



P.O. Box 3613, Pietermaritzburg, 3200
Treasury House, 145 Chief Albert Luthuli Street, Pietermaritzburg
Tel: 033 897 4440

INVITATION TO TENDER – BID 1253/2024-F: APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR THE KWAZULU-NATAL PROVINCIAL TREASURY FOR A PERIOD OF THIRTY-SIX MONTHS.

Company Name	
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The Department invites prospective bidders to submit offers for the appointment of a suitable service provider to provide travel and related services. Travel arrangements will consist of air travel, accommodation, airport transfers, shuttle services and car rentals to the KwaZulu-Natal Provincial Treasury officials for a period of thirty-six months (36). This invitation is issued in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and Preferential Procurement Regulations, 2022.

The evaluation criteria are divided into four Phases:

1. PHASE 1: SUPPLY CHAIN ADMINISTRATIVE COMPLIANCE

- (a) The bid submitted must be complete in all respects.
- (b) The following forms must be duly completed and stamped (where applicable) and be submitted with the bid at the time of closing of the bid:

COMPULSORY BID FORMS	
PART A	INVITATION TO BID (SBD 1)
PART B	TERMS AND CONDITIONS FOR BIDDING (SBD 1)
SECTION C	DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND UP TO DATE
SECTION D	COMPULSORY BRIEFING SESSION
SECTION E	PRICING SCHEDULE
SECTION F	BIDDER'S DISCLOSURE (SBD 4)
SECTION I	AUTHORITY TO SIGN THE BID

Failure to comply with the Supply Chain Administrative Compliance shall result in the offer being considered non-responsive and shall be rejected.

2. PHASE 2: MANDATORY DOCUMENTS REQUIRED

A bidder must comply with all the mandatory requirements outlined in the bid document. The Phase 2 is divided into two mandatory requirements:

- 2.1 Phase 2A: Membership Accreditation**
- 2.2 Phase 2B: Compulsory Technical Documents**

Failure to comply with the Mandatory Requirements shall result in the offer being considered non-responsive and shall be rejected.

3. PHASE 3: FUNCTIONALITY CRITERIA

A bidder that scores less than **36** points on functionality evaluation based on the prescribed format of the reference attached as **Annexure 1** and the presentation on the OBT will be regarded as non-responsive and shall be disqualified.

4. PHASE 4: 80/20 PREFERENCE POINT SYSTEM

The applicable preference point system for this tender is an 80/20 preference point system where 80 points will be allocated for price and 20 points will be allocated for specific goals as follows:

Preference point system	
Price	80
Specific Goals	20
<ul style="list-style-type: none"> Historical Disadvantage Person (HDP) – Black Owned Enterprise 	20
Total	100

It is compulsory for bidders to substantiate that they meet the above specific goals and requirements by submitting the following evidence:

- Copy of Enterprise Registration Certificate from the Companies and Intellectual Property Commission (CIPC).
- Copies of an identity document (ID) and the Central Supplier Database CSD report to show /substantiate percentage ownership equity.

It is mandatory for tenderers to complete SBD 6.1 to claim points for specific goals, failure to complete SBD 6.1 shall be interpreted to mean that the points for specific goals are not claimed.

5. CONTACT PERSON FOR SCM AND TECHNICAL ENQUIRIES

SCM enquiries may be directed to:

- Ms. M. Makhunga Tel. No. (033) 897 4235 / e-mail: mandy.makhunga@kzntreasury.gov.za or Ms T. Makhathini Tel No. (033) 897 4440 / e-mail handeka.dube@kzntreasury.gov.za

Technical enquiries may be directed to:

- Ms. H Naidoo Tel No (033) 897 4217 / email: HAYLEY.NAIDOO@kzntreasury.gov.za

6. COMPULSORY BRIEFING SESSION

The briefing will be held as follows:

Date: 24 July 2024

Time: 10:00 am

Venue: 145 Chief Albert Luthuli Street PMB, Treasury House, Ground Floor, Boardroom 1

7. CLOSING OF BID:

The closing date and time for receipt of Tenders is **8 August 2024 at 11:00 am.**

Telegraphic, telephonic, telex, facsimile, e-mail, and late Tender Proposals will not be accepted. Bids must be deposited in the bid box specified below. Bids deposited in any other bid box and address will not be accepted.

The Bid Box, located on the ground floor at the Treasury House
Attention: Financial Management Supply Chain Management Unit
KZN Provincial Treasury
145 Chief Albert Luthuli Road
Pietermaritzburg
3200



TABLE OF CONTENTS

CONTENTS		PAGE
COVER PAGE		
TABLE OF CONTENTS		
DEFINITIONS		
PART A	INVITATION TO BID (SBD 1) <i>(Completed)</i>	
PART B	TERMS AND CONDITIONS FOR BIDDING (SBD 1) <i>(Completed and signed)</i>	
SECTION A	SPECIAL INSTRUCTIONS REGARDING COMPLETION OF THE BID	
SECTION B	REGISTRATION ON CENTRAL SUPPLIERS DATABASE	
SECTION C	DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS UP TO DATE AND COMPLETE <i>(Completed and signed)</i>	
SECTION D	COMPULSORY BRIEFING SESSION <i>(Completed and signed on site)</i>	
SECTION E	PRICING SCHEDULE <i>(Completed)</i>	
SECTION F	BIDDER'S DISCLOSURE (SBD 4) <i>(Completed and signed)</i>	
SECTION G	THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME (SBD 5) <i>(Not applicable)</i>	
SECTION H	PREFERENCE POINTS CLAIM FORM (SBD 6.1) <i>(Completed and signed)</i>	
	CALCULATION OF EQUITY FOR SPECIFIC GOALS	
SECTION I	AUTHORITY TO SIGN THE BID <i>(Completed and signed)</i>	
SECTION J	GENERAL CONDITIONS OF THE CONTRACT	
SECTION K	SPECIAL CONDITIONS OF CONTRACT	
SECTION L	TERMS OF REFERENCE /SPECIFICATION	
ANNEXURE 1	REFERENCE LETTER TEMPLATE	
ATTACHMENT	KZNPT SUBSISTENCE AND TRAVEL POLICY	

DEFINITIONS

1. **“Acceptable bid”** means any bid which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document under BID 1253/2024-F.
2. **“Accommodation”** means the rental of suitable lodging facilities, e.g. Hotels, Game Lodges, B&B's, self-catering accommodation while away from one's place of abode, but on authorised official duty/duties.
3. **“After-hours service”** refers to an enquiry or travel request that is actioned after normal working hours, i.e. 16h16 to 07h29 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays.
4. **“Air travel”** means travel by airline on authorised official business.
5. **“Approver”** means a State official delegated by the Department to approve the expenditure to be incurred and/or the request to travel e.g. line manager of the traveller.
6. **“BAS”** means Basic Accounting System.
7. **“Bid”** means a written offer in a prescribed or stipulated form in response to the invitation by the Department for the provision of goods, works or services BID 1253/2024-F.
8. **“Car Rental”** means the rental of a vehicle for the duration of the trip by a traveller for official purposes.
9. **“Car Rental Regional”** means the rental of a vehicle for a duration of the trip by a traveller for official purposes outside the South Africa borders but within the South Africa Development Community (SADC) Region.
10. **“Changes”** refers to changes made to flights, corrections of traveller information, bookings etc.
11. **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.
12. **“Cost Centre”** is a defined area to where direct and indirect costs are allocated within the business unit that is responsible for the costs that it incurs.
13. **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
14. **“Contract”** means the agreement that results from the acceptance of the bid by the Department.
15. **“Control”** means the possession by a person of a permanent authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
16. **“Department”** means the KwaZulu-Natal Provincial Treasury (KZNPT).
17. **“Domestic Flights”** means flights typically operate within a single country. They connect cities and regions within the same country and cover longer distances compared to regional flights.
18. **“Domestic travel”** means travel within the borders of the Republic of South Africa (RSA).

19. **“Equity Ownership”** means the percentage of ownership and control, exercised by individuals within an enterprise.
20. **“Emergency service”** means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from the original planned trip.
21. **“Financial Viability Assessment”** means an assessment of whether the Bidder has the necessary financial viability to perform the Services and otherwise meet its obligations under the Contract.
22. **“Foreign / International travel”** refers to travel outside the borders of the Republic of South Africa.
23. **“KwaZulu-Natal Provincial Treasury”** means KZNPT.
24. **“Lodge Card”** is a credit card which is specifically designed purely for business travel expenditure. There is typically one credit card number which is “lodged” with the Travel Management Company (TMC) to which all expenditure is charged.
25. **“Management Fee”** is the fixed negotiated fee payable to the TMC in monthly instalments for the delivery of travel management services, excluding any indirect service fee not included in the management fee structure (visa, refund, frequent flyer tickets etc).
26. **“Personal and Salary System (PERSAL) “Persal number”** means a unique system generated 8-digit number assigned to each employee who is appointed on the Persal System.
27. **“Region”** means countries that are nearby South Africa
28. **“Road transport”** means car hire, shuttle service, or chauffeur-driven coach.
29. **“Regional Flights”** means flights usually cover shorter distances and serve specific regions within a country or across nearby countries. They often connect smaller cities, towns, or remote areas to larger hub airports.
30. **“Service Level Agreement (SLA)”** is a contract between the TMC and the Government that defines the level of service expected from the TMC.
31. **“SMS”** stands for short message service.
32. **“Shuttle Service/Transfer”** means the service offered to transfer a traveller from one point to another, for example, from a place of work to the airport.
33. **“Specific goals”** means the inclusion of the following:
 - (i) contracting with persons or categories of persons historically disadvantaged by unfair discrimination on the basis of race, gender, or disability.
 - (ii) implementing the programme of the Reconstruction and Development Programme as published in the Government Gazette No. 16085 dated 23 November 1994.
34. **“Super Approver”** means the State official assigned by the Department who will have the ability to approve any request. Where a requisition must be approved under extraordinary circumstances, the super approver will be able to do so. The super approver approval supersedes all approvals.
35. **“Super User”** will be the first point of contact for all users within the client’s organisation regarding issues relating to the systems functionality, or any other issues that users might experience during



the travel booking process. The Super User will work closely with the TMC to identify and analyse trends which can be used to effectively manage the Travel system.

36. **“Transaction Fee”** means the fixed negotiated fee charged for each specific service type e.g. domestic air ticket, charged per type per transaction per traveller.
37. **“Traveller”** means a person travelling for official government business.
38. **“Travel Order”** is the official form utilised by the government reflecting the details and reference number of the trip that is approved by the relevant authorising official.
39. **“Travel Booker”** means a state official nominated by the Department who will have limited privileges to administer the system on behalf of the Department.
40. **“Other”** means all miscellaneous products that are outside the scope of the online travel contract, such as conference registration fee and catering for the event.
41. **“Tour operator”** means a travel company that buys individual travel components, separately from their suppliers and combines them into a package tour, which is sold with their own price tag to the public directly or through middlemen.
42. **“Visa”** means an endorsement issued by an authorized representative of a country and marked in a passport, permitting the passport holder to enter, travel through, or reside in that country for a specified amount of time, for the purpose of tourism, education, employment, etc.
43. **“Travel Management Company (TMC)”** refers to the Company contracted to provide travel management services (Travel Agents).
44. **“Travel Voucher”** means confirmation issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.
45. **“User”** means any person that is identified to utilise the system. They will be assigned to a specific template(s) which will determine their roles and privileges.
46. **“Value-added services”** are services that enhance or complement the general travel management services e.g. rules and procedures of the airports.
47. **“A very important person (VIP or V.I.P.) or personage [1]”** means a person who is accorded special privileges due to their high social rank, status, influence, or importance.



PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)

BID NUMBER:	1253/2024-F	CLOSING DATE:	8 August 2024	CLOSING TIME:	11H00
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DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR THE KWAZULU-NATAL PROVINCIAL TREASURY FOR A PERIOD OF THIRTY-SIX MONTHS.				
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BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

GROUND FLOOR, TREASURY HOUSE, 145 CHIEF ALBERT LUTHULI STREET (FORMERLY KNOWN AS. COMMERCIAL ROAD), PIETERMARITZBURG CORNER CHIEF ALBERT LUTHULI AND CHURCH STREET, PIETERMARITZBURG					
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BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO

CONTACT PERSON	Mandy Makhunga / Thandeka Makhathini	CONTACT PERSON	Hayley Naidoo
TELEPHONE NUMBER	033 897 4235 / 033 897 4440	TELEPHONE NUMBER	033 897 4217
E-MAIL ADDRESS	Mandy.Makhunga@kzntreasury.gov.za / thandeka.dube@kzntreasury.gov.za	E-MAIL ADDRESS	Hayley.Naidoo@kzntreasury.gov.za

TECHNICAL ENQUIRIES MAY BE DIRECTED TO:

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
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ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

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.



PART B

TERMS AND CONDITIONS FOR BIDDING

<p>1. BID SUBMISSION:</p> <p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>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.</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</p>
<p>2. TAX COMPLIANCE REQUIREMENTS</p> <p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>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.</p> <p>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."</p>

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 A

SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS

PLEASE NOTE THAT THIS BID IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK.

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and vice versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the bid forms be retyped or redrafted. Photocopies of the original bid documentation may be used, but an original signature must appear on such photocopies.
3. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Bids submitted must be complete in all respects.
5. Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
6. Each bid shall be addressed in accordance with the directives in the bid documents and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, such bids may be rejected as being invalid.
7. All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. Where, however, a bid is received open, it shall be sealed. If it is received without a bid number on the envelope, it shall be opened, the bid number ascertained, the envelope sealed and the bid number written on the envelope.
8. A specific box is provided for the receipt of bids, and no bid found in any other box or elsewhere subsequent to the closing date and time of bid will be considered.
9. No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
10. No bid submitted by telefax, telegraphic or other electronic means will be considered.
11. Bidding documents must not be included in packages containing samples. Such bids may be rejected as being invalid.
12. Any alteration made by the bidder must be initialled.
13. Use of correcting fluid is prohibited
14. Bids will be opened in public as soon as practicable after the closing time of bid.
15. Where practical, prices are made public at the time of opening bids.
16. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
17. Bidder must initial each and every page of the bid document.



SECTION B

REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE

1. In terms of the National Treasury Instruction Note, all suppliers of goods and services to the State are required to register on the Central Suppliers Database.
2. Prospective suppliers should self-register on the CSD website www.csd.gov.za
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Department may, without prejudice to any other legal rights or remedies it may have;
 - 3.1 cancel a bid or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favourable bid is accepted or less favourable arrangements are made.
4. **The same principles as set out in paragraph 3 above are applicable should the supplier fail to request updating of its information on the Central Suppliers Database, relating to changed particulars or circumstances.**
5. **IF THE SUPPLIER IS NOT REGISTERED AT THE CLOSING TIME OF BID, THE SUPPLIER WILL BE DISQUALIFIED AT THE BID EVALUATION PROCESS.**



SECTION C

DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND UP TO DATE

(To be completed by bidder)

THIS IS TO CERTIFY THAT I (name of bidder/authorized representative)
....., WHO REPRESENTS (state name of bidder)
.....CSD Registration
Number.....

