



**BITOU MUNICIPALITY**

**PREFERENTIAL PROCUREMENT POLICY**

**PREFERENTIAL PROCUREMENT POLICY** adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and Section 217 (2) of the Republic of South Africa Constitution

### PREAMBLE

**WHEREAS** the Bitou Municipality aims to improve the quality of life of the local community and to free the potential of each person within a framework of facilitating service delivery, through effective governance and the Council takes into account the need for transparent procedures that give the effect to the principle of preferential procurement;

**AND WHEREAS** local economic development plays a crucial role in creating a prosperous, equitable, stable and democratic society and the overall national vision of economic development is one of decent work and living standards for all in the context of qualitative improved equality in ownership, skills and access to opportunities;

**NOW THEREFORE** the Council of the Bitou Municipality resolves in terms of Section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 are herewith adopted to form the basis of the evaluation criteria for quotations and competitive bids.

<b>VERSION CONTROL</b>					
<b>POLICY OWNER:</b>			Bitou Municipality Supply Chain Management Unit		
<b>POLICY EFFECTIVE DATE:</b>			29 September 2017		
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**Part One: DEFINITIONS AND APPLICATION**

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**1 Definitions**

- 1) In this policy, unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Act bears the same meaning, and:

<b>1.1 "Act"</b>	means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
<b>1.2 "B-BBEE"</b>	means Broad-Based Black Economic Empowerment as defined in Section 1 of the Broad-Based Black Economic Empowerment Act;
<b>1.3 "B-BBEE status level of contributor"</b>	means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
<b>1.4 "Broad-Based Black Economic Empowerment Act" (B-BBEEA)</b>	means the Broad-Based Black Economic Empowerment Act, 2003 (Act No.53 of 2003);
<b>1.5 "black designated groups"</b>	has the meaning assigned to it in the codes of good practice issued in terms of section 9 (1) of the Broad- Based Black Economic Empowerment Act
<b>1.6 "black people"</b>	has the meaning assigned to it in section 1 of the Broad- Based Economic Empowerment Act
<b>1.7 "Comparative price"</b>	means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration;
<b>1.8 "Consortium or Joint Venture"</b>	means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
<b>1.9 "Contract"</b>	means the agreement that results from the acceptance of a bid by the Bitou Municipality;
<b>1.10 "co-operative"</b>	Means a co-operative registered in terms of Section 7 of the Cooperatives Act, 2005 (Act No. 14 of 2005)
<b>1.11 "designated group"</b>	<ul style="list-style-type: none"> <li>1.11.1. black designated groups</li> <li>1.11.2. black people</li> <li>1.11.3. women</li> <li>1.11.4. people with disabilities; or</li> <li>1.11.5. small enterprises which are enterprises, owned, managed and controlled by previously disadvantaged persons and which is overcoming business impediments arising from the legacy of apartheid</li> </ul>
<b>1.12 "designated sector"</b>	means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
<b>1.13 "EME"</b>	Means exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of a code of good practice on

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	black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act
<b>1.14 "Functionality"</b>	means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents;
<b>1.15 "military veteran"</b>	has the meaning assigned to it section 1 of the military veterans act, 2011 (act no. 18 of 2011)
<b>1.16 "National Treasury"</b>	has the meaning assigned to it in section 1 of the Public Finance Management Act 1999 (Act No. 1 of 1999)
<b>1.17 "people with disabilities"</b>	has the meaning assigned to it in section 1 of the Employment Equity Act, 1998 (Act No. 55 of 1998)
<b>1.18 "price"</b>	Includes all applicable taxes less all unconditional discounts
<b>1.19 "proof of B-BBEE status level of contributor"</b>	1.19.1 the B-BBEE status level certificate issued by an authorised body or person 1.19.2. a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or 1.19.3. any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act
<b>1.20. "QSE"</b>	Means a qualification small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad- Based Black Economic Empowerment Act
<b>1.21 "Rand value"</b>	means the total estimated value of a contract in Rand, calculated at the time of bid invitation.
<b>1.22 "rural area"</b>	Means- 1.22.1 a separately populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or 1.22.2 an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have a traditional land tenure system
<b>1.23 "stipulated minimum threshold"</b>	means that portion of local production and content as determined by the Department of Trade and Industry;
<b>1.24 "the Act"</b>	means the Preferential Procurement Policy Framework Act 2000 (Act No. 5 of 2000)
<b>1.25 "township"</b>	means urban living area that any time from the late 19 <sup>th</sup> century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994
<b>1.26 "treasury"</b>	has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999)
<b>1.27 "youth"</b>	has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008)

