



REQUEST FOR QUOTATION (RFQ)

RFQ NUMBER: NHFC008155

**REQUEST FOR QUOTATION (RFQ) FOR: APPOINTMENT OF AN INDEPENDENT EXTERNAL
AUDITOR FOR PRESIDENT PLACE (AN INVESTMENT PROPERTY)**

RFQ DOCUMENTS CHECK LIST:

The contents of the RFQ document must be as follows, and numbered as per the numbering below, with each schedule punched, placed in a file and separated from the next schedule with a file divider. Please complete the checklist below to verify your submission of the relevant documents:

| Schedules | Description | Submitted – Indicate YES or NO |
|------------|--|--------------------------------|
| Annexure 1 | Tax Compliance Status Pin | |
| Annexure 2 | Copies of Company Registration Documents | |
| Annexure 3 | Copy of Valid B-BBEE certificate or Sworn Affidavit. | |
| Annexure 4 | Current Central Supplier Database Report Copy | |
| Annexure 5 | SBD 1: Invitation to Bid | |
| Annexure 6 | Pricing Schedule | |
| Annexure 7 | SBD 4: Bidder's Disclosure | |
| Annexure 8 | SBD 6.1: Preference Point Claim Form in Terms of Preferential Procurement Regulations 2022 | |
| Annexure 9 | Identity Document of Directors | |

SECTION 1

SBD 1 INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NHFC SOC LTD.

| | | | | | |
|-------------|--|---------------|-----------------------------|---------------|---------|
| BID NUMBER: | NHFC008155 | CLOSING DATE: | 28 th March 2024 | CLOSING TIME: | 11:00am |
| DESCRIPTION | APPOINTMENT OF AN INDEPENDENT EXTERNAL AUDITOR FOR PRESIDENT PLACE (AN INVESTMENT PROPERTY) | | | | |

BID RESPONSE DOCUMENTS MAY BE EMAILED TO :

Quotations02@nhfc.co.za

| | | | |
|--|--|---|--|
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | |
| CONTACT PERSON | Ms Kamolego Dagane | CONTACT PERSON | |
| TELEPHONE NUMBER | N/A | TELEPHONE NUMBER | |
| FACSIMILE NUMBER | N/A | FACSIMILE NUMBER | |
| E-MAIL ADDRESS | Quotations02@nhfc.co.za | E-MAIL ADDRESS | |

SUPPLIER INFORMATION

| | | | |
|--|--|-------------------------------------|--|
| 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] Yes No | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | [TICK APPLICABLE BOX] Yes No |

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

| | | | |
|---|---|--|---|
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | Yes No [IF YES ENCLOSE PROOF] | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | Yes No [IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
|---|---|--|---|

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES

NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

YES NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

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.

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, 2022, 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:.....

SECTION 2
NOTICE TO BIDDERS

1. RESPONSES TO RFQ

Responses to this RFQ [**Quotations**] must not include documents or reference relating to any other quotation or proposal. Any additional conditions must be embodied in an accompanying letter.

Proposals must reach NHFC before the closing hour on the date shown on SBD1 above, and must be e- mailed to Ms Kamolego Dagane

Email address: quotations02@nhfc.co.za

2. PREQUALIFICATION / ELIGIBILITY CRITERIA

- 2.1 Only those Bidders who satisfy the following pre-qualification or eligibility criteria are eligible to submit quotations as per section 3.

3 COMMUNICATION

Bidder/s are warned that a response will be liable for disqualification should any attempt be made either directly or indirectly to canvass any SCM Officer(s) or NHFC employee in respect of this RFQ between the closing date and the date of the award of the business.

4 LEGAL COMPLIANCE

The successful Bidder shall be in full and complete compliance with any and all applicable national and local laws and regulations.

5 CHANGES TO QUOTATIONS

Changes by the Bidder to its submission will not be considered after the closing date and time.

6 PRICING

All prices must be quoted in South African Rand on a fixed price basis, including VAT if applicable.

7 BINDING OFFER

Any Quotation furnished pursuant to this Request shall be deemed to be an offer. Any exceptions to this statement must be clearly and specifically indicated.