AM AWARE OF THE CONTENTS OF THE CENTRAL SUPPLIER DATABASE WITH RESPECT TO THE BIDDER'S DETAILS AND REGISTRATION INFORMATION, AND THAT THE SAID INFORMATION IS CORRECT AND UP TO DATE AS ON THE DATE OF SUBMITTING THIS BID.

AND I AM AWARE THAT INCORRECT OR OUTDATED INFORMATION MAY BE A CAUSE FOR DISQUALIFICATION OF THIS BID FROM THE BIDDING PROCESS, AND/OR POSSIBLE CANCELLATION OF THE CONTRACT THAT MAY BE AWARDED ON THE BASIS OF THIS BID.

.....
SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE

DATE:



SECTION D

COMPULSORY BRIEFING SESSION

Site/Building/Institution Involved: **TREASURY HOUSE**

Bid Reference No: **BID 1253/2024-F**

Goods/Service/Work: **Provide travel and related services to KwaZulu-Natal Provincial Treasury.**

This is to certify that (bidder's representative name) _____

On behalf of (company name) _____

Briefing session on ___/___/_____ (date) and is therefore familiar with the circumstances and the scope of the service to be rendered.

Signature of Bidder or Authorised Representative
(PRINT NAME)

DATE: ___/___/_____

Name of Departmental or Public Entity Representative
(PRINT NAME)

Departmental Stamp with Signature

It is compulsory for the bidder to sign the register and to sign the Compulsory Briefing Session form. It is also compulsory that the form be signed and stamped by a representative from KZNPT. Failure to sign and stamp the form will result in the offer being rejected and considered as non- responsive.



SECTION E

(This information must be populated as per the automated Pricing Schedule from page 15 to 19)

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number: 1253/2024-F
Closing Time: 11:00	Closing date: 8 August 2024

OFFER TO BE VALID FOR 180 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	Unit Price	Total for each unit
1				
2				
3				
4				
SUB-TOTAL				
VAT AT 15%				
GRAND TOTAL (BID PRICE IN RSA CURRENCY WITH ALL APPLICABLE TAXES INCLUDED)				

- Required by: *KZN Provincial Treasury....*
- At: *145 Chief Albert Luthuli Street.
Pietermaritzburg 3201.....*
- *Brand and model*
- *Country of origin*
- *Does the offer comply with the specification(s)?* *YES/NO
- *If not to specification, indicate deviation(s)*
- Period required for delivery
- *Delivery: Firm/not firm
- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

*Delete if not applicable

ONLY THE PRICE ON THE PRICING SCHEDULE SHALL BE CONSIDERED



1. PRICING INSTRUCTIONS

- 1.1 The pricing schedule provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed without changing the structure thereof.
- 1.2 Bidders are required to complete a mandatory cost/fee structure as a response to how much the services offered will be charged.
- 1.3 Due diligence on market-related pricing reasonability may be conducted and rates may be negotiated with the shortlisted service providers.
- 1.4 Applicable taxes:
 - All bid prices must be inclusive of all applicable taxes.
 - All bid prices must be inclusive of fifteen percent (15%) Value Added Tax.
- 1.5 Failure to comply with this condition may invalidate the bid.
- 1.6 The price quoted must be inclusive of the following:
 - 1.6.1 System set up (BAS/other financial systems interface, system customization, GoLive).
 - 1.6.2 System implementation (project management and roll out).
 - 1.6.3 Training sessions (inclusive of training material) to cater for at least 50 people. The KZNPT will arrange its own training venue.
 - 1.6.4 Departmental Travel policy set up SCM process flow.
 - 1.6.5 Loading traveller profiles and cost centres / set up responsibilities.
- 1.7 It is important for bidders to note the following when determining the pricing:
 - 1.7.1 National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service provider(s);
 - 1.7.2 No override commissions earned through National Treasury reservations will be paid to the TMCs;
 - 1.7.3 An open book policy will apply and any commissions earned through the KZNPT volumes will be reimbursed to KZNPT; and
 - 1.7.4 TMCs are to book these negotiated rates or the best fare available, whichever is the most cost-effective for the institution.



PRICING SUBMISSION

BID NO:

BID 1253/2024 - F

BID NAME:

THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS

BIDDER NAME

<NAME OF BIDDER TO BE FILLED IN HERE>

PRICE INSTRUCTIONS

1. STRUCTURE OF THE TENDER

This spreadsheet for **BID 1253/2024-F** contains the financial response templates for the bid. The bid pricing submission instructions in this document must be read in conjunction with instructions or notes embedded in the various tabs of spreadsheet(Pricing Schedule).

2. GENERAL INSTRUCTIONS FOR COMPLETING THE PRICING SCHEDULE TEMPLATES

2.1 Tender submission format

- 2.1.1 Bidders to use only the electronic supplied pricing schedule.
- 2.1.2 Bidders must complete and submit the templates attached, which is/are [management fee model offsite](#), [transactional fee model offsite](#) and [the pricing declaration](#).
- 2.1.3 Bidders must reference BID main document section 7, Table 10 for current travel volumes.

2.2 Input spreadsheets

- 2.2.1 The Pricing Schedule templates are contained within the one (1) Excel Workbook
- 2.2.2 Bidders must not make any changes to the spreadsheets or change the formatting of the Pricing Schedule.
- 2.2.3 Cells are formatted to automatically indicate South African Rands, ordinary text fields and percentages (%) where applicable.
- 2.2.4 Input cells **FOR BIDDERS** are highlighted in **GREEN**. The Bidder must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.
- 2.2.4 Input cells **FOR THE TENDERING INSTITUTION** are highlighted in **ORANGE**. The Tendering Institution must complete all the relevant input cells for the bid. No other cells must be changed in any way whatsoever.
- 2.2.5 Prices on Templet one (Transaction fee offsite) and Templet two (Management Fee offsite) are formulated to calculate for Three (3) years
- 2.2.6 2,2,6 The Final Price on the Price Declaration Page which has already been formulated to calculate for three (3) years is to be transferred to Section E of the bid document.

2.3 Currency and VAT

- 2.3.1 All Bidders' pricing must be quoted in South African Rands (ZAR).
- 2.3.2 The Pricing Schedule template is designed such that VAT (15% VAT) will be calculated on Bidders' input pricing; therefore, Bidders **must** complete the templates with **unit prices excluding VAT**.



TEMPLATE 1: TRANSACTION FEE MODEL
OFF-SITE SERVICES

BID NO:

ZNT 1253/2024 - F

BID NAME:

THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS

BIDDER NAME

<NAME OF BIDDER TO BE FILLED IN HERE>

1.1 TRANSACTION FEES

ITEM	Transaction Type	Estimated Volume 2023/2024	ONLINE BOOKINGS		
			Unit Price (excl VAT)	Unit Price (incl VAT)	TOTAL Price (incl VAT)
1	Air Travel – International	13	R	-	R -
2	Air Travel – Regional	10	R	-	R -
3	Air Travel – Domestic	342	R	-	R -
4	Air Travel – International (Re-issue)	0	R	-	R -
5	Air Travel – Regional (Re-issue)	0	R	-	R -
6	Air Travel – Domestic (Re-issue)	0	R	-	R -
7	Refunds – Air International	0	R	-	R -
8	Refunds – Air Regional	1	R	-	R -
9	Refunds – Air Domestic	11	R	-	R -
10	Car Rental – International	0	R	-	R -
11	Car Rental – Regional	0	R	-	R -
12	Car Rental – Domestic	77	R	-	R -
13	Transfers/Shuttle – International	0	R	-	R -
14	Transfers/Shuttle – Regional	0	R	-	R -
15	Transfers/Shuttle – Domestic	7	R	-	R -
16	Accommodation – International	0	R	-	R -
17	Accommodation – Regional	0	R	-	R -
18	Accommodation – Domestic	1008	R	-	R -
19	Bus/Coach Bookings	0	R	-	R -
20	Train bookings – International	0	R	-	R -
21	Visa Assistance (Provision of documents and advice)	0	R	-	R -
22	Courier services for travel documentation	0	R	-	R -
23	SMS Notifications	7346	R	-	R -
24	Parking bookings	0	R	-	R -
25	Cancellations	300	R	-	R -
26	Changes to bookings	45	R	-	R -
27	After Hours Services	180	R	-	R -
28	Additional Ad-hoc Reports (per report)	5	R	-	R -
29	Customised Reports (per report)	1	R	-	R -
30	Travel Lodge card and virtual card Reconciliation	1	R	-	R -
31	Debtors Account Reconciliation	0	R	-	R -
32	Conferencing	0	R	-	R -
33	Insurance	18	R	-	R -
34	Other (Specify)	0	R	-	R -
35	Other (Specify)	0	R	-	R -
36	Other (Specify)	0	R	-	R -
37	Other (Specify)	0	R	-	R -
Total		9365			R -
			Percentage Online	100,00%	R -
			Quote For 3 years		R -
PRICE THAT WILL BE USED FOR EVALUATION PURPOSES				R	-

1.2 CONFERENCE TRANSACTION FEE

Item	Description	Percentage Fee	Comment
1	Conference Transaction Fee (as a % of the Total turnover of the event)		



**TEMPLATE 2: MANAGEMENT FEE MODEL
OFF-SITE SERVICES**

BID NO:

BID 1253/2024 - F

BID NAME:

THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A

PERIOD OF 36 MONTHS

BIDDER NAME

<NAME OF BIDDER TO BE FILLED IN HERE

ESTIMATED TRANSACTION VOLUMES PER ANNUM *



See Section 5.2 of the bid document

1.1 MANAGEMENT FEES

		ONLINE BOOKINGS	
ITEM	Transaction Type		Annual Cost (cost per year) (Excl VAT)
Fixed Costs (Management Fees)		Estimated #	
1	Compensation		
	Account Manager		
	Travel Consultant		
	System Operations Manager		
2	Standard Monthly Reports (3 Std Reports x 12 months)		
3	Standard Weekly Reports (3 Weekly Report x 52 weeks)		
4	* Communication (SMS, Email alerts, Travel App Industry updates)		
5	Marketing		
6	Technology (Software Licences)		
7	Computing / GDS Fees		
8	Office Leasing (if applicable)		
9	Utility bills (phone, broadband, electricity, etc.		
10	Association membership fees		
11	Banking Services (Interest, Merchant Fees, etc.)		
12	System Setup		
13	System implementation		
14	Monthly System support (BAS/ or any other financial system file changes)		
15	Training and Material (50 people per session)		
16	Other (Specify)		
17	Profit		
Total Fixed Annual Cost (Excl VAT)		R	-



		ONLINE BOOKINGS	
Variable Costs		Estimated #	Annual Cost (Excl VAT)
1	After-Hours (VIP/Executive Travel Consultant) (Estimated at 60 Calls per month)		
2	After-Hours Call Center / Contact Number(17h00 - 8h00 Weekdays; 24 hours weekends and public holidays) (Estimated at 120 Calls per month)		
3	Stationery (Estimated per annum)		
4	Training & Recruitment (own Staff estimated per annum)		
5	Other (Specify)		
6	Other (Specify)		
7	Other (Specify)		
8	Other (Specify)		
Total Variable Annual Cost (Excl VAT)		R	-
TOTAL PER ANNUM (Excl VAT)		R	-
TOTAL FOR 3 YEARS (Excl VAT)		R	-
GRAND TOTAL PER ANNUM (Incl VAT) (PRICE THAT WILL BE USED FOR EVALUATION PURPOSES)		R	-
MONTHLY MANAGEMENT FEE (Incl VAT)		R	-
	Cost of Additional items (per incident)	Unit Price (excl VAT)	Unit Price (incl VAT)
1	Courier Services	R	-
2	Visa Services	R	-
3	Customised Reports (per report)	R	-
4	Booker Training adhoc	R	-
5	Other (Specify)	R	-
6	Other (Specify)	R	-
7	Other (Specify)	R	-
1.2 CONFERENCE TRANSACTION FEE			
Item	Description	Percentage Fee	Comment
1	Conference Transaction Fee (as a % of the Total turnover of the event)		



KWAZULU-NATAL PROVINCE

TREASURY
REPUBLIC OF SOUTH AFRICA



KWAZULU-NATAL PROVINCE

TREASURY
REPUBLIC OF SOUTH AFRICA

BID NO	BID 1253/2024 - F
BID NAME:	THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR A PERIOD OF 36 MONTHS
BIDDER NAME	

Price Declaration

Dear Sir/Madam,

Having read through and examined the BID Document, the General Conditions, The Requirements and all other Annexures to the BID Document, we offer to provide **OFF-SITE** travel management service to the **KZN Provincial Treasury** at the following total amounts (including VAT). The following amounts are for thirty-six months.

Template 1: Transaction Fee (Off-Site)

R	-	(incl. VAT)	
---	---	-------------	--

Template 2: Management Fee (Off-Site)

R	-	(incl. VAT)	
---	---	-------------	--

Transaction Fee (Off Site)				R	-			
Management Fee (Off Site)				R	-			
R	-	(incl. VAT)						

We undertake to hold this offer open for acceptance for a period of **180 days** from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with the provision of service when required to do so by the **KZN Provincial Treasury**.

We understand that KZN Provincial Treasury is not bound to accept the lowest or any offer and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.

We hereby undertake for the period during which this bid remains open for acceptance not to divulge to any persons, other than the persons to which the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

Signature

Date

Print name of signatory:

Designation:

FOR AND ON BEHALF OF: COMPANY NAME

Tel No:

Fax No:

Cell No:

Email:.....

SECTION F
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 interest¹ 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 the table below.

Full Name	Identity Number	Name of State institution

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

.....
.....

¹ 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.



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 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.
- 3.6 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.
- 3.7 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

² 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.

SECTION G

NOT APPLICABLE

This document must be signed and submitted together with your bid

THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:
 - (a) Any single contract with imported content exceeding US\$10 million.
or
 - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2-year period which in total exceeds US\$10 million.
or
 - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.
or
 - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.
- 1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.
- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of **R10 million** (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1. (b) to 1.1. (d) above.



3 BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:
 - Bid / contract number.
 - Description of the goods, works or services.
 - Date on which the contract was accepted.
 - Name, address and contact details of the government institution.
 - Value of the contract.
 - Imported content of the contract, if possible.
- 3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.

4 PROCESS TO SATISFY THE NIP OBLIGATION

- 4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:
 - a. the contractor and the DTI will determine the NIP obligation;
 - b. the contractor and the DTI will sign the NIP obligation agreement;
 - c. the contractor will submit a performance guarantee to the DTI;
 - d. the contractor will submit a business concept for consideration and approval by the DTI;
 - e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
 - f. the contractor will implement the business plans; and
 - g. the contractor will submit bi-annual progress reports on approved plans to the DTI.
- 4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number	Closing date:
Name of bidder.....	
Postal address	
.....	
Signature.....	Name (in print)
Date.....	

SECTION H

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:

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

1.3 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.

1.4 **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

1.5 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.