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## **2 Application, Objectives & General Requirements**

- 2.1. This Policy complies with the framework as prescribed of section 2 of the PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT NO. 5 OF 2000
- 2.2. This Policy was developed in terms of section 217 (2) of the Constitution of the Republic of South Africa
- 2.3. This Policy applies to the Bitou Municipality and its objectives is to:
- 2.3.1 Provide clarity on the municipality's approach to procurement, particularly with regards to requirements of preferential procurement;
  - 2.3.2 Provide access to contracts for historical disadvantaged individuals;
  - 2.3.3 Promote participation by SMMEs
  - 2.3.4 Promote capacity development and skills transfer;
  - 2.3.5 Promote the Bitou Municipality's Local Economic Development Strategy and endeavour to ensure the attainment of the award of atleast 40% of all procurement within the boundaries of the Bitou Municipality
- 2.4 General requirements
- 2.4.1. Any specific goal required for consideration in the bidding process must be clearly determined by the Bid Specification Committee and be defined in the bid documentation, taking into account prescriptions of the Construction Industry Development Board [CIDB] in respect of construction related contracts.
  - 2.4.2 Outputs required will be quantified and will form part of the contractual arrangement upon awarding of the contract.

## **3 Identification of preference point system, designated sector, pre-qualification criteria, objective criteria and sub-contracting**

- 3.1. The Municipality must-
- 3.1.1. determine and stipulate in the tender documents-
    - (i) the preference point system applicable to the tender as envisaged in section 6 or 7; and/or
    - (ii) if it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system;
  - 3.1.2. determine whether pre-qualification criteria are applicable to the tender as envisaged in section 4.
  - 3.1.3. determine whether the goods or services for which a tender is to be invited, are in a designated sector for local production and content as envisaged in section 8;
  - 3.1.4. determine whether compulsory sub-contracting is applicable to the tender as envisaged in section 9; and
  - 3.1.5. determine whether objective criteria are applicable to the tender as envisaged in section 11.

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**4 Pre-qualification criteria for preferential procurement**

- 4.1. If the Municipality decides to apply pre-qualifying criteria to advance the Bitou Municipality's Local Economic Development Strategy; the municipality must advertise the tender with a specific tendering condition.
- 4.2. A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.
- 4.3. As per section 2 (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 16085 dated 23 November 1994

**5 Evaluation of bids based on functionality**

- 5.1. The Municipality must in the bid documents indicate if, in respect of a particular bid invitation, bids will also be evaluated on functionality;
- 5.2. The evaluation criteria for measuring functionality must be objective.
  - 5.3. The tender documents must specify-
    - 5.3.1 evaluation criteria for measuring functionality,
    - 5.3.2. the points for each criteria and, if any, each sub-criterion; and
    - 5.3.3. the minimum qualifying score for functionality,
  - 5.4. The minimum qualifying score for functionality for a tender to be considered further-
    - 5.4.1. must be determined separately for each tender; and
    - 5.4.2. may not be so-
      - (i) low that it may jeopardise the quality of the required goods or services; or
      - (ii) high that it is unreasonably restrictive.
  - 5.5. Points scored for functionality must be rounded off to the nearest two decimal places.
  - 5.6. A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.
  - 5.7. Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective criteria envisaged in section 11.

**6 The 80/20 preference point system for acquisition of goods, works and / or services up to a Rand value of R1,0 million**

- 6.1. The following formula must be used to calculate the points for price in respect of competitive bids / price quotations with a Rand value equal to, or above R 30 000 and up to a Rand value of R50 000 000 (all applicable taxes included):

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

Where;

*P<sub>s</sub>* = Points scored for comparative price of tender under consideration

*P<sub>t</sub>* = Comparative price of tender under consideration and

*P<sub>min</sub>* = Comparative price of lowest acceptable tender

- 6.2. A maximum of 20 points must be awarded to a bidder for attaining the B-BBEE status level contemplated in the B-BBEE Codes of Good Practice on Black Economic Empowerment, issued in

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terms of section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 and promulgated in the Government Gazette on 9 February 2007, as amended.

