



# SUPPLY CHAIN MANAGEMENT

3366 Besemmer Str Telkom Building  
Industrial Site Mahikeng, 2745  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

2nd Floor West Wing, University Drive  
Garona Building  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

## INVITATION TO BID

**BID NUMBER : DHS 24/2022**

**VALIDITY PERIOD: 90 DAYS**

**CLOSING TIME: 11H00**

**CLOSING DATE: 26 SEPTEMBER 2022**

**DHS 24/2022: APPOINTMENT OF A SERVICE PROVIDER TO RENDER 24/7 PRIVATE SECURITY SERVICES FOR DEPARTMENT OF HUMAN SETTLEMENTS BUILDINGS: (NORTH WEST DEVELOPMENT CORPORATION IN MAHIKENG AND MARIKANA COMMUNITY RESIDENTIAL UNITS (CRU) IN RUSTENBURG) FOR A PERIOD OF THREE (3) YEARS.**

1. Kindly furnish the Department with a bid for the services shown on the attached documents.
2. The conditions contained in the General Conditions of Contract (GCC), the Terms of Reference and bid forms as well as any other conditions accompanying this invitation are applicable.
3. No late, faxed or emailed bids will be considered. Bids received after the closing date and time are late and will as a rule not be acceptable for consideration.
4. It is the responsibility of the bidder to ensure that the company is registered on the National Treasury Central Suppliers Database as service providers.
5. Bid documents can be downloaded for free on the Departmental Website: <http://www.nwpg.gov.za/HumanSettlements/site/index.html> OR can be obtained from SCM offices at a non – refundable fee of R100.00 that must be deposited to Departmental Account Number as follows:

Bank Name: First National Bank (FNB)

Account Name: NW – Department of Human Settlements

Account Number: 62825725560

Branch Code: 210244

Reference: DHS 24/2022

6. The Department of Human Settlements reserve the right to award the bid in whole or in part to one or more service providers and does not bind itself to award the lowest bidder.



7. All the documents accompanying this invitation to bid must be completed in detail where applicable and sealed in an envelope clearly marked the Bid Number and placed in the Bid box before the closing date and time. The bid box is situated at: **CRAFT PRESS BUILDING (formerly known as CCP BUILDING), 27 JAMES WATT CRESCENT; INDUSTRIAL SITE, MAFIKENG, 2745.**

#### **CONDITIONS TO BID**

**This bid is issued under the condition that the bidder/s should at any stage during production or execution or on completion of the service be subjected to inspection. The premises of the Service Provider/s shall be open at all reasonable hours for inspection by the representative of the Department of Human Settlements. The Bidder also agrees that the financial standing may be examined as part of the inspection.**

#### **8. PRE – EVALUATION QUALIFICATION REQUIREMENTS**

**THE BID WILL BE EVALUATED IN FOUR (4) STAGES AS FOLLOWS:-**

##### **STAGE 1: Mandatory and other Bid Requirements**

- ✓ Cover page
- ✓ SBD 1: Invitation to bid
- ✓ SBD 3.3: Pricing Schedule- Firm Prices
- ✓ SBD 4: Bidder's Disclosure
- ✓ SBD 6.1: Preference points claim form of the Preferential Procurement Regulations 2017
- ✓ General Conditions of Contract (initialized each page)
- ✓ CSD report reflecting compliant tax status, successful bank verification and ownership information
- ✓ Valid Tax Clearance Certificate / Unique Pin issued by SARS
- ✓ CIPC Certificate
- ✓ ID Copies of the shareholders
- ✓ Valid B-BBEE Certificate / Sworn Affidavit
- ✓ Certified copy of PSIRA Grade A/B certificate for the company and directors
- ✓ Certified copies of Firearm competency for responsible person and 10 security guards
- ✓ Certified copies of firearm licence (10)
- ✓ Valid UIF compliance certificate.