1.6 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

- (a) **“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;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“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
- (e) **“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 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

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:

80/20

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

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—

- (a) 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
- (b) 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 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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	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)
Historical Disadvantage Person (HDP) – Black owned Enterprise	20	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. 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]

4.6. 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;
- 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;



- iv) 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.

..... SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:



CALCULATION OF EQUITY FOR SPECIFIC GOALS

- (a) Preference points stipulated in respect of a tender must include preference points for equity ownership by HDPs.
- (b) The equity ownership contemplated in sub-paragraph (a) must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company's shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.
- (c) In the event that the percentage of ownership contemplated in sub-paragraph (b) changes after the closing date of the tender, the tenderer must notify the relevant organ of state and such tenderer will not be eligible for any preference points.
- (d) Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- (e) Subject to sub-paragraphs (a), (b), (c) and (d), all claims made for equity ownership by an HDP must be considered according to the following criteria:
 - (i) Equity within private companies must be based on the percentage of equity ownership;
 - (ii) Preference points may not be awarded to public companies and tertiary institutions;
 - (iii) The following formula must be applied to calculate the number of points for equity ownership by an HDP:

$$NEP = NOP \times \frac{EP}{100}$$

Where:

NEP = Points awarded for equity ownership by an HDP

NOP = The maximum number of points awarded for equity ownership by an HDP

EP = The percentage of equity ownership by an HDP within the enterprise or business, determined in accordance with sub-regulations (a), (b), (c) and (d).

- (f) Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
- (g) Documentation to substantiate the validity of the credentials of the trustees contemplated in sub-paragraph (f) must be submitted to the relevant organ of state.
- (h) A Consortium or Joint Venture may, based on the percentage of the contract value managed or executed by their HDP members, be entitled to equity ownership in respect of an HDP.
- (i) The number of points scored for a Consortium or Joint Venture must be added to the number of points scored for achieving specified goals.
- (j) The points contemplated in sub-paragraph (i) must be added to the points scored for price, in order to establish the total number of points scored.
- (k) The contract must be awarded to the tender which scores the highest points.
- (l) A person awarded a contract as a result of preference for contracting with, or providing equity ownership to, an HDP, may not subcontract more than 25% of the value of the contract to a person who is not an HDP or does not qualify for such preference.

SECTION I

AUTHORITY TO SIGN A BID

The bidder must indicate the enterprise status by signing the appropriate box hereunder.

(I) CLOSE CORPORATION	(II) COMPANIES	(III) SOLE PROPRIETOR	(IV) PARTNERSHIP	(V) CO- OPERATIVE	(VI) JOINT VENTURE / CONSORTIUM	
					Incorporated	
					Unincorporated	

I/We, the undersigned, being the Member(s) of Cooperative/ Sole Owner (Sole Proprietor)/ Close Corporation/ Partners (Partnership)/ Company (Representative) or Lead Partner (Joint Venture / Consortium), in the enterprise trading as:

.....

hereby authorise Mr/Mrs/Ms

acting in the capacity of

whose signature is

to sign all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise.

NAME	ADDRESS	SIGNATURE	DATE

(if the space provided is not enough please list all the director in the resolution letter)

Note:

Members of the enterprise must complete this form in full according to the type of enterprise, authorising the signatory to sign all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise.

Note: Director/s may appoint themselves if they will be the one signing all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise.

SECTION J

GENERAL CONDITIONS OF CONTRACT

1) Definitions

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 anything 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 markets 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



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 security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, 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:
 - 7.3.1 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
 - 7.3.2 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 fulfilment 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 contract 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 cancelling 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 21.

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.
- 23.6.1 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 antidumping 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.

SECTION K

SPECIAL CONDITIONS OF CONTRACT

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 the following applicable other Special Conditions of Contract.

1. ACCEPTANCE OF OFFER

- 1.1 This bid has been invited and will be adjudicated in terms of the KwaZulu-Natal Supply Chain Management Policy Framework and the KwaZulu-Natal Provincial Practice Notes. The Provincial Treasury Bid Evaluation and Adjudication Committee is under no obligation to accept the lowest or any bid.

2. ADDRESS OF THE BIDDER

- 2.1 Bidders must advise the Provincial Treasury should their address (*domicilium citandi et executandi*) (physical address) details from the time of bidding to the expiry of the contract.

3. CONTRACT PERIOD

- 3.1 Successful bidders will be appointed for a period of thirty-six months.
- 3.2 The Department reserves the right to terminate the contract should the awarded entity fail to fulfil its contractual obligation in terms of this contract.

4. FALSE DECLARATION

- 4.1. All information requested in this document and provided by the bidder is accepted in good faith as being true and accurate.
- 4.2. Any false declaration or intentional omission of relevant facts shall lead to disqualification.

5. AWARD OF BIDS

The Department intends to award one (1) service provider.

6. PRICE

- 6.1. A bidder must submit one consolidated price. The pricing schedule must be fully completed. Failure to comply will lead to disqualification.
- 6.2. Prices must be in South African Currency, be inclusive of VAT and exclude any trade discount.

7. ORDERS

- 7.1. Services shall be rendered only upon receipt of a written official order from the Department as per the contract.

8. WARRANTS

- 8.1. The awarded entity warrants that it is able to deliver to the satisfaction of the Department.
- 8.2. The involvement of the awarded entity in any other business or venture shall not compete or conflict with the obligations of the entity to provide the services to the Department in terms of this bid.

9. PAYMENT AND INVOICING

- 9.1. Payment will only be processed upon receipt, verification of invoices and confirmation by the appropriately authorized officials of actual services rendered.
- 9.2. Payment will be made to the awarded Entity only. Any deviations (e.g. cession of contract) will only be accepted after relevant approval has been granted by the Bid Adjudication Committee.
- 9.3. Invoices must clearly indicate the order number, invoice number and VAT number (where it is applicable).
- 9.4. Any variation to the quantities other than those stipulated in this bid document shall be approved by the Department.

10. AMENDMENT OF BID CONDITIONS, ORDER STIPULATIONS OF BID, ETC.

- 10.1. No agreement to amend or vary the bid conditions or order or stipulations of bid shall be valid and of any force and effect unless such agreement to amend or vary is entered into in writing and signed by contracting parties subject to approval by the Head of the Department.

11. CANCELLATION

- 11.1 The Department reserves the right to cancel the bid. Such cancellation shall be published in the same media as the invitation to the bid.

12. TAX CLEARANCE CERTIFICATE OR TAX COMPLIANCE STATUS PIN

- 12.1. The Department will verify the tax compliance status of a bidder through CSD.
- 12.2. Bidders must ensure that their tax matters are compliant with CSD.

13. CENTRAL SUPPLIERS DATABASE (CSD)

- 13.1. A bidder submitting an offer must be registered on the Central Suppliers Database (CSD).
- 13.2. A bidder who has submitted an offer and is not registered on the Central Suppliers Database will not be considered.
- 13.3. Each party to a Joint Venture/Consortium must be registered on the Central Suppliers Database at the time of submitting the bid.
- 13.4. All information supplied in the bid document must correlate with information on CSD. It is the responsibility of the supplier to ensure that information on CSD is up to date at all times.
- 13.5. Failure to comply with any of the above will result in the bidder being disqualified.

14. COMPLETENESS OF THE BID DOCUMENT

- 14.1. The bid will only be considered if it is correctly completed in all respects and accompanied by all relevant and other necessary and applicable information/documents, i.e., signatures should be appended where required and documents called for should be submitted. (This section must be read together with Clause 4 of Section A: Special Instructions and Notices to Bidders Regarding the Completion of Bidding Forms).

15. SUBMISSION OF BIDS

- 15.1. Bids are to be submitted to the offices of the Department, ground floor entrance, 145 Chief Albert Luthuli Street, Pietermaritzburg before **8 August 2024 at 11:00 am**. All bids are to be deposited in the bid box situated at the reception area. Late bids shall not be accepted.

16. TERMINATION OF SERVICES

- 16.1. Should the Contractor fail to meet the conditions of this contract, or continue rendering unsatisfactory service, the Employer reserves the right to terminate the contract, after written notification has been served on the Contractor, with retention of the right to recover from the Contractor any losses which the Employer may suffer/ incur as a result of the failure, without prejudicing any other rights it may have.

17. UNSATISFACTORY PERFORMANCE

- 17.1. Unsatisfactory performance occurs when performance is not in accordance with the contract conditions.
- 17.2. Before any action is taken, the Department shall warn the contractor by registered/certified mail that action will be taken in accordance with the contract conditions unless the contractor complies with the contract conditions and delivers satisfactory supplies or services within a specified reasonable time (7 days). If the contractor does not perform satisfactorily despite the warning the Department will:
- (i) Take action in terms of its delegated powers.
 - (ii) Make a recommendation for cancellation of the contract concerned.

18. LATE OFFERS

- 18.1. Bids are late if they are received at the address indicated in the tender documents after the closing date and time.
- 18.2. A late bid shall not be considered.

19. UNSOLICITATED OFFERS

- 19.1 In the event that an unsolicited offer is received, the offer shall not be considered.

20. EQUAL OFFERS

- 20.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
- 20.2 If two or more tenderers score equal total points in all aspects, the award must be decided by the drawing of lots.

21. VALIDITY PERIOD AND EXTENSION THEREOF

- 21.1. The validity (binding) period for the bid must be 180 Days from close of tender. However, circumstances may arise whereby this Department may request the bidders to extend the validity (binding) period. Should this occur, the Department will request bidders to extend the validity (binding) period under the same terms and conditions as originally tendered for by bidders.

22. CONFIDENTIALITY

- 22.1. The contractor's staff that comes into contact with Provincial Treasury's confidential information and documents may be required to sign confidentiality agreements so as to protect the Department's information.

23. EXPENSES INCURRED IN PREPARATION OF BIDS

- 23.1. The Department will not be responsible for any expenses or losses which the bidder may incur in the preparation of this bid.

24. NOTIFICATION OF AWARD OF BID

- 24.1. The publication of an award will be advertised in the same media as the invitation to bid.
- 24.2. Notification of award of a bid shall be in writing to the successful bidder/s by a duly authorised official of the Department.
- 24.3. The letter of acceptance of the bidder's offer or an official order note constitutes a legal and binding contract.

25. CONTRACT AND SERVICE LEVEL AGREEMENT

- 25.1. The successful bidder shall be required to enter into a Service Level Agreement with the Department.
- 25.2. The bid document constitutes a legal document and a binding contract.

26. QUERIES FROM THE BIDDERS

Any correspondence with regards to this bid which the bidder wishes to raise must be emailed to the following officials by **2 August 2024 at 11:00 am**.

26.1 SCM enquiries may be directed to:

Ms. M. Makhunga Tel. No. (033) 897 4440 and e-mail:

mandy.makhunga@kzntreasury.gov.za or Ms. T. Makhathini Tel. No. (033) 897 4440 /e-mail: thandeka.dube@kzntreasury.gov.za

Technical enquiries may be directed to:

Ms. H Naidoo Tel No (033) 897 4217/email: HAYLEY.NAIDOO@kzntreasury.gov.za

- 26.1.1 Bidders must note that all queries received via email before the stipulated date will be consolidated and a composite response will be sent to all who submitted queries and the same will be published on the Departmental Website.

27. JOINT VENTURES/CONSORTIUM

- 27.1 Any Bid by a Joint Venture (JV)/ Consortium must be accompanied by a copy of a duly signed Joint Venture Agreement. Such agreement must specify the portion of the bid to be undertaken by each participating entity.
- 27.2 Parties to the JV/Consortium must all sign the JV Agreement, and the minutes of the meeting must be submitted with the bid at the closing date.
- 27.3 Should the parties enter into a JV, the JV Agreement should reflect a lead partner and the following nominations:
 - (i) Bank account to be used for the purpose of this Bid or Contract.
 - (ii) authorized representative and signatory.
 - (iii) Authorized letterhead, address, etc.

28. COMMUNICATION, MEDIA RELEASES, ETC

- 28.1 Bidders shall not in any way communicate with the press, or any representative of the written or electronic media, on a question affecting this bid during the period between the closing date for the receipt of bids and the dispatch of the written notification of the Department, which on receipt of such report may, at their discretion, disqualify the bidder concerned.
- 28.2 All rights of publication on articles in the media, together with any advertising relating to, or in any way concerned with this project shall vest in the Department. The successful bidder shall not, without the written consent of the Department, cause any statement or advertisement to be printed screened or aired by the media.

29. COMMUNICATION WITH MEMBERS OF THE BID COMMITTEE

29.1 A bidder shall not in any way communicate with a member of a Bid Committee or with any officer, agent, or representative of the Department on a question affecting any contract for the supply of goods or for any work, undertaking or service which is the subject of a bid during the period between the closing date for receipt of bids and the dispatch of the written notification of the decision on the award of the Contract provided that a bidder shall not hereby be precluded.

30. UNDERTAKING

30.1 In the event of there being any change in the nature of the Contractor including, but not limited to, inter alia, it's: -

30.1.1 Directors, shareholdings, membership and/or management;

30.1.2 Constitution, memorandum and/or articles;

30.1.3 Service providers, partners, joint venture entities and/or subcontracting parties;

30.1.4 Change in specific goals issued with the bid;

30.1.5 Any changes ancillary to the above.

30.2 The Contractor undertakes, were possible, to inform the Department as least thirty (30) days before the above changes are effected of the details of the proposed changes.

30.3 Alternatively, the Contractor undertakes that there shall be no material changes in the nature of the Contractor for the duration of this contract, including, but not limited to, inter alia, the following: -

30.3.1 Directors, shareholdings, membership and/or management; trustees;

30.3.2 Constitution, memorandum and/or articles; trustee;

30.3.3 Service providers, partners, joint venture entities and/or subcontracting parties;

30.3.4 Change in specific goals issued with the bid;

30.3.5 Any changes ancillary to the above.

30.4 However, in the event of any of the above changes being anticipated, the Contractor undertakes to immediately inform the Department alternatively at least thirty (30) days prior to the proposed changes.

30.5 The Contractor furthermore undertakes to immediately inform the Department should the Contractor, any of its directors, members, partners, service providers, subcontractors or managers: -

30.5.1 has been listed on the National Treasury's Database as entities prohibited from doing business with the public sector.

30.5.2 has been listed on the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004);

30.5.3 has been charged or convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption;

30.5.4 has died or ceased to exist;

30.5.5 has a civil judgment taken against it/them by a court of law or any other competent authority;

30.5.6 or their estates being placed under judicial management or being provisionally or finally sequestrated or liquidated.

30.6 In the event of the Contractor failing to act as aforesaid, the Department will be at liberty to, in its discretion, exercise any one or a combination of the following remedies: -

30.6.1 immediately cancel the contract;

30.6.2 revisit the contract and issue directives with regard to the remaining term of the contract;

30.6.3 engage the services of other parties and service providers;

30.6.4 engage the service of the next favourable bidder;



- 30.6.5 exercise the remedies available to it in terms of the provisions of paragraph 23 of the General Conditions of Contract;
- 30.6.6 recover from the Contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the contract;
- 30.6.7 cancel the contract and claim any damages which the Province may suffer by having to make less favourable arrangements after such cancellation;
- 30.6.8 cash in any securities, utilise deposits and/or withhold any payment due to the Contractor in lieu of damages.