8 RFQ Conditions

- This RFQ is subject to the Preferential Procurement Policy Framework Act 2000, the Preferential Procurement Regulations, 2022, the general conditions of contract (GCC) and, if applicable, any other legislation or special conditions of contract.
- The lowest or any bid will not necessarily be accepted.
- NHFC reserves the right to reject submitted proposal if deemed necessary. Should it be

discovered by the NHFC that the bidder did not act in good faith and/or has declared incorrectly/falsely, NHFC reserves the right to disqualify or reject the bid.

- The NHFC reserves the right to disqualify a bid proposal if the bidders' proposal is not compliant with the scope of work/terms of reference.
- The bidder is subjected to due-diligence process which includes, screening, vetting, and/or any best practice necessary for the NHFC to comply with legislation and its Policies and Procedures. Due diligence and PEP checks will also be conducted on the successful bidder.
- The NHFC reserves the right to disqualify a bid if the bidder fails to provide reasonable request (s) for documentation/information which the NHFC deems necessary for the purpose of evaluation within reasonable timelines this includes the set deadline per request,
- Bid rigging/collusive behaviour by the bidder will result in disqualification. A bidder is not permitted to submit proposal from more than one registered company with a common director/shareholder.
- The NHFC deems the Bidder has read and accepted the General Conditions of Contract.
- Bidders must submit the bid a soft copy of the RFQ via email. The soft copy serves as the legal bid contract document and the master record between the bidder and the NHFC.
- The NHFC undertakes to pay out within 30 days from issuance of substantiated invoices issued in terms of this appointment (Payment schedule as defined in the service level agreement). No payment will be made on outstanding information not submitted by the service provider. Service provider must maintain an updated tax compliant status for the during of the contract.
- The cost of compiling a Proposal is and remains the prospective service provider's own cost and will not be paid for by NHFC.
- The successful bidder (s) will be required to sign a Service Level Agreement (SLA), in terms of which the service provider's performance will be measured and managed.
- NHFC has zero tolerance for reputational harm. The bidder hereby gives consent to the NHFC to conduct background checks on the bidding entity and any of its directors / partners / trustees / shareholders /members/employees. The NHFC reserves the right to consider the information arising from such background check as part of the tender evaluation process.
- The NHFC reserves the right to reject submitted proposal(s) if it discovers that the bidder (or its directors/members) has any serious adverse reports, whether confirmed by a court or not, such as:
 - Being cited as aiding and abetting state capture,
 - Involvement in fraud and / or corrupt activities;
 - Misrepresenting audit outcomes of an organisation;

- Listed on the National Treasury restricted database;
- Being under investigation or facing allegations that may result in criminal charges;
or
- Any report as a result of which the NHFC may suffer reputational harm in any way by doing business with the bidder.

9 NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE

Bidders are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information. NHFC is required to ensure that price quotations are invited and accepted from prospective bidders listed on the CSD. Business may not be awarded to a bidder who has failed to

register on the CSD. Only foreign suppliers with no local registered entity need not register on the CSD. The CSD can be accessed at <https://secure.csd.gov.za>.

10 PROTECTION OF PERSONAL DATA

In responding to this RFQ, NHFC acknowledges that it may obtain and have access to personal data of the Bidders. NHFC agrees that it shall only process the information disclosed by Bidders in their response to this bid for the purpose of evaluating and subsequent award of business and in accordance with any applicable law.

Furthermore, NHFC will not otherwise modify, amend or alter any personal data submitted by Bidders or disclose or permit the disclosure of any personal data to any Third Party without the prior written consent from the Bidders. Similarly, NHFC requires Bidders to process any personal information disclosed by NHFC in the bidding process in the same manner.

11 EVALUATION METHODOLOGY

NHFC will utilise the evaluation criteria indicated in this document criteria in choosing a Supplier/Service Provider,:

12 ADMINISTRATIVE RESPONSIVENESS

The test for administrative responsiveness will include completeness of response and whether all returnable and/or required documents, certificates; verify completeness of warranties and other RFQ requirements and formalities have been complied with. Incomplete Bids will be disqualified.