- ✓ Letter of good standing with COIDA
- ✓ Letter of Good Standing from PSIRA
- ✓ Private Security Sector Provident Fund compliance letter valid at the time of closing
- ✓ Proof of medical insurance for security guards.
- ✓ Proof of bargaining Council Membership.
- ✓ Vehicle registration certificates of at least 06 cars
- ✓ In case of a joint venture the following documents to be submitted
  - Valid joint venture agreement signed by all parties and witnessed
  - Certificate or authority for Joint Ventures (where applicable)
  - Consolidated B-BBEE Certificate (if not consolidated preference points will be 0)
  - Valid Tax Clearance Certificate of all parties
  - Detailed Company profile of all parties (Include all security services done by the company and indicate the contact details of a reference person on the project, name list of employees of the company that will be involved in the project)
- ✓ Detailed Company profile (Include all security services done by the company and indicate the contact details of a reference person on the project, name list of employees of the company that will be involved in the project)

**Failure to comply with these requirements will lead to immediate disqualification.**







**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	DHS 24/2022	CLOSING DATE:	26 SEPTEMBER 2022	CLOSING TIME:	11H00
DESCRIPTION	<b>DHS 24/2022: APPOINTMENT OF A SERVICE PROVIDER TO RENDER 24/7 PRIVATE SECURITY SERVICES FOR DEPARTMENT OF HUMAN SETTLEMENTS BUILDINGS: (NORTH WEST DEVELOPMENT CORPORATION IN MAHIKENG AND MARIKANA COMMUNITY RESIDENTIAL UNITS (CRU) IN RUSTENBURG) FOR A PERIOD OF THREE (3) YEARS.</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>27 JAMES WATT CRESCENT, INDUSTRIAL SITE, MAHIKENG</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON			CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS			E-MAIL ADDRESS		
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>					

## PART B

### TERMS AND CONDITIONS FOR BIDDING

#### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

#### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. Company Resolution)

.....

DATE:

.....





# SUPPLY CHAIN MANAGEMENT

3366 Besemmer Str Telkom Building  
Industrial Site Mahikeng, 2745  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

2nd Floor West Wing, University Drive  
Garona Building  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

## PRICING SCHEDULE

DEPARTMENTAL AREA	Number of Guards per shift and their grades.		Armed/ Unarmed	Total Security Officers
	Day shift	Night shift		
Cnr Provident and University Drive, <b>NWDC Building, Mmabatho</b>	5 unarmed Grade C  12 Hour Shift	5 unarmed Grade C  12 Hour Shift	Unarmed Security Officer	14 S/O
<b>HEAD OFFICE</b>	1 Armed Grade B X Site Commander	1 Armed Grade B X Site Commander	Armed Security Officer	
<b>NWDC: 14 SECURITY OFFICERS 15% VAT INCLU: R ..... PER MONTH</b>				
<b>Marikana CRU</b>	6 x unarmed Grade C  12 Hour Shift  1 Armed Grade B X Site Commander	6 x unarmed Grade C  12 Hour Shift  1 Armed Grade B X Site Commander	Unarmed Security Officer   Armed Security Officer	14 S/O
<b>MARIKANA CRU: 14 SECURITY OFFICERS 15 % VAT INCLU: R ..... PER MONTH</b>				



## BIDDER'S DISCLOSURE

**1. PURPOSE OF THE FORM**

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

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

**2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

---

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



with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

<sup>2</sup> Joint venture or Consortium 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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

..... Signature	..... Date
..... Position	..... Name of bidder



**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	50
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	50
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2. DEFINITIONS**

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity 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;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro 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;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying 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;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

#### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18



B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
  - One person business/sole propriety
  - Close corporation
  - Company
  - (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a



fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

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

<p>WITNESSES</p> <p>1. ....</p> <p>2. ....</p>
--

<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE: .....</p> <p>ADDRESS .....</p> <p>.....</p> <p>.....</p>
--



# MISS

3366 Besemmer Str Telkom Building  
Industrial Site Mahikeng, 2745  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

NWDC Cnr, University & Provident Drive  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4913

2nd Floor West Wing, University Drive  
Garona Building  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

## “Terms of Reference”

**Provision of 24/7 Private security services for  
NWDC Building in Mafikeng & Marikana CRU for a  
period of three (3) years**

**BID NUMBER: DHS 24/2022**

**VALIDITY PERIOD: 90 DAYS COMMENCING FROM  
BID CLOSING DATE.**

## Head Office: Craft Press Building

Physical Address : 27 James Watt  
Crescent Mafikeng Industrial Site

## TECHNICAL ENQUIRIES

Ms D V Makula: 082 689 7582/

018 388 5097

Email: [dkmakula@nwpg.gov.za](mailto:dkmakula@nwpg.gov.za)

## SCM RELATED ENQUIRIES:

Ms Elna Kepadisa- 018 388 4435

Email: [ekepadisa@nwpg.gov.za](mailto:ekepadisa@nwpg.gov.za)