**Points must be awarded to a bidder on the following basis:**

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

- 6.3. A tenderer must submit proof of its B-BBEE status level contributor.
- 6.4. A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified but-
- 6.4.1 may only score points out of 80 for price; and
- 6.4.2 scores 0 points out of 20 for B-BBEE.
- 6.5. A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends sub-contracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability to execute the sub-contract.
- 6.6. The points scored by a tenderer for B-BBEE in terms of Sub-Section 6.2 must be added to the points scored for price under subsection 6.1.
- 6.7. The points scored must be rounded off to the nearest two decimal places.
- 6.8. Subject to Sub-Section 6.9 and Sub-section 11, the contract must be awarded to the tenderer scoring the highest procurement points.
- 6.9. If the price offered by a tenderer scoring the highest points is not market-related, the organ of state may not award the contract to that tenderer.
- 6.10. The Municipality may-
- 6.10.1 negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;
- 6.10.2 if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender.
- 6.10.3. if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.
- 6.11. If a market-related price is not agreed as envisaged in sub-section 6.10.3, the municipality must cancel the tender.



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**7 The 90/10 preference point system for acquisition of goods, works and / or services with a Rand value above R50 million**

7.1. The following formula must be used to calculate the points for price in respect of bids with a Rand value above R50,000,000 (all applicable taxes included):

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

Where

*P<sub>s</sub>* = Points scored for comparative price of tender under consideration;

*P<sub>t</sub>* = Comparative price of tender under consideration; and

*P<sub>min</sub>* = Comparative price of lowest acceptable tender.

7.2. The following table must be used to calculate the points out of 10 for B-BBEE:

**B-BBEE Status Level of Contributor Number of Points**

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

7.3. A tender must submit proof of its B-BBEE status level of contributor.

7.4. A tenderer failing to submit proof of B-BBEE status level of contribution or is a non-compliant contributor to B-BBEE may not be disqualified, but-

7.4.1. May only score points out 90 for price; and

7.4.2. Scores 0 points out of 10 for B-BBEE.

7.5. A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends sub-contracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability to execute the sub-contract.

7.6. The points scored by a tenderer for B-BBEE contribution in terms of Sub-Section 2 must be added to the points scored for price under sub-section 1.

7.7. The points scored must be rounded off to the nearest two decimal places.

7.8. Subject to Sub-Section 9 and sub-section 11, the contract must be awarded to the tenderer scoring the highest points.

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- 7.9. If the price offered by a tenderer scoring the highest scoring the highest points is not market-related, the Municipality may not award the contract to that tenderer.
- 7.10. The Municipality may-
- 7.10.1 negotiate a market- related price with the tenderer scoring the highest points or cancel the tender;
  - 7.10.2 if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the scoring the second highest points or cancel the tender.
  - 7.10.3. if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the scoring the third highest points or cancel the tender.
- 7.11. If a market-related price is not agreed as envisaged in sub-section 7.10.3, the municipality must cancel the tender.

**8. Criteria for breaking deadlock in scoring**

- 8.1. If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for B-BBEE.
- 8.2. If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points for B-BBEE, the contract must be awarded to the tenderer that scored the highest points for functionality.
- 8.3. If two or more tenderers score equal total points in all respects, the award must be decided by drawing of lots.

**9. Award of contracts to bids not scoring the highest number of points**

- 9.1. A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1) (f) of the Act.
- 9.2. If the municipality intends to apply objective criteria in terms of section 2 (1) (f) of the Act, the municipality must stipulate the objective criteria in the tender documents.

**10. Conditions**

- 10.1. Only a tenderer who has completed and signed the declaration part of the tender documentation may be considered.
- 10.2. The Municipality must, when calculating comparative prices, take into account any discounts which have been offered unconditionally.
- 10.3. A discount which has been offered conditionally must, despite not being taken into account for evaluation purposes, be implemented when payment is processed.
- 10.4. Points scored must be rounded off to the nearest 2 decimals places.
- 10.5. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 10.6. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate tender.
- 10.7. When the Municipality is in need of a service provided by only tertiary institutions, such services must be procured through a tendering process from the identified tertiary institutions.
- 10.8. Tertiary institutions referred to in sub-Section (11) will be required to submit their B-BBEE status in terms of the specialized scorecard contained in the B-BBEE Codes of Good practice.