31. CESSION OF BID

Any cession of a bid will only be accepted after the relevant approval has been obtained from the Department.

32. BID APPEAL TRIBUNAL (BAT)

BAT finds its establishment in Treasury Regulation 16A9.3 and Section 18(1) of the KwaZulu-Natal Supply Chain Management Policy Framework. Treasury Regulation 16A9.3 empowers the National and Provincial Treasury to establish a mechanism to consider complaints and make recommendations for remedial actions to be taken the non-compliance with the norms and standards. Section 18(1) of the KZN SCM Policy Framework empowers the MEC for Finance to establish an independent and impartial Bid Appeals Tribunal. In line with Paragraph 19 of the KZN SCM Policy Framework of 2006 the following procedure must be followed to lodge an appeal:

- 32.1 The bidder must, within five working days of receipt of the notification of an award, deliver written notification of an intention to appeal.
- 32.2 The bidder may, together with the notification of intention to appeal under paragraph (2) of the KZN SCM Policy Framework, deliver a request for written reasons for the award of the said bid.
- 32.3 The Bid Adjudication Committee or a delegate of an accounting officer must deliver to the appellant the written reasons requested under paragraph (3) of the KZN SCM Policy Framework within ten working days.
- 32.4 The appellant must, within ten working days of receipt of the written reasons delivered under paragraph (4) of the KZN SCM Policy Framework, or, failing a request for written reasons under paragraph (3) of the KZN SCM Policy Framework, within ten working days of giving notice under paragraph (2) of the KZN SCM Policy Framework, submit written representations to the Bid Appeals Tribunal, indicating sufficiently and without unnecessary elaboration the grounds and basis of the appeal and the nature of the complaint.
- 32.5 Upon receipt of a notice of intention to appeal, the Bid Appeals Tribunal must notify other bidders who may be adversely affected by the appeal, in writing of the appeal and invite them to respond within five working days.

The address provided for the lodging of appeals is:

Email: Batsecretariat@kzntreasury.gov.za

**The Chairperson
Bid Appeals Tribunal
Private Bag X9082
Pietermaritzburg
3200**

SECTION L

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF TRAVEL MANAGEMENT SERVICES FOR THE KWAZULU-NATAL PROVINCIAL TREASURY FOR A PERIOD OF THIRTY-SIX MONTHS.

1. INTRODUCTION

The KwaZulu-Natal Provincial Treasury (KZNPT) is responsible for the preparation of provincial budget, control over the implementation of the provincial budget, enforce implementation of the provisions of the Public Finance Management Act and Municipal Finance Management Act, capacitate KZN government institutions on fiscal related matters and oversee the efficacious utilisation of public funds within the province.

The KZNPT requires a service provider to provide travel and related services. Travel arrangements will consist of air travel, accommodation, airport transfers, shuttle services and car rentals.

The KZNPT has three office sites located in the following sites:

Treasury House 145 Chief Albert Luthuli Street, Pietermaritzburg as headquarters; Nomalanga Building 214 Langalibalele Street, Pietermaritzburg and Natalia Building, 330 Langalibalele Street, Pietermaritzburg.

The KZNPT reserves the right to change the premises in terms of lease terminations that may occur during the contract period.

The appointed service provider shall enter into a Service Level Agreement (SLA) with the KZNPT to perform travel and related services that are specified under these Terms of Reference. The service must be consistent, reliable and maintain a high level of traveller satisfaction.

The KZNPT does not guarantee exclusive procurement from the appointed service provider nor any minimum order or quantity of services. The appointed service provider is expected to win over market share through its quality service and competitive prices.

2. PURPOSE

The KZNPT invites suitable service providers to provide travel-related services to the KZNPT for a period of thirty-six months.

3. GENERAL SERVICE REQUIREMENTS

Bidders must:

- a) Familiarise themselves with the existing KZNPT Travel Policy and business processes in order to implement the applicable controls to ensure compliance.

The Department reserves the right to revise and amend its policies as and when deemed necessary.

- b) Manage the third-party service providers and address any service failures and complaints that may emanate due to unsatisfactory services received.
- c) Consolidate all invoices from travel suppliers.



- d) Provide travel management services during normal office hours as well as after hours services. Normal office hours refer to Monday to Friday from 07h30 to 16h15. After hours refer to 16h16 to 07h29 including weekends and public holidays. A dedicated consultant/s / call centre facility with contact numbers must be available during the office hours and after hours to assist all travellers.
- e) All calls must be attended to expeditiously.
- f) The TMC should have a standard operating procedure for managing after hours and emergency services. This should include purchase order generation of the request within 24 hours.
- g) The service must achieve significant cost savings for the KZNPT without any degradation of the services whilst taking into consideration all associated risks.

4. SCOPE OF WORK

The minimum scope of service shall include domestic, regional, and international travel as follows:

- a) Reservations for airline ticketing.
- b) Supply travellers with required information on visa services.
- c) Provide incidental services such as issuance/delivery, revalidation, re-routing, reissuance, reconfirmation, processing refunds and cancellations.
- d) Preparation of suitable itineraries (including alternative routings, departures, and arrivals).
- e) Reservations for accommodation.
- f) Reservation for car rental and shuttle services.
- g) Conduct workshops (as and when required) and training sessions for all personnel involved in travel management within the KZNPT.
- h) Ensure value for money in the provision of travel services for the KZNPT officials.

4.1 Operational Requirements

In line with the scope of work bidders must demonstrate, in their proposal capabilities to undertake travel operations in the following service categories:

4.1.1 Reservations

The Travel Management Company (TMC) will:

- a) Receive travel requests from travel bookers, respond with quotations confirming the availability of reservation. Upon the receipt of the relevant approval, the TMC will issue the required e-tickets and vouchers immediately and send it to the travel booker and traveller via the agreed communication medium.
- b) Always endeavour to make the most cost-effective travel arrangements based on the request from the traveller and/or travel booker.
- c) Apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the traveller of alternative plans that are more cost effective and more convenient where necessary.
- d) Obtain a minimum of three (3) price comparisons / quotations for all travel requests where the routing or destination permits.
- e) Book the negotiated discounted fares and rates where possible.



- f) Should keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- g) Book parking facilities at the airports where required for the duration of the travel.
- h) Respond timely and process all queries, requests, changes, and cancellations timeously and accurately.
- i) Should be able to facilitate group bookings (e.g. for meetings, conferences, events, etc.)
- j) Should issue all necessary travel documents, itineraries, and vouchers timeously to traveller(s) prior to departure dates and times.
- k) Advise the traveller of all visa and inoculation requirements well in advance.
- l) Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- m) Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- n) Facilitate the bookings that are generated through TMC or third-party Online Booking Tool (OBT) where it can be implemented.
- o) Note that, unless otherwise stated, all cases include domestic, regional, and international travel bookings.
- p) Visa applications will not be the responsibility of the TMC; however, the relevant information should be supplied to the traveller(s) where visas will be required.
- q) Negotiated airline fares, accommodation establishment rates, car rental rates, etc. that are negotiated directly or established by National Treasury are **non-commissionable**, where commissions are earned for KZNPT's bookings all these commissions should be returned to KZNPT on a monthly basis.
- r) Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by KZNPT.
- s) Timeous submission of proof that a good service was delivered (invoices) as per KZNPT's instructions.

4.1.2 Air Travel

- a) The TMC should be able to book full-service carriers as well as low-cost carriers.
- b) The TMC will book the most cost-effective airfares possible for domestic travel.
- c) For international flights, the airline which provides the most cost effective and practical routings may be used.
- d) The TMC should obtain three or more price comparisons / quotations international flights where applicable to present the most cost effective and practical routing to the traveller.
- e) The airline ticket should include the applicable airline agreement number as well as the individual loyalty programme number of the traveller (if applicable).



- f) Airline tickets should be delivered electronically (SMS, email format or mobile app) to the traveller(s) and travel bookers promptly after booking before the departure time and date.
- g) The TMC will source the most cost-effective booking of charters for VIPs requirements.
- h) The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management on a monthly basis.
- i) The TMC should during their report period provide proof that bookings were made against the discounted rates on the published fares where applicable.
- j) Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- k) Assist with lounge access if required.

4.1.3 Accommodation

- a) The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.
- b) The TMC will obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller.
- c) KZNPT travellers may only stay at accommodation establishments with which government has negotiated corporate rates. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National Treasury.
- d) Accommodation vouchers should be issued to all KZNPT travellers for accommodation bookings and should be invoiced to KZNPT as per arrangement. Such invoices should be supported by a copy of the original hotel accommodation charges.
- e) The TMC should during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- f) Cancellation of accommodation bookings should be done promptly to guard against no show and late cancellation fees.

4.1.4 Car Rental and Shuttle Services

- a) The TMC will book the approved category vehicle in accordance with the KZNPT Travel Policy with the car rental service provider from the closest rental location (airport, hotel, and venue).
- b) The TMC should advise the traveller on the best time and location for collection and return considering the traveller's specific requirements of car or shuttle.
- c) The TMC should ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages, and accidents, etc.
- d) For international travel the TMC may offer alternative ground transportation to the traveller that may include rail, buses, and transfers.

- e) The TMC will book transfers in line with the KZNPT's Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- f) The TMC should manage shuttle companies on behalf of the KZNPT and ensure compliance with minimum standards. The TMC should also negotiate better rates with relevant shuttle companies.
- g) The TMC should during their report period provide proof that negotiated rates were booked, where applicable.

4.1.5 Communication

- a) The TMC must conduct workshops and training sessions for all personnel involved in travel management within the KZNPT.
- b) All enquiries should be investigated, and prompt feedback be provided in accordance with the provisions of the contract.
- c) The TMC should ensure sound seamless communication with all stakeholders.

4.1.6 Financial Management

- a) The TMC should implement the rates negotiated by National Treasury with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- b) The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to KZNPT for payment within the agreed time.
- c) Enable savings on total annual travel expenditure and this should be reported, and proof provided during monthly and quarterly reviews.
- d) The TMC will be required to offer a 30-day bill-back account facility to the institution should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices KZNPT for the services rendered. The TMC must consolidate Travel Supplier bill-back invoices.
- e) Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.
- f) KZNPT has a travel lodge card and virtual travel card in place, the TMC should be responsible to process the payment of air, accommodation and ground transportation and will also be responsible to consolidate through a corporate card vendor.
- g) The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to KZNPT's Financial Management Unit on the agreed period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documents to the invoices reflected on the service provider bill-back report or the credit card statement.
- h) Ensure Travel Supplier accounts are settled timeously.

4.1.7 Technology, Management Information and Reporting

- a) The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tool.

- b) The TMC must implement an Online Booking Tool to facilitate domestic, regional, and international bookings to optimise the services and related fees.
- c) All management information and data input must be complete and accurate.
- d) Reports must be provided as per KZNPT's specific requirements at the agreed time. Information should be available on a transactional level that reflects detail, including the name of the traveller, date of travel, and spend category (for example, air travel, shuttle, accommodation).
- e) KZNPT may request the TMC to provide additional management reports at no additional cost.
- f) Reports must be available in an electronic format for example Microsoft Excel and must include but not limited to the following:

i. Travel

- After hours' Report.
- Compliments and complaints.
- Consultant Productivity Report.
- Extension of business travel.
- Upgrade of class of travel (air, accommodation, and ground transportation); and
- Bookings outside Travel Policy.

ii. Finance

- Reconciliation of commissions/rebates or any volume driven incentives.
- Creditor's ageing report.
- Creditor's summary payments;
- Daily invoices;
- Reconciled reports for Travel Lodge card and Virtual Travel Card statement;
- No show report;
- Cancellation report;
- Receipt delivery report.
- Monthly Bank Settlement Plan (BSP) Report.
- Refund Log.
- Open voucher report, and
- Open Age Invoice Analysis.

- g) The TMC will implement all the necessary processes and programs to ensure that all the data is always secure and not accessible by any unauthorised parties.

4.1.8 Account Management

- a) An Account Management structure should be put in place to respond to the needs and requirements of the KZNPT and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.
- b) The TMC should appoint a dedicated Account or Business Manager who is ultimately responsible for the management of the KZNPT's account.
- c) The necessary processes should be implemented to ensure good quality management and always ensuring traveller satisfaction.
- d) A complaint handling procedure should be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

- e) Ensure that the KZNPT's Travel Policy is enforced.
- f) The SLA should be managed, and customer satisfaction surveys conducted to measure the performance of the TMC.
- g) Ensure that workshops/training are provided to all personnel involved in travel management within the KZNPT.
- h) During reviews, comprehensive reports on the travel spend and the performance in terms of the contract should be presented.

4.1.9 Value Added Services

The TMC should provide the following value-added services:

- a) Destination information for, domestic, regional and international destinations:
 - i. Health warnings;
 - ii. Weather forecasts;
 - iii. Places of interest;
 - iv. Visa information;
 - v. Travel alerts;
 - vi. Location of hotels and restaurants;
 - vii. Information including the cost of public transport;
 - viii. Rules and procedures of the airports;
 - ix. Business etiquette specific to the country;
 - x. Airline baggage policy; and
 - xi. Supplier updates
- b) Electronic voucher retrieval via web and smart phones.
- c) SMS notifications for travel confirmations.
- d) Travel audits.
- e) Global Travel Risk Management.
- f) VIP services for Executives that include but is not limited to check-in support.

4.1.10 Cost Management

- a) The National Treasury cost containment initiatives and the KZNPT's Travel Policy are establishing the basis for cost savings culture.
- b) It is the obligation of the TMC to always advise on the most cost-effective option, and costs should be within the framework of the National Treasury cost containment instructions.

- c) The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.
- d) The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with KZNPT's Travel Policy to ensure that the traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

4.1.11 Monthly, Quarterly and Annual Travel Reviews

- a) Reviews are required to be presented by the TMC on all KZNPT travel activity. These reviews are comprehensive and presented to KZNPT's Support and Interlinked Financial Systems team as part of the performance management reviews based on the service levels.
- b) These Travel Reviews will include without limitation the following information:
 - i. Total travel spends.
 - ii. Air spend analysis
 - iii. Accommodation Spend analysis
 - iv. Car hire spend analysis
 - v. Extended business travel
 - vi. Top travellers
 - vii. Top suppliers
 - viii. Top after hours users
 - ix. Savings report
 - x. Refunds report
 - xi. After hours report
 - xii. Most common routes, Domestic and International
 - xiii. Number of transactions
 - xiv. Advance booking analysis
 - xv. Missed savings report
 - xvi. Business spend report.