Ms L. Mokgwaabone: 018 388 4434

Email: [Amokgwaabone@nwpg.gov.za](mailto:Amokgwaabone@nwpg.gov.za)



The Department of Human Settlement seeks to appoint a service provider to undertake physical security services at North West Development Corporate Offices and Marikana CRU as follows:

Address	Number of Guards per shift and their grades.		Armed/ Unarmed	Total Security Officers
	Day shift	Night shift		
Cnr Provident and University Drive, Nwdc Building, Mmabatho  <b>HEAD OFFICE</b>	5 unarmed Grade C  12 Hour Shift  2 Armed Grade B X Site Commander	5 unarmed Grade C  12 Hour Shift  2 Armed Grade B X Site Commander	Unarmed Security Officer  Armed Security Officer	14 S/O
Marikana CRU	6 x unarmed Grade C  12 Hour Shift  1 Armed Grade B X Site Commander	6 x unarmed Grade C  12 Hour Shift  1 Armed Grade B X Site Commander	Unarmed Security Officer  Armed Security Officer	14 S/O
<b>TOTAL NO. OF SECURITY GUARDS</b>				<b>28</b>

**1. MINIMUM PHYSICAL SECURITY STANDARDS ARE TO BE PROVIDED BY THE SERVICE PROVIDERS AS FOLLOWS:**

1.1 The security Company is expected to provide fully trained and competent security personnel for a period of three (3) years with the following basic requirements:

- Provision of a 24 hour security service as per the number of guards indicated above for a period of three years.

- An appropriate minimum education level to enable such an officer to compile and write a meaningful report (incidents, reports, occurrence book).
- Good communication skills.
- To be neatly dressed in appropriate company uniform at all times.
- Pleasant and friendly disposition but with the capacity to act firmly yet fairly.
- Emphasis on provision of services to law-abiding persons working for and visiting the Department.
- To be courteous at all times and ready to assist staff and visitors.

**2. THE SECURITY SERVICES SHALL FURTHER INCLUDE BUT NOT LIMITED TO THE FOLLOWING:**

- 2.2 The provision of efficient security and protection and safety of the departmental assets, property, employees and other persons in or on the premises.
- 2.3 Effective use of access control and bag/parcel searching to prevent loss and theft.
- 2.3 To prevent burglary and vandalism.
- 2.4 To provide an adequate surveillance service.
- 2.5 To maintain an occurrence book and report incidences on a daily basis.
- 2.6 To ensure all doors are locked and register all unlocked doors
- 2.7 Check for fire threats and suspicious parcels (**through an applicable device i.e hand metal detector**)
- 2.8 To record all vehicle movements in the appropriate register
- 2.9 To submit a security report to the Department or to designated representatives
- 2.10 To report regularly on a daily basis and a consolidated monthly report, except where there is a matter of grave concern where immediate reporting is imperative.





2.11 To patrol premises to ensure the protection and safety of all equipment, assets and vehicles.

2.12 To prevent unauthorized entry by a person or group of persons into premises and to prevent unauthorized removal of goods from the building without authority.

2.13 To prevent the carrying and/ or possession of firearms and other dangerous weapons in the premises except for members of security forces who identify themselves by producing of appointment cards.

2.14 To manage telephone system during lunch hour and after official working hours and in case of the absence of the Switchboard operator.

2.15 To manage staff, visitors, assets movement and attendance registers throughout the entire shift.

### 3. ACCEPTANCE OF THE CONTRACT IS SUBJECT TO:

3.1 Provision of liability insurance cover which must be submitted with the bid document;

3.2 The contracting company providing services on site will be **cleared** by State Security Agency (SSA). The security clearance includes criminal record checks by the South African Police Services and vetting investigation by State Security Agency;

3.3 Security personnel shall meet the requirements and a certification in the training requirements of PSIRA;

3.4 That the recommendation from the clearing authorities must be positive for the bid to be accepted. The Service Provider will be checked against register of tender defaulters and restricted suppliers from National Treasury;

3.5 That the Service Provider' will sign the service level agreement with the Department where services are to be rendered within seven working days after the bid has been awarded.

3.6 Obtaining a positive recommendation on criminal background checks of the Service Provider's employees on site is the responsibility of the Service Provider concerned. The Service Provider must within fourteen (14) days of appointment



submit criminal background status, qualifications, and ID copies of all employees on site to the Department.