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**11. Declarations**

- 11.1. A tender must, in the manner stipulated in the document, declare that-
- 11.1.1. the information provided is true and correct;
  - 11.1.2. the signatory to the tender document is duly authorised; and
  - 11.1.3. documentary proof regarding any tendering issue will, when required, be submitted to the satisfaction of the Municipality.

**12. Sub-contracting after award of tender**

- 12.1. A person awarded a contract may only enter into a sub-contracting arrangement with the approval of the Municipality.
- 12.2. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 12.3. A person awarded a contract may not sub-contract more than 30% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level contributor than the person concerned, that the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.
- 12.4. Tenderers or contractors must submit proof of subcontracting arrangement between the main tenderer and the subcontractor. Proof of subcontracting arrangement may include a subcontracting agreement between main tenderer and the subcontractor.
- 12.5. The contract will be concluded between the main contractor and the municipality, therefore, the main contractor and not subcontractor would be held liable for performance in terms of its contractual obligations.
- 12.6. Main contractors/ suppliers are discouraged from subcontracting with their subsidiary companies as this may be interpreted as subcontracting with themselves and/or using their subsidiaries for fronting. Where primary contractor subcontracts with a subsidiary this must be declared in tender documents.
- 12.7. Tenders that do not meet subcontracting requirements are considered as being not acceptable tenders and must be disqualified and may not be considered for further evaluation or award.

**13. Cancellation and re-invitation of bids**

- 13.1. In the event that, in the application of the 80/20 preference point system as stipulated in the tender documents:
- i. all tenders received exceed the estimated Rand value of R50 million the tender invitation must be cancelled.
  - ii. If one or more of the acceptable tenders received are within the prescribed threshold of R50 million, all tenders received must be evaluated on the 80/20 preference point system.
- 13.2. In the event that, in the application of the 90/10 preference point system as stipulated in the tender documents,
- i. all tenders received are equal to, or below R50 million the tender must be cancelled.
  - ii. If one or more of the acceptable tenders received are above the prescribed threshold of R50 million all tenders received must be evaluated on the 90/10 preference point system.

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13.3. In the event that the Municipality has cancelled a tender invitation as contemplated in sub-section 13(1) (i) and 13(2) (i), tenders must be re-invited and the tender documents must stipulate the correct preference point system to be applied.

13.4. The Municipality may, prior to the award of a tender, cancel a tender if:

- i. due to changed circumstances, there is no longer a need for the services, works or goods requested, or
- ii. funds are no longer available to cover the total envisaged expenditure; or
- iii. no acceptable tenders are received.

13.5. The decision to cancel a tender in terms of sub-Section (1) must be published in the media in which the original tender invitation was advertised.

13.6. The municipality may only with the prior approval of the Provincial Treasury cancel a tender invitation for the second time.

#### **14. Remedies**

14.1. Upon detecting that a tenderer submitted false information regarding its B-BBEE status level of contributor, local production and content, or any other matter which will affect or has affected the evaluation of a tender, or where a tenderer has failed to declare any sub-contracting arrangements the Municipality must-

14.1.1. inform the tenderer accordingly;

14.1.2. give the tenderer an opportunity to make representations within 14 days as to why-

- (i) the tender submitted should not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part .
- (ii) if the successful tenderer sub-contracted a portion of the tender to another person without disclosing it.
- (iii) If the tenderer should not be restricted by the National Treasury from conducting any business for a period not exceeding 10 years with any organ of state; and

14.1.3. if it concludes, after considering the representations referred to in Sub-Section (1) (b), that-

(i) such false information was submitted by the tenderer-

(aa) disqualify the tenderer or terminate the contract in whole or in part; and

(bb) if applicable, claim damages from the tenderer or;

(ii) the successful tenderer sub-contracted a portion of the tender to another person without disclosing, penalise the tenderer up to 10% of the value of the contract.

14.2. The Municipality must-

14.2.1. inform the National Treasury, in writing, of any actions taken in terms of sub-section (1)

14.2.2. provide written submissions as to whether the tenderer should be restricted from conducting business with any organ of state; and

14.2.3. submit written representations from the tenderer as to why that tenderer should not be restricted from conducting business with any organ of state.