13 VALIDITY PERIOD

NHFC requires a validity period of 60 Business Days from the closing date.

Bidders are to note that they may be requested to extend the validity period of their response, on the same terms and conditions, if the internal processes are not finalized within the validity period. However, once the adjudication body has approved the process and award of the business to the successful Bidder(s), the validity of the successful Bidder(s) response will be deemed to remain valid until a final contract has been concluded.

14 RETURNABLE DOCUMENTS

Returnable Documents means all the documents, Sections and Annexures, as listed in the tables below. There are three types of returnable documents as indicated below and Bidders are urged to ensure that these documents are returned with the quotation based on the consequences of non-submission as indicated below:

15 Mandatory Returnable Documents

Failure to provide all these Mandatory Returnable Documents at the Closing Date and time of this RFQ will result in a Bidder's disqualification. Bidders are therefore urged to ensure that all these Documents are returned with their Quotations.

SECTION 3

17. EVALUATION CRITERIA:

Stage1: Adherence to Mandatory documents

NB: Compliance Checklist Requirements **for all Services/Goods and works**

If you do not submit the following mandatory documents your Proposal/Quote will be disqualified automatically:

| No. | Description of requirement | |
|-----|--|--|
| a) | Company Registration with the Independent Regulatory Board for Auditors (IRBA) | |
| b) | Minimum of two (2) partners including the engagement partner | |
| c) | Evidence of satisfactory results: Latest IRBA review results of the partners committed to the assignment | |
| d) | The Audit Engagement Partner registration with IRBA | |
| e) | | |
| f) | | |
| g) | | |

Stage 2: The following documents are non-mandatory and where not submitted, NHFC may request the documents and must be made available at the time of request from the most responsive bidder:

| No. | Description of requirement | |
|-----|---|--|
| a) | Company Registration Documents | |
| b) | Copies of Directors' ID documents; | |
| c) | Valid BBBEE Certificate from a SANAS accredited rating agency (Original or Certified) or affidavit signed by the Commissioner of Oath | |
| d) | Valid Tax Clearance Certificate (must be valid on closing date of submission of the proposal) and SARS Issued Pin | |
| e) | CSD report / CSD reference number | |
| i) | SBD 1: Invitation to Bid | |
| f) | Pricing Schedule | |
| g) | SBD 4: Bidders disclosure | |
| h) | SBD 6.1. Preference Point Claim Form | |

Stage 3- Price and Preferences

| 1 | Price | | 80 points |
|---|--|---|-------------------|
| 2 | Specific Goals | | 20 points |
| # | Specific Goal | Proof | Points Allocation |
| 1 | South African citizen who had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 200 of 1983) or the Constitution of the Republic of South Africa, 1996. (Minimum >50% ownership or more) | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) | 7 |
| 2 | Woman Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) | 8 |
| 3 | Disabled Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • Certified medical certificate from a registered medical practitioner | 1 |
| 4 | Military veteran Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • A verifiable letter from an authorised body/entity certifying the military status of the claimant (bidder). | 1 |
| 5 | Youth Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) | 3 |

SECTION 4

NHFC GENERAL CONDITIONS OF PURCHASE

General

NHFC and the Supplier enter into an order/contract on these conditions to supply the items (goods/services/works) as described in the order/contract.

Conditions

These conditions form the basis of the contract between NHFC and the Supplier. Notwithstanding anything to the contrary in any document issued or sent by the Supplier, these conditions apply except as expressly agreed in writing by NHFC.

No servant or agent of NHFC has authority to vary these conditions orally. These general conditions of purchase are subject to such further special conditions as may be prescribed in writing by NHFC in the order/contract.

Local Content Obligations

Bidders are to note that the Local Content commitments made by the successful Bidder(s) will be incorporated as a term of the contract and monitored for compliance. Should the successful Bidder fail to meet its Local obligations, non-compliance penalties shall be applicable. Breach of Local Content obligations also provide NHFC cause to terminate the contract in certain cases where material non-compliance with Local Content requirements are not achieved.