4.1.12 Office Management

- a) The TMC to ensure high quality service to be always delivered to the KZNPT's travellers. The TMC is required to provide KZNPT with highly skilled and qualified human resources of the following roles but not limited to:
 - i. Account Manager
 - ii. Travel Consultant
 - iii. System Operations Manager

5. EVALUATION CRITERIA

The Evaluation Criteria will consist of the following four Phases:

5.1 Phase 1 - Supply Chain Administrative Compliance

- i. Bids submitted must be complete in all respects
- ii. The following forms must be duly completed and be submitted with the bid at the time of closing of bid:

COMPULSORY BID FORMS		Tick to indicate submission
PART A	INVITATION TO BID (SBD 1)	
PART B	TERMS AND CONDITIONS FOR BIDDING (SBD 1)	
SECTION C	DECLARATION THAT INFORMATION ON CENTRAL SUPPLIERS DATABASE IS CORRECT AND UP TO DATE	
SECTION D	COMPULSORY VIRTUAL BRIEFING SESSION	
SECTION F	BIDDER'S DISCLOSURE (SBD 4)	
SECTION I	AUTHORITY TO SIGN THE BID	

Failure to comply with the Supply Chain Administrative Compliance shall result in the offer considered non-responsive and shall be rejected.

5.2 Phase 2: Mandatory Requirements

A paper-based administrative evaluation will be carried out on all the bids received and if the under-mentioned documentation is not attached such a bid will be eliminated/rejected from any further evaluation.

i. Phase 2A: Membership Accreditation

Service provider must submit all membership of accreditation as required below:

NO	CRITERIA	EVIDENCE REQUIRED	COMPLY	NOT COMPLY
1.	ASATA membership registration	Copy of Association of South African Travel Agents (ASATA) Membership		
2.	IATA membership registration	Copy of International Association of Travel Agents (IATA) Membership (Copy of document)		

Failure to submit evidence the membership accreditation shall result in the offer considered non-responsive and shall be rejected.



ii. **Phase 2B: Compulsory Technical Documents**

Service provider must submit the proposal detailing how the TMC shall provide the service as per the criteria indicated below. This information must be attached to the bid document as **Annexure A to L** per criterion. To proceed to functionality scoring, the service provider must comply with all the compulsory technical requirements:

NO	CRITERIA	MINIMUM INFORMATION REQUIRED	COMPLY	NOT COMPLY
1.	Manage all reservations/ bookings (Annexure A)	<ul style="list-style-type: none"> - Description of itinerary confirmation on how all travel reservations/ bookings will be handled including but not limited to: <ul style="list-style-type: none"> • accommodation; • car rental; • flights; • passports and visa requirements; • confirmation numbers; and • additional proof of competency. • Alerts or flagging out of policy or breaches (how does the system alerts or flags out of policy or breach of policy) 		
2.	Manage group bookings (Annexure B)	<ul style="list-style-type: none"> - Description of the TMC capabilities for handling group bookings including but not limited to: <ul style="list-style-type: none"> • Conferences; and • events - It must please be specified if these bookings would be done by the TMC or outsourced. 		
3.	Directly negotiated rates (Annexure C)	<ul style="list-style-type: none"> - Description on how the specific rates will be negotiated and secured including but not limited to: <ul style="list-style-type: none"> • airline fares, accommodation establishment rates, car rental rates - Provide Access to View new negotiated rates on the Online Booking Tool (OBT) - Description of any automated tools that will be used to assist with maintenance and processing of the said negotiated rates. <p>Note: The above should exclude rates negotiated directly or established by National Treasury or by KZNPT as these are non-commissionable, where commissions are earned for KZNPT bookings, all these commissions should be returned to KZNPT on a monthly basis.</p>		



NO	CRITERIA	MINIMUM INFORMATION REQUIRED	COMPLY	NOT COMPLY
4.	Manage airline reservations (Annexure D)	<ul style="list-style-type: none"> - Description of the booking process that would yield the most cost-effective and practical routing for the traveller. - This will include, but not limited to: <ul style="list-style-type: none"> • the refund process and • how you manage the unused non-refundable airline tickets, • ability to secure special airline services for traveller(s) including preferred seating, • waitlist clearance, • special meals, • travellers with disabilities. 		
5.	After-hours and emergency services (Annexure E)	<ul style="list-style-type: none"> - The bidder should have capacity to provide reliable and consistent after hours and emergency support to traveller(s). - Provide Standard Operating Procedure that the TMC will follow to provide the after-hour support. - This will include, but not limited to: <ul style="list-style-type: none"> • how it is accessed by Travellers, • where it is located, centralized/ regionalised, in-country (owned)/ outsourced etc. • is it available 24/7/365 • Reminders to the KZNPT to process purchase orders within 24 hours to reduce queries on invoices 		
6.	Communication (Annexure F)	<ul style="list-style-type: none"> - Description on how the TMC will ensure that travel bookers are informed of the travel booking processes. - This will include, but not limited to: <ul style="list-style-type: none"> • Applications in place to receive and view itinerary (Mobile App Platform) • SMS messaging capabilities. • Communication process where the traveller, travel booker and TMC will be linked in one smooth continuous workflow. 		
7.	Financial Management (Annexure G)	<ul style="list-style-type: none"> - Description on how the TMC will implement the negotiated rates and maximum allowable rates established either by the National Treasury or the KZNPT. - The TMC must describe how: <ul style="list-style-type: none"> • The 30-day bill-back account facility will be managed 		



NO	CRITERIA	MINIMUM INFORMATION REQUIRED	COMPLY	NOT COMPLY
		<ul style="list-style-type: none"> • The pre-payments will be handled where it is required for smaller Bed & Breakfast /Guest House facilities. • The invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions and the timely provision of invoices to KZNPT. • The credit card reconciliation process, timing and deliverables (where applicable). 		
8.	<p>Technology, Management Information and Reporting</p> <p>(Annexure H)</p>	<ul style="list-style-type: none"> - Description of how the solution modules that will be used for Global Distribution System (GDS), Online Booking Tool (OBT) or Self-Booking tool (SBT). - The solution modules must clearly outline the OBT amid Bookings, Approvals, Safety & Risk, Payments and Expense, Reporting and analytics and Mobile Applications. This should include how the travel consultants' access and book web airfares inter-alia non-GDS inventories (low cost carriers/ consolidators), and hotel web rates. - In addition, the TMC must describe how the data management and information management including traveller profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellation, traveller behaviour, transaction level data, etc. - Give actual examples of standard reports that you currently have available. Give an indication if reports can be customised. - Provide a description of all technology and reporting products proposed for KZNPT. - Can the TMC comply with the KZNPT's monthly reporting requirement as prescribed by KZNPT - Describe the compatibility of the online solution to fully integrate into KZNPT's ERP. Indicate the turnaround time to complete the process of integration 		
9.	<p>Account Management</p> <p>(Annexure I)</p>	<ul style="list-style-type: none"> - Provide the proposed Account Management structure / organogram. - Describe what quality control procedures/ processes you have in place to ensure that your clients receive consistent quality service. - Describe how queries, requests, changes and cancellations will be handled. What is 		



NO	CRITERIA	MINIMUM INFORMATION REQUIRED	COMPLY	NOT COMPLY
		<p>your mitigation and issue resolution process? Please provide a detailed response indicating performance standards with respect to resolving service issues. Complaint handling procedure should be submitted.</p> <ul style="list-style-type: none"> - What will be in place to ensure that the KZNPT's travel Policy is enforced? - How will you manage the service performance in the SLA and how will you go about doing customer satisfaction surveys? - Indicate what workshops/training will be provided to travellers and /or Travel Bookers. 		
10.	<p>Cost Management</p> <p>(Annexure J)</p>	<ul style="list-style-type: none"> - Describe your detailed strategic cost savings plan for the contract duration. What items do you target for maximum cost savings results? - Describe the capability to show cost savings alerts during travel requests and the ability to track out of policy bookings trail in order for KZNPT to identify trends and traveller behaviour to policy compliance. - Describe how you will assist the KZNPT to realise cost savings on annual travel spend. 		
11.	<p>Monthly, Quarterly and Annual Travel Reviews</p> <p>(Annexure K)</p>	<ul style="list-style-type: none"> - Provide an example of a monthly, quarterly and annual travel review reports used for performance management during the life cycle of the contract. 		
12.	<p>Transition plan</p> <p>(Annexure L)</p>	<ul style="list-style-type: none"> - Provide a comprehensive transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition. - Provide a disaster recovery plan used as a backup during disaster. 		

Failure to submit all the Compulsory Technical Requirements shall result in the offer considered non-responsive and shall be rejected.

5.3 PHASE 3: Functionality

A bidder that scores less than **36** points on functionality evaluation based on the prescribed format of the reference attached as **Annexure 1** and the presentation on the OBT will be regarded as non-responsive and shall be disqualified.

For the presentation, bidders must submit a General Booking Flow Manual

NO. 1	TECHNICAL EVALUATION CRITERIA (Travel Management Industrial Experience)	WEIGHT	POINTS	MAXIMUM POINTS
	<p>It is compulsory that an affirmation is provided by a client to confirm that a service provider has conducted a similar project by completing the information required on Annexure 1.</p> <p>No points will be allocated for projects rated poor service performance and no points will be allocated if the information on Annexure 1 is not duly completed.</p>	4	<p>1 Project = 2 No project = 0</p> <p>≥ 5 years of experience = 2 < 5 years of experience = 0</p>	4
NO. 2	PRESENTATION ON THE ONLINE BOOKING TOOL	WEIGHT	POINTS	MAXIMUM POINTS
	<p>2.1 Manage all Online bookings</p> <p>i) Demonstrate the commencement of the booking process from when the travel request is uploaded on to the system to the creation of an order number.</p> <p>ii) Demonstrate how the OBT negotiated rates by the National Treasury for all categories will be set up for the KZNPT.</p> <p>iii) Demonstrate for compliance how a full access to view new negotiated rates on the OBT will be provided.</p>	15	<ul style="list-style-type: none"> • Accommodation = 5 points • car rental = 5 points • Flights = 5 points <p>Failure to demonstrate accommodation, car rental and flights shall result to no points allocated = 0</p>	15
	<p>2.2 Manage group bookings</p> <p>Demonstrate how the group bookings for <i>inter alia</i> meetings, conferences and events.</p>	2	<ul style="list-style-type: none"> • group booking or conferences = 2 points <p>Failure to demonstrate group bookings or conferences shall result to no points allocated = 0</p>	2



	<p>2.3 OBT travel manager review and approvals</p> <p>Demonstrate the approval processes in line with KZNPT S&T Policy on the following scenarios:</p> <p>i) review of quote by travel Booker; ii) approval of process flow iii) how does the Booker / traveller gets notified of the approved booking. iv) how does the system upload the booking documents</p>	<p>10</p>	<ul style="list-style-type: none"> • review of quote by travel Booker = 2 points • Approval flow process = 4 points • notification methods to the traveller and Booker = 2 points • uploading of booking documents = 2 points <p>Failure to demonstrate the above scenarios shall result to no points allocated = 0</p>	<p>10</p>
	<p>2.4 Reporting and data analysis</p> <p>Demonstrate how the OBT shall generate the following reports:</p> <p>i) automated intelligent reporting capabilities and reporting format ii) out of policy bookings trail iii) missed savings iv) travel spend on <i>inter alia</i> flights, accommodation, car rental, conference/events, shuttle and transfer v) no show report vi) cancellations</p>	<p>12</p>	<ul style="list-style-type: none"> • automated intelligent reporting capabilities and report format = 2 points • out of policy bookings trail = 2 points • missed savings = 2 points • travel spends on <i>inter alia</i> flights, accommodation, car rental, conference /events, shuttle and transfer = 2 points • no show report = 2 points • cancellations = 2 points <p>Failure to demonstrate the above reports shall result to no points allocated = 0</p>	<p>12</p>
	<p>2.5 Mobile Application</p> <p>Demonstrate the functionality that can be provided by the mobile application on the following:</p> <p>i) booking via App ii) approval process via app iii) traveller and Booker notification, iv) traveller itinerary and documentation upload, v) alert to flight changes/ delays, cancellations and safety warnings,</p>	<p>12</p>	<ul style="list-style-type: none"> • Booking via App = 2 points • traveller messaging = 2 points • approval request for managers on mobile = 2 points • traveller itinerary and booking confirmation = 2 points • urgent alert and traveller safety information = 2 points • full traveller booking confirmation function by travel Booker and Responsibility manager for confirmed bookings = 2 points <p>Failure to demonstrate the</p>	<p>12</p>



			above mobile application shall result to no points allocated = 0	
Total points				55
<i>Minimum Functionality points is 36 which equates to 65%. Offers that score less than the minimum functionality of 65% shall not be considered for Phase 4.</i>				

6. Phase 4: Price and Preference Points System

This invitation is issued in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and its Regulations, 2022.

6.1 This bid is issued with 80/20 preference points system.

6.1.1 The applicable preference point system for this tender is 80/20 preference point system wherein 80 points will be allocated for price and 20 points will be allocated for specific goals as follows:

Preference point system	
Price	80
Specific Goals	20
<ul style="list-style-type: none"> • Historical Disadvantage Person (HDP) – Black owned Enterprise 	20
Total	100

6.1.2 Specific goals may include the following:

- i. Contract with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability,
- ii. Implementing the programmes of the Reconstruction and Development Programme as published in government gazette No. 16805 dated 23 November 1994,

It is mandatory for tenderers to complete SBD 6.1 to claim the points for specific goals, failure to complete the SBD 6.1 shall be interpreted to mean that the points for specific goals are not claimed.

- It is compulsory for bidders to substantiate that they meet the above specific goals requirements by submitting the following evidence:
 - i. Copy of Enterprise Registration Certificate (CIPC)
 - ii. Copies of an identity document (ID) and CSD report to show /substantiate percentage ownership equity.
- Calculation of Equity for Specific Goals
 - (a) Preference points stipulated in respect of a tender must include preference points for equity ownership by HDPs.
 - (b) The equity ownership contemplated in sub-paragraph (a) must be equated to the percentage of an enterprise or business owned by individuals or, in respect of a company, the percentage of a company’s shares that are owned by individuals, who are actively involved in the management of the enterprise or business and exercise



control over the enterprise, commensurate with their degree of ownership at the closing date of the tender.

- (c) In the event that the percentage of ownership contemplated in sub-paragraph (b) changes after the closing date of the tender, the tenderer must notify the relevant organ of state and such tenderer will not be eligible for any preference points.
- (d) Preference points may not be claimed in respect of individuals who are not actively involved in the management of an enterprise or business and who do not exercise control over an enterprise or business commensurate with their degree of ownership.
- (e) Subject to sub-paragraphs (a), (b), (c) and (d), all claims made for equity ownership by an HDP must be considered according to the following criteria:
 - i. Equity within private companies must be based on the percentage of equity ownership;
 - ii. Preference points may not be awarded to public companies and tertiary institutions;
 - iii. The following formula must be applied to calculate the number of points for equity ownership by an HDP:

$$NEP = NOP \times \frac{EP}{100}$$

Where:

NEP = Points awarded for equity ownership by an HDP

NOP= The maximum number of points awarded for equity ownership by an HDP

EP = The percentage of equity ownership by an HDP within the enterprise or business, determined in accordance with sub-regulations (a), (b), (c) and (d).

