should note that they may tender for a portion of the goods/work or for the whole.