Price and payment

The price or rates for the items stated in the order/contract may include an amount for price adjustment, which is calculated in accordance with the formula stated in the order/contract.

The Supplier may be paid in one currency other than South African Rand. Only one exchange rate is used to convert from this currency to South African Rand. Payment to the Supplier in this currency other than South African Rand, does not exceed the amounts stated in the order/contract. NHFC pays for the item within 30 days of receipt of the Suppliers correct tax invoice.

Delivery and documents

The Supplier's obligation is to deliver the items on or before the date stated in the order/contract. Late deliveries or late completion of the items may be subject to a penalty if this is imposed in the order/contract. No payment is made if the Supplier does not provide the item as stated in order/contract.

Where items are to be delivered the Supplier:

Clearly marks the outside of each consignment or package with the Supplier's name and full details of the destination in accordance with the order and includes a packing note stating the contents thereof; On dispatch of each consignment, sends to NHFC at the address for delivery of the items, an advice note specifying the means of transport, weight, number of volume as appropriate and the point and date of dispatch; Sends to NHFC a detailed priced invoice as soon as is reasonably practical after dispatch of the items, and states on all communications in respect of the order the order number and code number (if any).

Containers / packing material

Unless otherwise stated in the order/contract, no payment is made for containers or packing materials or return to the Supplier.

Title and risk

Without prejudice to rights of rejection under these conditions, title to and risk in the items passes to NHFC when accepted by NHFC.

Rejection

If the Supplier fails to comply with his obligations under the order/contract, NHFC may reject any part of the items by giving written notice to the Supplier specifying the reason for rejection and whether and within what period replacement of items or re-work are required.

In the case of items delivered, NHFC may return the rejected items to the Supplier at the Supplier's risk and expense. Any money paid to the Supplier in respect of the items not replaced within the time required, together with the costs of returning rejected items to the Supplier and obtaining replacement items from a third party, are paid by the Supplier to NHFC.

In the case of service, the Supplier corrects non-conformances as indicated by NHFC.

Warranty

Without prejudice to any other rights of NHFC under these conditions, the Supplier warrants that the items are in accordance with NHFC's requirements, and fit for the purpose for which they are intended, and will remain free from defects for a period of one year (unless another period is stated in the Order) from acceptance of the items by NHFC.

Indemnity

The Supplier indemnifies NHFC against all actions, suits, claims, demands, costs, charges and expenses arising in connection therewith arising from the negligence, infringement of intellectual or legal rights or breach of statutory duty of the Supplier, his subcontractors, agents or servants, or from the Supplier's defective design, materials or workmanship.

The Supplier indemnifies NHFC against claims, proceedings, compensation and costs payable arising out of infringement by the Supplier of the rights of others, except an infringement which arose out of the use by the Supplier of things provided by NHFC.

Assignment and sub-contracting

The Supplier may not assign or subcontract any part of this order/contract without the written consent of NHFC.

Termination

NHFC may terminate the order/contract at any time (without prejudice to any right of action or remedy which has accrued or thereafter accrues to NHFC):

If the Supplier defaults in due performance of the order/contract, or if the Supplier becomes bankrupt or otherwise is, in the opinion of NHFC, in such financial circumstances as to prejudice the proper performance of the order/contract, or for any other reason in which case the Supplier will be compensated for all costs incurred.

Governing law

The order/contract is governed by the law of the Republic of South Africa and the parties hereby submit to the non-exclusive jurisdiction of the South African courts.

SECTION 5

SBD 4

RETURNABLE DOCUMENTS

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

Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

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 |
|-----------|-----------------|---------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

If so, furnish particulars:

.....
.....

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**

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 consortium² 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring 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

SECTION 6

SBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

1.2 the 80/20 system for requirements with a Rand value up to R50 000 000 (all applicable taxes included); and

1.3 To be completed by the organ of state

(delete whichever is not applicable for this tender).