- (f) Equity claims for a Trust may only be allowed in respect of those persons who are both trustees and beneficiaries and who are actively involved in the management of the Trust.
- (g) Documentation to substantiate the validity of the credentials of the trustees contemplated in sub-paragraph (f) must be submitted to the relevant organ of state.
- (h) A Consortium or Joint Venture may, based on the percentage of the contract value managed or executed by their HDP members, be entitled to equity ownership in respect of an HDP.
- (i) The number of points scored for a Consortium or Joint Venture must be added to the number of points scored for achieving specified goals.
- (j) The points contemplated in sub- paragraph (i) must be added to the points scored for price, in order to establish the total number of points scored.
- (k) The contract must be awarded to the tender which scores the highest points.
- (l) A person awarded a contract as a result of preference for contracting with, or providing equity ownership to, an HDP, may not subcontract more than 25% of the value of the contract to a person who is not an HDP or does not qualify for such preference.



ANNEXURE 1: REFERENCE LETTER

CONFIRMATION OF REFERENCE

NAME OF BIDDING COMPANY:					
PREVIOUS CLIENT/EMPLOYER NAME:					
TENDER/BID NUMBER OF PREVIOUS/ CURRENT CONTRACT/PROJECT:					
DESCRIPTION OF CONTRACT/ PROJECT COMPLETED:					
VALUE OF WORK COMPLETED:					
DURATION AND DATE COMPLETED:					
START DATE:			END DATE:		
.....
<i>Day</i>	<i>Month</i>	<i>Year</i>	<i>Day</i>	<i>Month</i>	<i>Year</i>
The above-mentioned Bidding Company is in the process of submitting a Bid for the provision of an online travel management services for the KwaZulu-Natal Provincial Treasury for a period of thirty six months . As a client you kindly requested to confirm the level of services received from the company as per the required questionnaire below.					
Was the services rendered as per the terms of reference or specification.			Select applicable rating <input type="radio"/> Excellent <input type="radio"/> Good <input type="radio"/> Satisfactory <input type="radio"/> Poor		

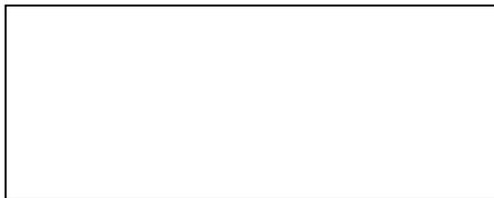
Full Name of Authorised Signatory

Contact Number

Email address

Signature Date

CLIENT(EMPLOYER) STAMP HERE



Incomplete, unsigned or unstamped form will not be accepted. The KZN Provincial Treasury reserves the right to contact any Client Company listed as a reference.

**KWAZULU NATAL
PROVINCIAL TREASURY**



POLICY FOR TRAVEL AND SUBSISTENCE

Table of Contents

1. Preamble	3
2. Purpose of the Policy	3
3. Scope and Application	3
4. Sources of Authority	3
5. Definitions and Terms	4
6. Policy Overview	7
7. Policies	7
8. Control Measures	29
9. Financial Implications	31
10. Communication, Implementation, and Review	31
11. Implementation Date	31

1. Preamble

Section 45(b) and (c) of the Public Finance Management Act No. 1 of 1999 (PFMA), places the onus on each employee within organs of state to take responsibility for the cost-effective, efficient, and transparent use of financial and other resources within that employee's areas of responsibility. In particular, the employee's areas of responsibility, any unauthorised, irregular, fruitless, and wasteful expenditure.

2. Purpose of the Policy

The purpose of the subsistence and travel allowance policy is here to provide guidelines on how to compensate employees while away from home performing official duties and the extent to which a reasonable expenditure that may be claimed by an employee when s/he is away from headquarters and home for periods of less than 24 hours or for periods of 24 hours or more.

To provide guidelines on travel arrangements for employees travelling on official duties for both domestic and international travel. The subsistence allowance is not to:

- Enable an employee to entertain;
- Compensate an employee for any discomfort; and
- Supplement an employee's salary.

3. Scope and Application

This policy applies to all permanent, temporary, and contracted employees, in-service trainees, interview candidates, and other government employees where an employer-employee relationship exists as defined in the Labour Relations Act and other applicable legislation, as amended.

4. Sources of Authority

The following laws, regulations, and guidelines apply to this Policy –

- a) Basic Conditions of Employment Act, No 75 of 1997;

- b) The Public Finance Management Act (PFMA), No. 1 of 1999 as amended;
- c) The Treasury Regulations issued in terms of the PFMA;
- d) Public Service Act, 1994 as amended;
- e) Public Service Regulations;
- f) Guide for Employers in respect of allowances issued by South African Revenue Services;
- g) Income Tax Act and guidelines issued by South African Revenue Services;
- h) Labour Relations Act, No. 66 of 1995;
- i) Occupational Health and Safety Act, No. 85 of 1993;
- j) PSCBC Resolution 3 of 1999 – Remunerative Allowances and Benefits;
- k) Financial Manual as published by the Department of Public Service Administration (DPSA) from time to time;
- l) Cost Containment Instruction notes issued by National and Provincial Treasury from time to time;
- m) Road Traffic Act, No. 93 of 1996;
- n) South African Civil Aviation Act 13 of 2009 and Civil Aviation Regulations;
- o) Ministerial Handbook; and
- p) Tariffs for the use of Motor Transport as determined by the Department of Transport.

NB: This policy should be read in conjunction with the National Travelling Framework (NTF) from the Department of National Treasury in South Africa, The national and provincial Cost containment measures.

5. Definitions and Terms

“Accommodation” Means the rental of lodging facilities while away from home on an authorised official duty;

‘After-hours reservations’ refers to travel request that is actioned after normal working hours;

“Air Travel” means travel by airline on an authorised official duty;

“Booker” means the employee who has been appointed to coordinate travel reservations with the Travel Management Company (TMC) consultant on behalf of a traveller;

“Absent on Official Duty” means official absence from headquarters on official business as authorised by his/her department;

“Car Rental” means the rental of a vehicle for a short period of time by a Traveller for authorised official duties;

“CFO” means the Chief Financial Officer referred to in Chapter 2 of the National Treasury Regulations;

“Delegated official” means any person to whom power has been delegated to perform official duty in terms of a formal written delegation. This includes an official who acts lawfully in the capacity of the delegated official.

“DPSA” means the Department of Public Service and Administration;

“Domestic travel” means travel within the borders of the Republic of South Africa;

“EFT” means an Electronic Funds Transfer;

“Emergency reservation” means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a deviation from the originally planned trip;

“Fixed Daily Subsistence Allowance” means expenditure in respect of accommodation, meals (including non-alcoholic beverages with meals), dry cleaning, and laundering;

“Flight cancellation” means that the flight ticket has been cancelled and the state will be liable for the cancellation costs;

“Governance Committee” means members belonging to a body that provides oversight and assurance function over the daily operations of a department. Such governance committees may include:

- Board Committees;
- Audit Committees;
- Risk Committees;
- Anti-Corruption Committees

“Headquarters” means the city, town, or place where the principal duties an official has to perform or which may be indicated as his/her location on his/her job description;

“Home” means a place where an official resides daily and leaves from there to work on a daily basis. This will include rented accommodation; boarding; residence that is registered in an official's name, whether single or with his/ her spouse or life partner and where an official resides

daily; and residence that is not registered in the employee's name but where he resides daily with his parents, family or friends;

"International travel" refers to travel outside the borders of the Republic of South Africa.

"Incidental Expenses" means the expenditure in respect of tips for table and room service, reading matter, private telephone calls, and liquid refreshments which do not form part of the meals;

"No Show Fee" means that the State/official will be liable for the charge of the hotel/Travel booking due to late cancellation;

"Private on Official" is when permission is granted for officials to use their own vehicles to perform official duties;

"Shuttle Service" means the service offered to transfer a Traveller from one point to another and includes taxi services;

"Special Daily Allowance" refers to an allowance in compensation for the actual expenses claimed in respect of incidental expenses.

"Subsistence" is defined as an allowance paid by the department to the official for expenses incurred or incurred in respect of personal subsistence and incidental expenses while away from their usual place of residence for business purposes. The allowance is specifically not for accommodation, flight, or car rental since the department arranges and pays for the accommodation separately.

"Traffic Fine" is incurred by an official using the vehicle and violating the traffic rules applicable.

6. Policy Overview

- 6.1. Authority to approve subsistence and travel for official purposes
- 6.2. Class of travel
 - 6.2.1. Air Travel
 - 6.2.2. Accommodation
 - 6.2.3. Car Rental and Shuttle Services
- 6.3. Advance for travel
- 6.4. Submission of Claims
- 6.5. Domestic Trips less than 24 hours
- 6.6. Domestic Trips longer than 24 hours
- 6.7. International Trips
- 6.8. Use of Private Vehicles
 - 6.8.1. The use of private vehicles by senior managers and middle managers who have structured
 - 6.8.2. The use of private vehicles by all other officials.
- 6.9. General Booking Principles
 - 6.9.1. Travel Authorisation and Reservations
 - 6.9.2. Changes and Cancellation to Travel Reservations
 - 6.9.3. Air Travel
 - 6.9.4. Accommodation
 - 6.9.5. Car Rental
- 6.10. Traveller Health and Safety

7. Policies

- 7.1. **Authority to approve subsistence and travel for official purpose**
 - 7.1.1. Only Unit Managers may authorise an employee to travel for official purposes and the Responsibility Manager may approve reasonable travel costs associated with an official journey prior to the commencement of a journey.
 - 7.1.2. In the case where the unit manager is not available and the Traveller has to travel, email authorization can be sought and it is the responsibility of the traveller to have authorisation ratified by the delegated official within 48hours of obtaining the email authorisation.

7.1.3. Domestic travel:

- a) **Flights:** Upgrades due to the unavailability of an economy-class flight has to be approved by the Accounting Officer.
- b) **Accommodation:** Accommodation costs that exceed the amount prescribed in the Domestic Accommodation Rate Grid (Annexure A) set out in the National Treasury cost containment directives may only be approved by the Accounting Officer:
 - During peak holiday periods; and
 - When South Africa is hosting an event in the country or in a particular geographical area that results in an abnormal increase in the number of local and or international guests in the country or in that geographical area.
- c) **Vehicle Hire:**
 - Upgrade to a higher category vehicle to cater to a particular terrain must be approved by the Accounting Officer.
 - This will be waived in cases whereby the vehicle is hired for bodyguards on behalf of the MEC and in instances whereby officials are going to a destination that requires a bigger vehicle e.g. going to a mountainous/ rocky road requires a double cab/ 4x4.
 - Upgrade to a higher class to be in the same class as the senior person in the group to be approved by the Accounting Officer.

7.1.4. International Travel

- a) Notwithstanding the above, the following approval methods in respect of international travel arrangements must be applied:
 - All requests for overseas trips must be approved by the MEC of the Department, prior to the commencement of the trip.
- b) International travel must be limited to critical official business trips with only directly involved officials to travel subject to matters of the meeting or event.
- c) Request for international travel must include the following:
 - A formal invitation or motivation or both for the visit and the benefit for the department's mandate;

- An indication of whether the trip is fully or partly sponsored;
 - The financial implications of the visit; and
 - Any support staff or other officials, including the roles of each official (if applicable)
 - Provincial Treasury cost-cutting approval to be requested (approvals to be sought 7 working days prior to travel)
- d) International travel arrangements must be made through the Department of International Relations and Cooperation (DIRCO).
- e) DIRCO will assist with the following:
- Obtaining quotations for the requested services like Hotel accommodation, ground transport, conference/ meeting venues, and interpretation services flights excluded;
 - Bookings for and payment of the requested services according to the quotations obtained; and
 - Arrangement of a suitable programme for the delegation as may be required by the delegation.

7.1.5. Use of Public Transportation

- All usage of public transport for official business purposes must be approved by the unit manager prior to the commencement of the trip.

7.1.6. Use of Private Transportation

- The use of private vehicles is permitted for senior manager's/middle managers who have structured an amount as a vehicle allowance on their salaries and /or who receive such an allowance or through a subsidised vehicle allowance scheme, the terms and conditions set out in the Public Service Handbook for SMS and MMS dispensation guide apply.
- The usage of private vehicles by all other employees must be approved by the unit manager and transport office/ auxiliary service manager, prior to the commencement of the trip.

7.1.7. Where the Responsibility Manager responsible for approving expenditure in respect of subsistence and travel is the traveller, that Responsibility Manager's line manager/ supervisor should approve the expenditure.

7.1.8. No expenditure regarding travel and subsistence may be authorised by an official where that official and the traveller are on the same seniority level.

7.2. Types of Travel

7.2.1. Classes of Air Travel

Employee level / Designation	Class of travel
International Air Travel for MEC	
MEC	Economy Class (flight less than 5 hours)
	Business Class (flight more than 5 hours)
NB: (Where MEC travels with their partners, the ministerial handbook allows economy class if the trip is less than 2 hours & business class if the trip is more than 2 hours).	
International Air Travel for all other officials	
DG/DDG/HOD/AO/ Chair of Board and all other Employees	Economy Class (Flight less than 5 hours)
DG/DDG/HOD/AO/ Chair of Board (All other officials fly economy class)	Business Class (Flight more than 5 hours)
Domestic Air Travel (less than 5 hours)	
MEC / DG / DDG / AO / Chair of Board and All other employees	Economy Class – Cheapest cabin

7.2.1.1. MEC support staff may not travel business class, this includes the Chief of staff, Administrative secretary, Media Liaison Officer, Parliamentary Officer, Private Secretary, Driver, and VIP Protection unit, among others. Exceptions may be granted by AO where motivation is provided. (This is limited to each trip; AO may extend to a financial year base on the motivation provided).

7.2.1.2. Business class is permitted in exceptional cases for trips less than five hours provided pre-approval has been granted by AO for:

- a) Travellers with disabilities;
- b) Travellers with special needs based on medical grounds;

- c) In cases where economy class flights are not available and confirmation that the airline class is full has been provided and no other applicable flights are available.
 - d) Where the business class ticket is the same price or cheaper than the economy class to the same destination
 - e) Travellers accompanying a person entitled to travel at a higher class if the traveler is required to maintain contact with that person for business purposes. i.e. travelling together to make presentation shortly after arrival.
- 7.2.1.3. Travelers are not allowed to accept an upgraded ticket unless it can be confirmed that the permitted airline class was full and pre-approval must be granted by AO.
- 7.2.1.4. Comparison of more expensive direct flights from the major airports versus cheaper indirect flights should always be performed. When choosing a flight consideration should be given to a traveler's ability to function optimally when arriving at their destination, especially when travelling across time zones.
- 7.2.1.5. Core staff supporting MEC fall under the category "all other employees" (e.g. Chief of Staff of the Ministry; Administrative secretary; Media Liaison Officer; Private Secretary; Secretary/Receptionist; Registry Clerk; Aide or Driver/ Messenger; and VIP protection unit/ Close Protector).
- 7.2.1.6. Travellers who choose to travel on business class for official duty can do so at their own cost and the department will reimburse that official the cost equivalent to economy class provided the cost of the economy class for that day and time is provided.