3.7 The Service Provider should have an existing and fully operational control room with high tech communication equipment to enable effective security monitoring and security backup.

3.8 The service Provider should have 3 branded bakkies and 3 sedans for continuous communication link to their patrol officers and security control room.

3.9 The service provider should have firearm competency for a handgun

#### **4. CONTRACT PERIOD**

This is a three (3) year contract which will be reviewed based on performance, every twelve (12) months from the date of commencement. It is anticipated that the contract starting date will be 1<sup>st</sup> of November 2022.

#### **5. THE FOLLOWING ASPECTS WILL BE OBSERVED**

5.1 Strictly adherence to prescribed PSIRA rates.

5.2 Strictly adherence to specifications.


5.3 Strictly adherence to Basic Conditions of Employment Act.

5.4 Strictly adherence to Occupational Health Insurance.

#### **6. INSURANCE AND LIABILITIES TO THIRD PARTIES**

6.1 The Service Provider shall provide and thereafter maintain all appropriate workmen's Compensation insurance or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.

6.2 The Service Provider shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles or other equipment or leased by the Service Provider or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.





6.3 The Service Provider shall, upon request, provide Department of Human Settlements with satisfactory evidence of the insurance required under this Article.

6.4 Service provider shall take responsibility for any damages incurred as a result of omission or negligence from their employees or service provider's failure to provide services in connection with this contract.

## 7. HOURS OF DUTY

The Department reserves the right to change the duty hours to suit its requirements. Changes to duty hours will be conveyed to the Service provider at least two (2) weeks prior to the change being implemented. In case of an emergency, the matter will be handled in a manner to be agreed upon between the Department and the Service provider.

## 8. COMPLIANCE REPORTS AND MEETINGS

For monitoring and compliance purpose, both the service provider and the Department of Human Settlements will enter into a Service Level Agreement (SLA) which will be signed by both parties during contracting. The SLA will be monitored through compliance inspections which will be conducted weekly and meetings which will be held monthly. The Service Provider will also meet the designated Department of Human Settlements representatives as and when deemed necessary by either parties.

## 9. STANDARD REQUIREMENTS.

9.1 The provision to reduce or increase the number of security officers per site will be made, as and when the need arises.

9.2 In this case the Service Provider will be given 30 days' notice prior to the termination or transfer of the services.

**The Service Provider should provide the following tools:**

- ✓ Each Security Guard Must have a Baton Stick in his/her possession
- ✓ Hand Cuffs
- ✓ Base and Two-way radios
- ✓ Torches for night shift
- ✓ Whistles



- ✓ Hand Metal Detectors
- ✓ Occurrence and Pocket Books
- ✓ Firearm for supervisors on site
- ✓ All Security Officer must have fully protective clothing such as bullet proof vest

## 10. SECURITY SITE INSTRUCTION

- 10.1 The Department will provide a detailed security job description, which will form part of the contract for each site where physical security services are required.
- 10.2 The Department and Service provider(s) will mutually approve the specific site instructions. No alterations, deletions or additions may be made to such an instruction without the approval of the Department. Permanent alterations to be rectified by means of signatures of all the above-mentioned parties.
- 10.3 Site Instructions will be reviewed on a regular basis. Any proposed amendments will be negotiated with the Department and the Service provider.
- 10.4 Once the amendments have been agreed upon by all the above, they will be ratified by signatures to the relevant document. The Department has final approval of all amendments. Copies of the amended site instructions will be forwarded to all the relevant role players.
- 10.5 The Department will decide which site registers will be required.
- 10.6 The types of registers may include, but are not limited to the following: occurrence books (OB), visitor registers, after hour's registers, vehicle registers, firearm registers, vehicle and/or person search registers, key registers, laptop/computer register etc.

## 11. SPECIFIC REQUIREMENTS

**The following must be adhered to and failure to comply will result in the offer not being considered for evaluation.**

- 11.1 Proof of PSIRA Grade A/B certificate for directors, all members of close Corporations, all partners if the applicant is a partnership, administrators, any person performing executive/management functions if the applicant is a sole proprietor.