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.4 The 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.5 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

1.6 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

| | POINTS |
|--|------------|
| PRICE | 80 |
| SPECIFIC GOALS | 20 |
| Total points for Price and SPECIFIC GOALS | 100 |

1.7 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.8 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

2.1 “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

2.2 “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

2.3 “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

2.4 “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(a) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$PPPP = 8888 \diamond 11 - \frac{PPPP - PP \text{ mmmmm}}{PP \text{ mmmmm}} \diamond$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

80/10

$$PPPP = 8888 \diamond 11 + \frac{PPPP - PP \text{ mmmmm}}{PP \text{ mmmmm}} \diamond$$

Where

- Ps = Points scored for price of tender under consideration
 Pt = Price of tender under consideration
 Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2 In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - any other invitation for tender, 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,
- then the organ of state must indicate the points allocated for specific goals for both the 80/20 or 90/10 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

| The specific goals allocated points in terms of this tender | Supporting evidence for meeting preferential procurement targets (bidder to provide the below supporting evidence to claim allocated points for each specific goal) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|--|---|---|
| South African citizen who had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 200 of 1983) or the Constitution of the Republic of South Africa, 1996. (Minimum >50% ownership or | <ul style="list-style-type: none"> Company Registration Certification (CIPC) Certified identification documentation of company director/s CSD report/ CSD registration number (MAAA number) | 7 | |

| | | | |
|---------------------------------|---|---|--|
| more) | | | |
| Woman Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) | 8 | |
| Disabled Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • Certified medical certificate from a registered medical practitioner | 1 | |
| Military veteran Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • A verifiable letter from an authorised body/entity certifying the military status of the claimant (bidder). | 1 | |
| Youth Ownership >50% | <ul style="list-style-type: none"> • Company Registration Certification (CIPC) • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) | 3 | |
| | | | |

DECLARATION WITH REGARD TO COMPANY/FIRM

4.1. Name of company/firm.....

4.2. Company registration number:

4.3. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium

- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.4. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

i) The information furnished is true and correct;

4.5. The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

4.6. In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

4.7. If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

| | |
|--|-------|
| <p>.....</p> <p>SIGNATURE(S) OF TENDERER(S)</p> | |
| SURNAME AND NAME: | |
| DATE: | |
| ADDRESS: | |
| | |
| | |

SECTION 7

SPECIFICATIONS

REQUEST FOR QUOTATION (RFQ) FOR: APPOINTMENT OF AN INDEPENDENT EXTERNAL AUDITOR FOR PRESIDENT PLACE (AN INVESTMENT PROPERTY)

INTRODUCTION

The National Housing Finance Corporation SOC Limited (NHFC) is a state-owned entity that is involved in the provision of wholesale funding in the affordable housing market in South Africa.

As part of a process of protecting its investment (a loan) provided to a defaulting client, the NHFC secured ownership of a property in 2006 which it has owned since then.

The property is situated in Germiston and comprises of 314 residential flats, 9 retail spaces and parking on a multi-level building and is known as President Place (the Investment Property).

The NHFC appointed a third party as the property manager which provides critical property management services and is required to maintain accounting records for the Body Corporate known as President Place Trustees as well as keep accounting records of the actual Investment Property.

The NHFC is audited by the Auditor General of South Africa who in line with standard auditing practices will place reliance on the audit work of the appointed party and they will be giving the appointed auditors guidelines to follow with regards to the submission of the Audit work.

PURPOSE

The purpose of this document is to table the tender specification for the appointment of an independent external auditor to provide external audit services to the Body Corporate known as President Place Trustees as well as auditing the underlying income, expenses, liabilities and assets associated with the Investment Property.

TERM OF THE APPOINTMENT

The term of the appointment is for a period of 3 years subject to annual re-appointment in line with the Companies Act 71 of 2008, Public Audit Act 25 of 2004 and the annual performance review by the Body Corporate known as President Place Trustees.

BACKGROUND

The NHFC, a Schedule 3A Development Finance Institution (DFI) of the National Department of Human Settlements, was established in 1996 with the principal mandate of broadening and deepening access to finance for the low to middle income South African households.

The target market of the NHFC is the low-to-middle income housing market which typically, includes households who earn between R3 500 and R15 000 per month. The NHFC mandate requires the company to make housing and housing finance accessible and affordable to facilitate this objective.