7.2.2. Air Travel Principles

- 7.2.2.1. Travellers must plan official travel well in advance to take advantage of the cheaper economy class fares which require bookings/ reservations to be made, where possible, at least seven (7) working days before departure.
- 7.2.2.2. The cost incurred as a result of changes requested by a Traveller for his/her convenience or lack of discipline will be for the Traveller's personal account. The Traveller must immediately settle the additional expense. If he/she fails, the department will cover the initial cost and recover the amount from the Traveller.
- 7.2.2.3. The cost for changes as a result of changed business requirements or any circumstances outside the Traveller's control will be carried by the department. If such expense is not justifiable must be recorded as Fruitless and Wasteful Expenditure.

- 7.2.2.4. The Traveller must inform the TMC and the Travel Booker immediately if he /she realizes that he/she will not take a specific flight.
- 7.2.2.5. If the Traveller will not fly to the same destination within the next six (6) months (domestic destination) or a year (international destination), a ticket must be cancelled immediately for a refund;
- 7.2.2.6. If the Traveller will be travelling to the same destination within the next six months (domestic) or a year (international), the ticket must be amended immediately to the new date, if the date is known at the time.
- 7.2.2.7. The Traveller will be charged a fee if his /her baggage exceeds the weight, specified dimensions, or the number of items allowed. The reimbursement of excess baggage is subject to the Traveller obtaining approval from the Unit Manager for exceeding the baggage allowance due to a valid business reason, prior to the trip.

7.2.3. Accommodation

Employee level /Designation	Domestic Hotel Star Grading or Similar	International Hotel Star Grading or Similar
MEC / Close Protectors	5 Star	4 Star
AO/ DG / DDG	4 Star	4 Star
Chief Directors, Directors, and persons serving in senior management of the department	3 /4 Star	4 Star
Deputy Directors, Assistant Directors, and persons serving in the middle management of the department	3 Star	4 Star
Junior management and other officials.	3 Star	4 Star

- 7.2.3.1. The Accounting Officer / Delegated Authority should ensure that the domestic accommodation costs do not exceed the maximum rates indicated on the National Treasury Instruction/ cost containment directives issued by National Treasury from time to time.
- 7.2.3.2. The Domestic Accommodation Rate Grid should determine the maximum allowable rate per star grading issued by National Treasury within which the Traveller is allowed to stay in accordance with the official's Level (Annexure A).
- 7.2.3.3. A higher-graded accommodation may be booked under the following circumstances (evidence must be kept for audit purposes):
- If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading that the Traveller is allowed to stay in the Traveller can stay in the accommodation with the higher star grading.
 - The higher star-graded establishment is the only available option due to location and availability;
 - The lowest rate is available at suitable accommodation within a reasonable distance from the place of duty (In all cases the principle of cost-effectiveness must prevail).
- 7.2.4. Accommodation Principles:**
- 7.2.4.1. The Traveller / Travel Booker must ensure that his/her domestic accommodation costs do not exceed the rates referred to in the Domestic Accommodation Rate Grid set out in National Treasury Instruction/cost containment directive. (Annexure A).
- 7.2.4.2. Accommodation will be provided by the department if the total distance to and from the destination exceeds 300km (150km to and 150 km return). Deviations will be approved by the Accounting Officer under exceptional circumstances.
- 7.2.4.3. The Traveller is responsible to notify the TMC and the Travel Booker of any cancellations of reserved accommodation as soon as he /she becomes aware of the fact. Travellers must familiarise themselves with the cancellation policy of the specific establishment, to avoid fruitless and wasteful expenditure.

- 7.2.4.4. The Traveller must inform the TMC or the establishment if he /she expects to be arriving later than the expected arrival time, to ensure that the reservation is not cancelled or a cancelation fee is incurred.
- 7.2.4.5. The Traveller will be responsible for any fruitless expenditure incurred due to a no-show or late cancellation where it was in his/her ability to cancel the booking in time. The department will cover the initial costs and recover the amount from the Traveller.
- 7.2.4.6. All additional expenses such as private phone calls, newspapers, alcoholic drinks, energy drinks, toiletries, movies, tips, etc. shall be for the Traveller's own account and these expenses must be settled at the time of departure.
- 7.2.4.7. If the Traveller fails to settle the additional charges at the time of check-out the department will settle the account, recover the amount from the Traveller, and proper disciplinary action will be taken against the Traveller.
- 7.2.4.8. Travellers may choose to make use of private accommodation (staying with family or friends), the DPSA special daily allowance, cannot be claimable in this case, the official can only claim meals according to annexure A.

7.2.5. Car Rental and Shuttle Services

Employee level / Designation	Vehicle Category	Shuttle & Transfer Services
MEC and Close Protectors / Drivers; DG and AO	Intermediate 4-5 Door, Automatic or Manual Vehicle with air conditioning	Luxury Sedan
DDG and all other officials of the department	Economy / Compact 4-5 door, Manual Vehicle with air-conditioning	Economy / Sedan
Officials with a disability who require the use of an automatic vehicle and officials who have restrictions on their driver's license.	Economy / Compact 4-5 door, Automatic Vehicle with air-conditioning	Economy / Compact

A different class of vehicle (i.e. 4 X 4) may be hired if required for a particular terrain. Mountainous and gravel roads are considered difficult terrain and vehicles with higher ground clearance may be required or even when the trip is with 3 officials and longer than 400km.

7.2.5.1. Car Rental

- 7.2.5.1.1. The Traveller must only book a rental vehicle for the period that is actually required for official business.
- 7.2.5.1.2. The Traveller must ensure that the vehicle is returned within the specified rental period. The Traveller will be responsible for the additional charges for the late return of the vehicle.
- 7.2.5.1.3. If the Traveller needs to extend the rental period for official business purposes, the Traveller must obtain approval from the Unit Manager and the TMC must be given a Travel Authorisation for the extended period.
- 7.2.5.1.4. If the Traveller extends the rental period for his /her personal reasons, the charges will be for the Traveller's personal account. The TMC and car rental company must be informed of the arrangement. The Traveller must return the vehicle to the car rental company in line with 7.2.5.1.1 above and 7.2.5.1.12 below, the traveller must enter into a separate rental agreement for that period of personal travel.
- 7.2.5.1.5. Only the designated driver is allowed to drive the rental vehicles at any time.
- 7.2.5.1.6. Any fines, penalties, and administration fees payables as a result of the contravention of any traffic rules and regulations while driving a rental vehicle will be for the Traveller's personal account.
- 7.2.5.1.7. Any extra charges for special requests such as special models, colour, personal indemnity insurance, etc. are the sole responsibility of the Traveller and must be settled directly with the Car Rental Company. The Department will not be liable for any charges.

- 7.2.5.1.8. The minimum safety requirements for any rental vehicle will include power steering, airbags, ABS, air-conditioning, and central locking.
- 7.2.5.1.9. Travellers are required to familiarise themselves with transport regulations and further note that a PDP is required to drive a minibus or bus with more than 12 passengers including the driver.
- 7.2.5.1.10. Officials (excluding SMS and MMS who are structured for travel allowance) must use departmental fleet vehicles if they are available as opposed to renting. Cost-effectiveness must always be filtered in.
- 7.2.5.1.11. A traveller is permitted to accept a higher category or rental vehicle if such an upgrade is offered free of charge. A traveller is under no circumstances allowed to demand such an upgrade.
- 7.2.5.1.12. A Traveller must verify and complete the Quality Check Card prior to leaving the car rental premises (both upon collection and return of the vehicle). A traveller must ensure that all scratches, dents, windscreen cracks, and chips are marked on the card and signed off by the car rental attendant. Failure to complete the Quality Check Card could result in the traveller being held personally liable for any damages. A traveller is responsible to report:
- Any damage is identified when the car rental is returned to the car rental company, the Traveller must report immediately to the booker and or Unit Manager.
 - When an accident has happened to the car rental, the Traveller is responsible to report within 24 hours to the nearest police station authorities to obtain a case number. The traveller must complete the incident report required by the Car rental company (CRC) within the period specified by the CRC. The traveller must also file the same incident report to the Department.
 - Failure to report could result in a Traveller being held responsible for any damages.

7.2.5.2. Shuttle Services

7.2.5.2.1. Where a traveller travels from his or her residence or place of work to and from the airport. Shuttle services may be used:

- If the Department's vehicles and or drivers are not available;
- If the cost of such a service is lower than renting a vehicle;
- If the use of public transport is not readily available or impractical; or
- If the cost of the claimable kilometres and parking/long-term parking is higher than the cost of a shuttle service.

7.3. Domestic Trips less than 24 Hours

7.3.1. Any person away from his/her headquarters for less than 24 hours does not qualify for compensation as contained in DPSA rates;

7.3.2. Actual expenditure may be claimed **in respect of meals and teas/beverages**, in the event that the destination travelled is in excess of **50 kilometres** away from headquarters, provided this is reasonable, and supported by an original receipt. Employees may not be reimbursed for meals and related expenses incurred whilst attending a training course or meeting within the same area as their normal place of work.

7.3.3. The maximum amount claimable in respect of meals and teas/beverages with receipts is limited to the rates contained in Annexure A of National Instruction Notes issued by National Treasury.

7.3.4. Employees may also be reimbursed for the following costs incurred:

- **Parking fares:** reasonable actual parking fees incurred by an official while travelling for official purposes will be reimbursed provided the invoice is presented as proof thereof (excluding shopping malls and/or shopping centres).
- **Toll fees:** Every claim for toll fees must be supported by any verifiable documentation such as original receipts; e-toll account statements, bank credit card statements, etc. provided that the supporting documents indicate the date and time of the trip;

- **Public transportation (i.e. Bus or Taxi fares):** The traveller will be reimbursed when using public transportation for official business with pre-authorisation. Claims must be accompanied by the appropriate receipts, otherwise reimbursement of such expenses cannot be made. An exception to this rule will apply in the case when an employee uses public transport such as a local taxi or minibus where no receipt is issued; an affidavit signed by an official and rectified by the Responsibility Manager must be provided, detailing the cost incurred and the reason/s for the absence of the receipt or proof of payment.
- **Official Phone calls:** the cost of the call will be reimbursed on proof of documentation.
- **Usage of private vehicles** SMS and official who structured for travelling allowance provided that the prior authorisation is obtained from the Unit Manager / a delegated relevant senior official who is above that SMS/ MMS and kilometres travelled are in excess of **3 km away** from headquarters (all other employees must obtain pre-approval to use a private vehicle and annexure F must be completed).
- When an official (excluding SMS and official who structured for travelling allowance) is required to make use of his / her private vehicle for official business, the official must complete & obtain a private vehicle travel authorisation prior to commencing with the journey, that's if the use of the private vehicle will save time, reduce costs, the use of departmental vehicles is not adequate and or departmental vehicles are not available. Such authorisation can be granted for a specific work period of time and cannot be open-ended. (Annexure F must be completed).

7.4. Domestic Trips Longer than 24 Hours

- 7.4.1. An employee that is away from his / her headquarters whilst performing official duties but is residing at his / her home cannot claim a special daily allowance.
- 7.4.2. Employees that have been relocated cannot claim any daily allowance as per DPSA rates.
- 7.4.3. Accommodation will be provided by the department if the total distance to and from the destination exceeds 300 km (150 km to and 150 km return). Deviations will be approved by the Accounting Officer or delegated officer under exceptional circumstances.
- 7.4.4. Employees using private or self-catering accommodation instead of hotels when away on official duties will be reimbursed based on the yearly revised meal rates determined by the

National Treasury (Annexure A). In cases where the distance is less than 300kms, the official is required to obtain approval from the Accounting Officer and such approval must be attached to the claim submitted for payment.

- 7.4.5. For employees where accommodation has to be provided by the department e.g. at the hotel or bed and breakfast, the Special Daily Allowance to compensate for incidental expenses is limited to a maximum allowance as regularly revised by the DPSA (within the Republic of South Africa) and for international countries refer to DPSA rates.
- 7.4.6. Claims must be submitted in arrears for "official expenditure" incurred. Supporting documentation must be provided for these claims.
- 7.4.7. Tax on subsistence will be reflected on an employee's IRP5 form and the burden will be on individual employees to claim back or avoid debt from SARS. Here, employees will have to provide a schedule of actual expenditure incurred for subsistence for work purposes when submitting their tax assessment forms to SARS. Critical to this assessment will be the provision of documentation to support the receipt of the special daily allowance.
- 7.4.8. For tax purposes, officials **must** make copies for themselves before a claim is submitted to the Office of the CFO for processing. (It is not the responsibility of the OCFO to make copies for officials at the end of the tax year).
- 7.4.9. Travellers are to take note that any expenses claimed in excess of the SARS published rates are taxable.
- 7.4.10. Actual expenditure may be claimed in respect of meals, provided they are not included in hotel expenses and supported by substantiating documentation. The maximum amount that an official may claim is according to the rate as determined by National Treasury (Annexure A).
- 7.4.11. Where buffets and/or fixed menus are available at the hotel/guesthouse where an employee resides during his/her official journey the total cost for the buffet or fixed menu is payable to an employee.

7.4.12. Where a hotel issued a voucher for meals, officials cannot request a balance of the money left from a partially used voucher and cannot also request money from the hotel where an employee decided not to eat at the hotel.

7.4.13. All meals included in the accommodation costs must be specified in order to ensure that only permissible items are claimed.

7.4.14. Additional meals, beverages, and items such as gratuities (tips), private telephone calls, alcoholic beverages, newspapers, movies, etc., will be at the expense of the official and not the Department.

7.4.15. Employees may also be reimbursed for the following cost incurred:

- **Laundry Services**: claims may only be made where the trip exceeds 5 continuous days the amount claimed must be supported by proof, maximum of R300 and these laundry services cannot be made on the first 2 days the official arrived. Expenditure in respect of ironing clothes will be in the official's account.
- **Public transportation (i.e. Bus or Taxi fares)**: The traveller will be reimbursed when using public transportation for official business with pre-authorization. Claims must be accompanied by the appropriate receipts, otherwise, reimbursement of such expenses cannot be made. An exception to this rule will apply in the case when an employee uses public transport such as a local taxi or minibus where no receipt is issued; an affidavit signed by an official and rectified by the Responsibility Manager must be provided, detailing the cost incurred and the reason/s for the absence of the receipt or proof of payment.
- **Toll Fees**: Parking and Toll Fees may be claimed of which proof of an original receipt is required (excluding parking for shopping malls and /or shopping centres).
- **Usage of private vehicles**: SMS and officials who structured for travelling allowance provided that the prior authorisation is obtained from the Unit Manager / a delegated relevant senior official who is above that SMS/ MMS (all other employees must obtain pre-approval to use a private vehicle and annexure F must be completed).
- When an official (excluding SMS and official who structured for travelling allowance) is required to make use of his / her private vehicle for official business, the official must obtain private vehicle travel authorisation prior to commencing with the journey, that's if the use of the private vehicle will save time, reduce costs, the use of departmental vehicles is not adequate and or Department's vehicles are

not available. Such authorisation can be granted for a specific work period of time and cannot be open-ended. (annexure F must be completed).

7.5. Use of Private Vehicles

7.5.1. The use of private vehicles by senior manager's/middle managers who have structured the traveller allowance on their salaries or receive an allowance through a subsidised vehicle scheme.