11.2 Proof of Grade E/D/C/B (PSIRA) certificates for Security Guards.

## 12. BID EVALUATION CRITERIA

The evaluation process will be conducted in stages as follows:

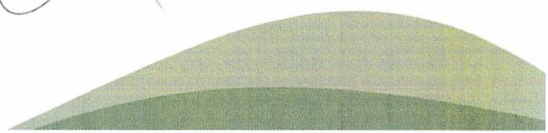
Stage 1	Stage 2	Stage 3	Stage 4
<b>Mandatory and other bid requirements</b>	<b>Functionality</b>	<b>Physical Inspections</b>	<b>80/20 preference point system</b>
Compliance with mandatory and other bid requirements	For a bid to be responsive the minimum points for functionality shall be sixty Five (65) points. Any bid with less than sixty points will be disqualified and no further evaluation of the bid will be done.	For a bid to move to the next stage of evaluation all aspects of physical inspection must be met or the physical inspection report must be positive	Bids evaluated in terms of the 80/20 preference point system

### Stage 1: Mandatory Requirements

- ✓ Cover page
- ✓ SBD 1: Invitation to bid
- ✓ SBD 3.3: Pricing Schedule- Firm Prices
- ✓ SBD 4: Bidder's Disclosure
- ✓ SBD 6.1: Preference points claim form of the Preferential Procurement Regulations 2017
- ✓ General Conditions of Contract (initialised each page)
- ✓ CSD report reflecting compliant tax status, successful bank verification and ownership information
- ✓ Valid Tax Clearance Certificate / Unique Pin issued by SARS
- ✓ CIPC Certificate
- ✓ ID Copies of the shareholders

- ✓ Valid B-BBEE Certificate / Sworn Affidavit
- ✓ Certified copy of PSIRA Grade A/B certificate for the company and directors
- ✓ Certified copies of Firearm competency for responsible person and 10 security guards
- ✓ Certified copies of firearm licence (10)
- ✓ Valid UIF Registration certificate.
- ✓ Letter of good standing with COIDA
- ✓ Letter of Good Standing from PSIRA
- ✓ Private Security Sector Provident Fund compliance letter valid at the time of closing
- ✓ Proof of medical insurance for security guards.
- ✓ Proof of bargaining Council Membership.
- ✓ Vehicle registration certificates of at least 06 cars
- ✓ In case of a joint venture the following documents to be submitted
  - Valid joint venture agreement signed by all parties and witnessed
  - Certificate or authority for Joint Ventures (where applicable)
  - Consolidated B-BBEE Certificate (if not consolidated preference points will be 0)
  - Valid Tax Clearance Certificate of all parties
  - Detailed Company profile of all parties (Include all security services done by the company and indicate the contact details of a reference person on the project, name list of employees of the company that will be involved in the project)
- ✓ Detailed Company profile (Include all security services done by the company and indicate the contact details of a reference person on the project, name list of employees of the company that will be involved in the project)

**Failure to comply with these requirements will lead to immediate disqualification-**

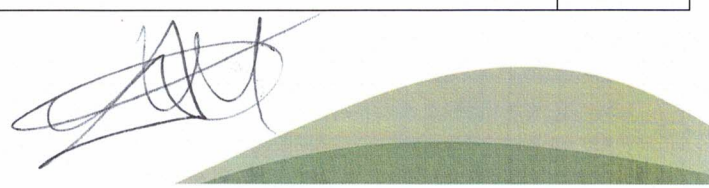




**Stage 2-Functionality with a minimum threshold of sixty five (65) points.**

The bids that have complied with the first phase will be moved to the functionality phase as per the below criteria:

Criteria	Weight	Scoring Guidelines	Value
Operational Office to be confirmed during site visit. <b>(proof of ownership/lease agreement to be attached)</b>	30%	Acceptable evidence of operational office in Mafikeng (proof of ownership/ lease agreement / intent to lease	5
		Acceptable evidence of operational office in North West (proof of ownership/ lease agreement / intent to lease	3
		No operational Office owned / leased	1
2. Qualification of company owner(s) involved on the project. <b>(copies of certificates and CVs to be attached)</b>	30%	The owner (s) in possession of a minimum PSIRA Grade B with longer than 10 years relevant experience	5
		The owner (s) in possession of a minimum PSIRA Grade B with 10 years of relevant experience	4
		The owner (s) in possession of a minimum PSIRA Grade B with 8-9 years of relevant experience	3
		The owner (s) in possession of a minimum PSIRA Grade B with 6-7 years of relevant experience years	2
		The owner (s) in possession of a minimum PSIRA Grade B with 5 years or below of relevant experience	1
3. Proven track record on previous projects experience of a similar nature <b>(provide signed and authentic reference letters on the clients letterhead each project to have a reference letter)</b>	25%	5 or more similar projects	5
		4 similar projects	4
		3 similar projects	3
		2 similar projects	2
		1 similar project	1
4. Financial strength <b>(submit bank rating letter) Confirmation of bank letter is not acceptable</b>	15%	A	5
		B	4
		C	3
		D	2
		E	1



For a bid to be responsive the minimum points for functionality shall be **SIXTY FIVE POINTS** (65 Points). Any bid with less than sixty five (65) points will be disqualified and no further evaluation of the bid will be done.