This is done through:

- providing wholesale funding to housing development projects for ownership, social housing and private rental, including inner cities, and for incremental housing purposes;
- partnering with banks and other non-banking retail financial intermediaries to increase their sustained lending and innovation in the target market served; and
- leveraging private sector funding for the sustainable development of human settlements.

More specifically, NHFC's strategic priorities are to:

- Expand housing finance activities, through the effective provision of housing finance solutions,
- enabling low-to-middle income households to have the choice of renting, owning or incrementally building to meet their housing needs;
- Facilitate increased and sustained lending by financial institutions to the affordable housing market;
- Mobilise funding into the human settlements space on a sustainable basis, in partnership with a broad range of institutions;
- Conduct the business activities of the NHFC in an ethical manner that ensures the continued economic sustainability of the NHFC, while promoting sustainable social and environmental development; and
- Stimulate the low-to-middle income housing sector by providing robust, relevant and timely research and market analysis to practitioners and housing customers.

(As reference and for further information, kindly refer to the NHFC website: www.nhfc.co.za for a view of past Annual Reports)

As mentioned above, the audit shall be the audit of the NHFC controlled/owned Body Corporate

known as President Place Trustees as well as the underlying property which the NHFC owns situated in Germiston, comprising of 314 residential units, 9 retail spaces, and parking on a multi-level building.

The Body Corporate provides/renders the following services relating to the Investment Property:

- Oversees the Property Manager;
- Responsible for maintenance and repairs of the property;
- Payments of rates and taxes;
- Develops and implement tenant policy;
- Attend to tenants complaints; and
- Ensures adherence to by-laws.

The Investment Property currently generates approximately R12 million in rental revenue with operating expenses of R11 million. This income and expenses will require auditing as the NHFC accounts for the Investment property in accordance to GRAP 16 in its Statement of Financial Performance and is be required to disclose the rental income and associated expenses separately for example.

In addition a valuation of the Investment Property has been undertaken by a suitably qualified property valuation company to ensure the property is reflected correctly on the Statement of Financial Performance of the NHFC.

The financial year end of the Body Corporate is February while that of the NHFC is 31 March. The most pressing work is the external audit of the income, expenses, assets and liabilities of the Body Corporate and Investment Property of the year ended 31 March 2024.

SCOPE OF WORK

The independent external auditor will be required to:

- Perform an audit in accordance with the Public Audit Act of South Africa (Act No. 25 of 2004), the General Notice issued in terms thereof, International Standards on Auditing and the Companies Act 71 of 2008 and to comply with the provisions of the Sectional Titles Schemes Management Act No 8 of 2011.
- In accordance with the Public Audit Act of South Africa, and the General Notice issued in terms thereof, report on compliance with laws and regulations and other reports required

by the Companies Act;

- Communicate audit findings to management and ensure they are fully aware of the implications to business operations;
- Provide a final report with recommendations to management; and
- Attend and provide input to the Board of Trustees of the Body Corporate known as President Place Trustees, where necessary.

Furthermore, the independent external auditor would be expected to provide services in line with the International Audit Standards and prepare an audit plan, including a fee budget for approval by the Board of Trustees of the Body Corporate known as President Place Trustees.

EXPERTISE AND CAPACITY

The key criteria to be considered for the suitability of the independent external auditor include the following:

- Have knowledge and a comprehensive understanding of the public sector; and an understanding of the Sectional Title Act of 2011

The independent external auditor must demonstrate that they:

- Have sufficient in-house capacity to perform statutory audits for the Body Corporates as well as the audit of property owning entities/vehicles.
- Will not be over-reliant on NHFC audit fee (i.e. audit fees from NHFC must not exceed 15% of its total revenue). In other words, the independent external auditor should be a going concern without depending on NHFC's audit fees.
- Have a minimum of two (2) partners including the engagement partner.
- The independent external auditor must be prepared to forsake any non-audit services for the duration of the audit appointment. The independent external auditor is therefore required to declare its interest.
- The bidder must provide evidence of satisfactory results (i.e. latest IRBA review results) of the partner(s) committed on the assignment.
- Independence and Objectivity – No conflict of interest. A firm where any of the Board members, management or staff of NHFC are partners or part-owners in will not be eligible for appointment.
- The independent external auditor will not, and has no right to, assign the audit contract to third parties.