14.3. The National Treasury may request the municipality to submit further information pertaining to sub-section 1 within a specified period.

14.4. The National Treasury must-

14.4.1. after considering the representations of the tenderer and any other relevant information, decide whether to restrict the tenderer from doing business with any municipality for a period not exceeding 10 years; and

14.4.2. maintain and publish on its official website a list of restricted suppliers.

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**15. Tax clearance**

No tender may be awarded to any person whose tax matters have not been declared by the South African Revenue Services to be in order.

**16. Mechanisms to support preferential procurement**

- 16.1. The municipality will set targets for the supply of goods and services, and link specific requirements relating to enterprise with HDI ownership and/or SMME status.
- 16.2. The municipality will establish a database of HDI, SMME and other service providers in order to track their records of services to the municipality.
- 16.3. Joint venture opportunities between HDI owned enterprises and SMMEs, and other business entities, will be identified and be described in the bid requirements.
- 16.4. Sub-contracting opportunities for HDI owned enterprises will be supported.
- 16.5. The municipality will create an enabling environment to enable SMMEs to become part of the supply chain management process. Steps to be taken include, but are not limited to:
- 16.5.1 Reduce the extent of Surety Requirements
- 16.5.2. Bidding and related information will, where possible and practical, be made available in a simplified and uncomplicated format to assist new and emerging enterprises and any business or organisation bidding for municipal business.
- 16.5.3. (i) Assistance will, where practically possible, be provided by the SCM Unit to increase SMME awareness and share in the supply chain and procurement process. Assistance will be provided for new and emerging SMMEs in any of the three languages of the Western Cape.
- (ii) Bids shall be packaged into suitably sized segments of subcontractors to target SMMEs wherever possible.
- (iii) A review of all term (period) contracts shall be undertaken to assess the viability of packaging these into smaller sub-contracts. These bids should be issued in smaller manageable sub-contracts so that preference can be given to local SMMEs.
- (iv) Appropriate standards, specifications, delivery dates and related contractual obligations shall be employed to help smaller businesses to cope and compete.
- 16.5.4. Simplification of Tender Documentation
- (i) Bid submission documents will be rationalised and simplified to make it easier for small businesses to deal with the paperwork involved in tendering.
- (ii) All bid submission forms shall be regularly reviewed and the various bid/contractual documents shall be standardised as far as possible.
- (iii) Essential information shall be consolidated and bid forms reformatted in line with the aims of this policy.
- 16.5.5.
- (i) Retention on Major contracts should be limited to 5% of the tender sum. Where the value of the surety required has been reduced, or even waived, the usual 10% retention shall apply. The value of retention deducted will therefore be as follows:
- (ii) Micro and Minor: 10% of the value of work carried out with no limit, reducing to 5% for the duration of the maintenance period.
- (iii) Major: 10% of the value of the work carried out, up to a limit of 5% of the tender sum, with no reduction for the duration of the maintenance period.
- (iv) Retention in respect of the procurement of goods and services will not generally be called for, but where required, will be in accordance with the limits described above.

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- (iiv) For turnkey/design and construction projects, the above retention limits may be reviewed by the Municipality's Director: Infrastructure and Planning.

16.5.6. Bid Advertising

- (i) In order to reach the largest number of HDI owned and SMME service providers possible, the Municipality will advertise invitations to bid through a range of media.
- (ii) The Municipality will provide an appropriate time period within which bidders can request additional clarification and will be sensitive to the issues of language in this regard.

16.5.7 The Supply Chain Management Unit must provide bidders with the opportunity of debriefing session where the shortcomings if any of the bidder may be discussed.

16.6. Design and implement appropriate Supplier and Contractor Development Programmes for the active promotion of the following development outcomes:

16.6.1. Improve the grading status of suppliers, service providers and contractors in targeted categories and grades;

16.6.2. Increase the number of black women, disabled, and youth-owned companies in targeted categories;

16.6.3. Create sustainable contracting enterprises by enabling continuous work through a competitive process;

16.6.4 Improve the performance of suppliers, service providers and contractors in terms of quality, employment practices, skills development, safety, health and the environment; and

16.6.5. Improve the business management and technical skills of these suppliers, service providers and contractors.

**17. SHORT TITLE**

This policy is called the Bitou Municipality Preferential Procurement Policy and takes effect upon Council approval.