For purposes of comparison and in order to ensure meaningful evaluation, bidders are requested to furnish detailed information in substantiation of compliance to functionality criteria mentioned.

Representatives from Department of Human Settlements will conduct Physical Site inspections/ verification as and when the Department deems necessary.

### **Stage 3: Inspections**

#### **Office Environment**

- Where the office is situated e.g Industrial/ Residential area or CBD
- The office must not be far from the client
- The office must be in good condition

#### **Visibility of Company Logo**

- The office must have logo outside the building

#### **Office Equipment**

- Office must have office furniture , Computer, telephone, Two way radios
- Staff files with PSIRA certificates must be available
- Security registers must be available

#### **Control Room**

- Control Room must be operational 24hrs
- Control Room must meet security requirements

#### **Firearms**

- The company must have at least 10 handgun Firearms.
- Firearms license x 10
- Firearms must be in good conditions

#### **Uniform**

- 28 sets of Cooperate uniform for reception
- 28 sets of uniform for all seasons
- 28 set of Combat uniform

#### **Transport**

- Company must have 06 branded vehicles (3 bakkies & 3 sedans)
- They must have a mileage less than 100 000 KM
- Must be in good conditions





**Stage 4– 80/20 PREFERENCE POINT SYSTEM**


<b>PRICE:</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL: -</b>	<b>20</b>
<hr/>	
<b>TOTAL POINTS FOR PRICE &amp; BBEE</b>	<b>100</b>

The Department of Human Settlements may review the contract in part or as whole owing to change of circumstances such as office relocation, increase / decrease security guards.

This may affect the contract cost

**RECOMMENDED / ~~NOT RECOMMENDED~~**

**MR L. MKHIZE**

**CHAIRPERSON DBSC:**  ..... **Date:** 23/08/2022

**RECOMMENDED / NOT RECOMMENDED**

**MS T. SEWEDI**

**CHAIRPERSON DBAC:**  ..... **Date:** 25/08/2022

**APPROVED / ~~NOT APPROVED~~**

**MR J.K. MASHIGO**

**ACTING ACCOUNTING OFFICER:**  ..... **Date:** 26/08/2022



## MISS

3366 Besemmer Str Telkom Building  
Industrial Site Mahikeng, 2745  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

NWDC Cnr, University & Provident Drive  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4913

2nd Floor West Wing, University Drive  
Garona Building  
Private Bag X 2145, Mmabatho, 2735  
Tel: +27 (18) 388 4824/5

### SECURITY REQUIREMENTS FOR CONTROL ROOM

#### SECURITY OF CONTROL ROOM

- No unauthorized persons should have access to the security control room.
- Must have protective equipment such as duress alarm and fire alarm.

#### FURNISHINGS

- The security control room must contain a combination des and control panel, a lockable file cabinet and a storage locker.
- Must have a desk and chair.

#### TECHNOLOGY

- Appropriate power and cabling should be provided for the security equipments e.g CCTV, Television monitors, Radios, video surveillance and recording
- Multiple phone lines for internal courthouse and external lines for supporting agencies.

#### ENVIRONMENT

- The security control room must have proper thermostatic and ventilation conditions, as this improves the concentration of the officers on duty.
- High density lighting must be used.
- All equipment should be on an uninterruptible power supply.
- Must have toilet for staff.



**GOVERNMENT PROCUREMENT**

**GENERAL CONDITIONS OF CONTRACT  
July 2010**

**NOTES**

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

## TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices



## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 "Day" means calendar day.
  - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
  - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
  - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.



- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za)
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

**security**

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the



cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

**9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

**10. Delivery and documents**

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

**11. Insurance**

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

**12. Transportation**

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

**13. Incidental services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties,

provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### 14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### 15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser



may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the



envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

**24. Anti-dumping  
and countervailing  
duties and rights**

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

**25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

**27. Settlement of Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and



- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)