- The independent external auditor will be bound to the Code of Conduct and confidentiality as per the International Auditing Standards in the course of their duties. In line with the company's transformation strategy, which is guided by the BBBEE Codes of
- Good practice, the company will give preference to businesses certified as level 1 and level In addition companies that are black owned and companies owned by women will have an added advantage. The 80:20 point system will be applied in term of the Preferential Procurement Policy Framework Act.

PROFESSIONAL MEMBERSHIP AND REGISTRATION

It is mandatory for the audit engagement partner of the preferred independent external auditor that will be in charge of the NHFC's account to be a Registered Auditor (RA) with the Independent Regulatory Board for Auditors (IRBA). Similarly, the preferred independent external auditor (audit firm) must also be registered with the IRBA.

ELIGIBILITY / PRE-QUALIFICATION CRITERIA

The bidder must meet the following pre-qualification requirements:

- a) The bidder must be registered with the Independent Regulatory Board for Auditors (IRBA).
- b) The bidder must have a minimum of two (2) partners including the engagement partner.
- c) The independent external auditor must be prepared to forsake any non-audit services for the duration of audit appointment. The independent external auditor is thus required to declare its interest.
- d) The bidder must provide evidence of satisfactory results (i.e. Latest IRBA review results) of the partner(s) committed on the assignment.
- e) The audit engagement partner of the preferred independent external auditor that will oversee the NHFC's account to be a Registered Auditor (RA) with the Independent Regulatory Board for Auditors (IRBA).

Failure to comply with the above pre-qualification requirements will lead to the disqualification of the bid.

CONTENT OF THE PROPOSAL

a) **The Technical Proposal must include the following:**

- Company profile and relevant experience.
- Proposed methodology and approach to be used in keeping with the scope of works.
- Full and comprehensive description of similar work undertaken in the past 3 years.
- A list of client references where the bidder has successfully concluded similar audit work within the public sector in terms of scope and complexity.
- Composition of the project team.
- Abridged CV of each member of the proposed team (qualifications, experience, expertise etc.).
- Evidence of registration with IRBA.
- Evidence of satisfactory IRBA rating for the audit engagement partner (s) proposed for the audit.
- Detailed statement on the independence of the bidder and the proposed external audit team.

Additional compliance documentation requirements are set out in Section 12.

b) **Financial Proposal (to be submitted in a separate envelope)**

The Financial Proposal must indicate the proposed annual cost for the service which gives an indication of the following:

- Overall fixed price inclusive of VAT and disbursements;
- Breakdown of anticipated out-of-pocket expenses (disbursements); and
- Fees must be quoted at an inclusive rate for the different levels of proposed resources to be utilised, as listed below.

| Category | No of audit personnel | Rate per hour | Hours | Total |
|---|------------------------------|----------------------|--------------|--------------|
| Engagement partner | | | | |
| Second partner review | | | | |
| Engagement Quality Control reviewer | | | | |
| Senior Audit Manager | | | | |
| IT Audit Manager | | | | |
| Audit Senior | | | | |
| Audit Assistant | | | | |
| Other (specify) | | | | |
| Average rate per hour | | | | |
| Total excluding VAT | | | | |
| Vat @ 14% | | | | |
| Disbursements including VAT | | | | |
| Total audit costs inclusive of VAT | | | | |

BID EVALUATION CRITERIA

The proposal will be evaluated in terms of the Preferential Procurement Policy Framework Regulations of 2022. The evaluation of bid responses will be conducted in three (3) phase as follows:

Phase 1: Eligibility/Pre-qualification criteria

Bidders will be evaluated according to pre-qualification requirements which include the submission of mandatory information or documentation. Bidders that fail to meet the pre-qualification requirements of the bid will not be considered further for evaluation of technical requirements i.e. Phase 2. Please refer to section 10 for eligibility and pre-qualification criteria.

Phase 2: Technical/ functional evaluation

The minimum qualifying score for functionality is (70 points). All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE.

| Category | Functional / Technical Evaluation Criteria | | Weighting |
|----------|---|--|------------|
| | | | |
| 3. | <p>Independence and objectivity:</p> <p>The proposed audit fee does not exceed 15% of the independent external auditor's total turnover.</p> <p><i>*This must be indicated on the financial Proposal</i></p> <p><i>*Must also be supported by the submission of Audited Financial Statements</i></p> | | 10 |
| 4. | <p>Results from IRBA</p> <p>The independent external auditor must submit evidence of registration with the IRBA (10)</p> <p>including evidence of audit partner's registration with the IRBA. (10)</p> | | 20 |
| | | | |
| | TOTAL | | 100 |

Phase 3: Price and BBBEE evaluation

All bids that achieve the minimum qualifying score of 70% (70 points) for Functionality, (acceptable bids) will be evaluated further in terms of the 80/20 preference point system.

Bidders must submit a comprehensive and detailed line-item (VAT-inclusive) budget as well as proposed hours and rates of personnel involved with reference to different levels of proposed resources to be utilised and an estimate of recoverable expenses.

SPECIAL CONDITIONS:

- Quotations must be submitted in the bidder's company letterhead.
- No pre-payments are allowed, awarded bidder will be paid within 30 days after receipt of invoice.
- Quotation submitted should be based on Scope of Work/Key Deliverables. Failure to adhere to scope of will render your quotation non-responsive.
- Price(s) quoted must be firm and inclusive of VAT (If VAT registered) and inclusive of all costs and be valid for (60) days.
- **The quotation must be submitted via email to Quotations02@nhfc.co.za**

SECTION 8

PRICING AND DELIVERY SCHEDULE

Bidders are required to complete the attached Pricing Schedule

- 1 Prices must be quoted in South African Rand, inclusive of VAT.
- 2 Price offer is firm and clearly indicate the basis thereof.
- 3 Pricing Bill of Quantity is completed in line with schedule if applicable.
- 4 Cost breakdown must be indicated.
- 5 Price escalation basis and formula must be indicated.
- 6 To facilitate like-for like comparison bidders must submit pricing strictly in accordance with this price schedule and not utilise a different format. Deviation from this pricing schedule could result in a bid being declared non-responsive.
- 7 Please note that should you have offered a discounted price(s), NHFC will only consider such price discount(s) in the final evaluation stage on an unconditional basis.
- 8 Bidders are to note that if price offered by the highest scoring bidder is not market related, NHFC may not award the contract to the Bidder. NHFC may:
 - 9 negotiate a market-related price with the Bidder scoring the highest points or cancel the RFQ;
 - 10 if that Bidder does not agree to a market-related price, negotiate a market-related price with the Bidder scoring the second highest points or cancel the RFQ;
 - 11 If a market-related price is not agreed with the Bidder scoring the third highest points, NHFC must cancel the RFQ.
 - 12 if the Bidder scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the Bidder scoring the third highest points or cancel the RFQ.

I / We _____ (Insert Name of Bidding Entity) _____ of

_____ code _____

(Full address) conducting business under the style or title of: _____

represented by: _____ in my capacity as:

_____ being duly authorised, hereby offer to undertake and complete the above-mentioned work/services at the prices quoted in the bills of quantities / schedule of quantities or, where these do not form part of the contract, at a lumpsum, of R _____ (amount in numbers); _____ (amount in words) Incl. VAT.

SECTION 9
BILL OF QUANTITIES

| <i>NO</i> | <i>ITEM DESCRIPTION</i> | <i>UOM</i> | <i>QTY</i> | <i>UNIT PRICE</i> | <i>TOTAL</i> |
|-----------|-------------------------|------------|------------|-------------------|--------------|
| 1 | | | | | |
| 2 | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | <i>Sub total</i> | | | | |
| | <i>Vat</i> | | | | |
| | <i>Total</i> | | | | |