- 7.5.1.1. SMS and MMS members (Subsidised or structured for travel allowance) are required to complete the "Claim in respect of Official Journeys undertaken in Privately Owned Motor Transport" form (Annexures D & E) when claiming official kilometres. The form is to be attached with the S&T claim form (Annexures B & C). No other form will be accepted for reimbursement.
- 7.5.1.2. SMS and MMS members structured for travel allowance who use two vehicles per month are required to complete the claim form for each vehicle used and ensure that dates are not overlapping to avoid rejection by the system.
- 7.5.1.3. All relevant information (odometer reading, mileage, registration numbers, engine capacity, etc.) needs to be completed on the form otherwise the claim will not be processed.
- 7.5.1.4. The amount per kilometre will be in accordance with the engine capacity of the vehicle and the National Department of Transport's tariffs (found at <https://www.transport.gov.za/roads> or [Fuel Rates Archive - Department-of-Transport](#)) which are subject to monthly reviews.
- 7.5.1.5. The maximum kilometres per month that can be claimed by an official are **2500km** unless there is an exceptional circumstance that is to be approved by HOD.
- 7.5.1.6. As far as possible, the SMS/ MMS (Subsidised or structured for travel allowance) is obliged to provide free transport to officials travelling to the same destination on an official return journey.

- 7.5.1.7. Under no circumstances may the department pay fuel advances for the use of privately-owned vehicles.
- 7.5.1.8. An authorized government official must be physically present in the private vehicle to be able to claim for use of the private vehicle on an official trip.

7.5.2. The use of private vehicles by all other officials

- 7.5.2.1. If an employee is required to perform official duties and **no Government Vehicle is available**, then prior approval must be obtained by completing Annexure F Part A & B to use their own private transportation.
- 7.5.2.2. The employee will be required to complete the "Trip Authorisation to use a Privately Owned Vehicle for Official Purposes" form (Annexure F). A copy of the form is to be submitted with the employee's S&T claim to the Office of the Chief Financial Officer for processing. If **the form is not attached** travelling costs will not be reimbursed.
- 7.5.2.3. The mileage rate payable depends on the engine capacity of the vehicle. This will be paid according to the transport rate applicable as determined and reviewed by the National Department of Transport from time to time.
- 7.5.2.4. For contract employees/ learners and interview candidates, engine capacity is limited to a maximum of **2150cc** for both petrol and diesel vehicles.
- 7.5.2.5. The maximum kilometres per month that can be claimed by an official are **2500 km** unless there is an exceptional circumstance that is to be approved by the HOD.
- 7.5.2.6. Where an official is required to utilize his/her own car for official purposes on a regular basis even when government vehicles are available, special permission must be obtained from the Responsibility Manager, completing Annexure F Part B and this special permit is only valid for one financial.
- 7.5.2.7. Any journey where an employee travels directly from home to work and or returns directly from work to home, is considered a private journey and the official shall take

responsibility for the costs of that traveling. No home-to-work and/or work-to-home kilometres may be claimed.

- 7.5.2.8. All claims from home to any official destination (which is not the official's headquarters) are reimbursable provided that the destination point is situated 10km or more from the official's headquarters.
- 7.5.2.9. Any trip between an official's home and normal workplace (headquarter) constitutes a private journey except when the official is required to attend to official matters at the normal workplace on weekends/public holidays and if required to return to the normal workplace after working hours. Such trips will be reimbursed provided the official has obtained prior approval.
- 7.5.2.10. Any costs incurred in the form of fines, e.g. traffic fines and parking tickets for transgressing the traffic regulations, will be borne by the affected employee or any related costs.
- 7.5.2.11. An authorized government official must be physically present in the private vehicle to be able to claim for use of the private vehicle on an official trip.

7.6. Advances for Travel

- 7.6.1. Before an official trip is undertaken, the amount of funding received is treated as an advance.
- 7.6.2. All conditions applicable to advances must be formally acknowledged by the applicable employee prior to the advance being granted. (Annexure 3b S&T Advance Form Request).
- 7.6.3. An application for S&T advance shall not be considered or processed where:
 - 7.6.3.1. All the required documentation has not been attached to the application;
 - 7.6.3.2. A clear description of the trip is not stated on the application, like a meeting or investigation;
 - 7.6.3.3. If the advance has been submitted to the Office of the Chief Financial Officer and the section provided on the S&T Advance form is not completed by the authorizing officer;

- 7.6.3.4. An official has not cleared his/her previous advance, or an official constantly delays the clearing of the advance; and
- 7.6.3.5. An official who is found to be utilizing State funds for private use would be committing an act of financial misconduct and will be charged accordingly.

- 7.6.4. Allowances and advances must not be paid in cash or by using the petty cash account; they must be deposited directly to an employee's official bank account by means of an EFT through BAS.

- 7.6.5. Where the period of expected travel represents more than 30 days, the advance granted in terms of exceptional circumstances shall not exceed an amount equivalent to the estimated expenses for a period of 30 days.

- 7.6.6. The Office of the Chief Financial Officer will not be liable for any payments being paid into the incorrect bank account, therefore it is the duty of the official to ensure that the correct banking details are on BAS and that the Office of the Chief Financial Officer is notified of any changes for the abovementioned.

- 7.6.7. Advance is not to be effected prior to five (5) working days before the departure. S&T advance cannot be issued after the last date of February as all advance S&T must be cleared before the financial year-end.

- 7.7. **International Trips**
 - 7.7.1. Where employees are required to travel abroad for official purposes, the MEC must authorise such travel requests prior to the commencement thereof.
 - 7.7.2. When expenditure on accommodation is fully funded by the Department, an employee is compensated on the following basis:
 - 7.7.3. A special daily allowance, equal to the daily allowance for official visits for incidental expenses. This is for official visits to the countries listed in the financial manual as revised by DPSA annually effective every 1st of April.
 - 7.7.4. The reasonable actual expenses in respect of accommodation, dry cleaning, and laundering; and

- 7.7.5. A special daily allowance to compensate for the employee's three meals (breakfast, lunch, and dinner) and incidental expenses.
- 7.7.6. If expenses are paid from donor funds, a sponsor, or a host, reduced amounts as per the following percentages shall be paid in respect of the special daily allowance and incidental expenses. Depending on the amounts sponsored for the trip, an official may claim one or all of the following:
- 15% for incidental expenses;
 - 20% for breakfast;
 - 20% for lunch; and
 - 45% for dinner
- 7.7.7. The above are percentages of the DPSA daily allowance for that specific country being visited. If for instance, the sponsor is paying for accommodation, bed, and dinner, the official may then only claim the 15% for incidental expenses and 20% for lunch.
- 7.7.8. Employees will be required to indicate what percentage (indicated above) will be applicable for them to carry out their official duty abroad when completing the Travel and Subsistence Advance form when applying for Foreign Advance.
- 7.7.9. An employee will only be reimbursed for daily allowance if the official proves that they were "out of pocket" (used own cash). They will then be required to produce proof of payment.
- 7.7.10. In the case of official visits to countries not listed in the DPSA rates, the reasonable actual expenses in respect of accommodation, dry cleaning, and laundering; the reasonable actual costs for three meals; and a special daily allowance, equal to the daily allowance for local official visits when actual expenses are claimed, to defray incidental expenses.

7.8. General Bookings Principles

- 7.8.1. The traveller or the Travel Booker should obtain pre-authorisation using the trip Authorisation Form (for the trip from the Unit Manager. Core staff supporting MEC and HOD are exempted from using the Trip Authorisation Form. It must be noted that travellers who opted to use their own private vehicles are **only required to complete annexure F** and no need to complete the trip authorisation form as approval will be granted under annexure F.
- 7.8.2. Travellers are encouraged to plan official travel well in advance and obtain approval at least seven (7) working days prior to departure for cost-effectiveness.

- 7.8.3. The number of employees travelling on official duty for the same matter is limited to three (3) employees unless approved otherwise in advance by the Unit Manager.
- 7.8.4. The Accounting Officer can approve a deviation from the hotel star grading and accommodation grid band where it is impractical or impossible to adhere to these limits for the VIP Protection Unit of the MEC and when required at the discretion of the MEC.
- 7.8.5. The Accounting Officer can approve a deviation from the hotel star grading and accommodation grid band for all other employees, where it is impractical or impossible to adhere to those limits. When such deviation is requested, it must be clearly stated why it is impractical or impossible to adhere to the limits. If insufficient grounds are given, the Accounting Officer may choose not to approve the request.
- 7.8.6. No travel arrangements may be made on behalf of the department other than by the approved Travel Management Company excluding international trips.
- 7.8.7. The TMC shall only issue vouchers after the receipt of the Travel Authorisation.
- 7.8.8. In the event of an after-hours reservation, the TMC will execute the request based on verbal approval or approval via Short Message Services (SMS) or email. The Travel Authorisation must be presented to the TMC on the next working day.
- 7.9. Changes and Cancellation to Travel Reservation**
- 7.9.1. In the event that the Traveller /Official makes any changes to an authorised trip prior to the commencement, the TMC must be informed of the changes and a new Travel Authorisation must be presented.
- 7.9.2. If the Traveller/Official request any changes after the commencement of an official trip, the following will apply:
- a) If it happens during office hours, the Travel Booker must be contacted to submit an amended Travel Authorisation to the TMC;

- b) In the event of changes required after hours, the TMC should be contacted. Based on verbal approval or approval via SMS or email, updated approved Travel Authorisation must be submitted on the next working day.

7.9.3. If changes to an international trip have financial implications, a new submission explaining the reasons for the amendments and cost implications must be made and approved by the MEC.

7.9.4. As soon as the Traveller /Official becomes aware of the cancellation of the trip, the TMC must be informed immediately to ensure the cancellation of the reservation(s) to avoid any cancellation costs. Failure would lead to recoveries of such costs from the Traveller/Official.

7.10. Traveller Health and Safety

7.10.1. It is the duty of the Traveller to ensure that he/she is aware of and/or complies with any health requirements and recommended precautions relevant to his /her travel (including COVID-19 safety measures).

7.10.2. The Traveller must consult his/her doctor or Travel clinic prior to commencing travel to ensure that the necessary vaccinations are administered.

7.10.3. The reimbursement of the costs related to visiting a travel clinic for all authorized business trips will be made, provided that the proof for costs incurred is produced.

7.10.4. The traveller must carry the necessary vaccination document with him/her at all times.

7.10.5. It is not advisable for pregnant women to undertake flights during their first and third trimesters. Pregnant women are advised to consult their doctors before a flight.

7.11. Submission of Claim

7.11.1. Subsistence and travel claims form regarding advances that were issued, pertaining to that trip must be completed and submitted for processing to the Office of the Chief

Financial Officer without delay and by no later than 10 working days, after the date of return. In this regard, responsibility managers are encouraged to peruse their Subsistence and Transport Control Accounts for detailed outstanding advances. These must be investigated and cleared without delay.

- 7.11.2. The Office of the Chief Financial Officer is to be informed by the responsibility manager/supervisor of any changes regarding an advance period to amend due dates, which will affect the time period by when the official's S&T claim is to be received by the Office of the Chief Financial Officer.
- 7.11.3. If no claim (regarding the clearance of an advance) is submitted within the required period, the full outstanding S&T Advance amount will be recovered from the employee's next salary as stipulated on the S&T Advance form itself. The Treasury Regulations, paragraph 23.3.6 (b) will be taken into account where it states that deductions may not exceed 25% of the employee's net salary.
- 7.11.4. The money that the employee spent on the official trip was then refunded to him/her as a normal claim.
- 7.11.5. If the employee has not used the full amount of the advance, the difference is to be paid in at cashiers before the claim is submitted, with the receipt to the Office of the Chief Financial Officer for capturing or the difference will be deducted from the official's next salary pay run.
- 7.11.6. Subsistence and travel claims above 120 days will be forfeited; exceptions may be approved by Accounting Officer on justifiable grounds. In the case of the end of the financial year, only claims related to March will be considered for payment in the following financial year.
- 7.11.7. Budget provision is made on a monthly basis therefore; S&T Claims must be submitted within 30 days after the traveller has returned to the place of work.
- 7.11.8. The delegated official must ensure that the times, dates, and amounts quoted on meal vouchers/receipts correspond with the information captured on the claim and are in line with approved meal tariffs, etc.

7.11.9. All receipts received regarding the official trip are to be **pasted on an A4 page** to avoid any loss of source documents and to provide proof of the expenses on the official trip. A copy would be considered acceptable when it is certified as a true copy of the original.

7.11.10. Subsistence reimbursement may **not** be financed from the petty cash account.

8. Control Measures

- 8.1. In order to avoid any uncertainty, the following requirements must be met when submitting claims for reimbursement of expenditure:
- 8.1.1. The nature of the journey must be clearly indicated together with the date, the departure, and arrival times;
 - 8.1.2. The details of the journey must clearly indicate the actual destination/s and not only the city/town visited;
 - 8.1.3. The trip authority form, invitation to attend meetings/ working, attendance register, agenda, or minutes of the meetings must be attached to the claim.
 - 8.1.4. If an official leaves his/her headquarters **before 06H00**, he/she may claim breakfast, and if he/she returns **after 20H00** he/she may claim the cost of supper/dinner subject to the limits.
 - 8.1.5. Where an official claim for the reimbursement for lunch and the time indicated on the slip is 18H15, this cannot be accepted. Items such as cigarettes, energy drinks, chewing gums, tips, and stationery may not be reimbursed.
 - 8.1.6. If an official has been provided accommodation where the distance to and from is not in **excess of 300km**, an approval letter **MUST** be attached to the claim.
 - 8.1.7. The trip itinerary and invoices from the hotel must be attached to the claim.

- 8.2. The claimant must sign the claim form before submitting it to his/her supervisor or delegated official for checking and/or authorisation.
- 8.3. It is the responsibility of the official certifying and approving the subsistence claim to ensure that the amounts being claimed are reasonable and within the determined limits.
- 8.4. The official approving the claim must be satisfied that all prescripts have been met.
- 8.5. Where kilometres travelled had been claimed, Google or Reputable maps should be used to ascertain the reasonableness of the distance travelled between destinations. (Officials may attach google maps as supporting evidence to fast-track checking their claim as verification by ICU takes time).
- 8.6. Employees with fictitious/inflated claims in any form will be subjected to disciplinary actions.
- 8.7. Employees who receive advances are to apply to the provisions of the policy (making use of the accommodation and transport for which they qualify for)
- 8.8. In order to ensure that the spending of the State funds is properly monitored and controlled, all officials charged with the responsibility of checking, authorising, and controlling subsistence claims and expenditures, are requested to render their full cooperation and support in this regard.
- 8.9. The department has the prerogative to decide on full, part, or no compensation to employees that undertake official journeys, for instance, if the proper authorisations were not obtained prior to the journey.
- 8.10. With due consideration to fairness and reasonableness, as well as practicality, subsistence allowance must be cost-efficient and economically justifiable.
- 8.11. The turnaround time is seven days to check and process the claim. Officials are urged to submit claims on time, not on the day of the run, and except for immediate processing.

9. Financial Implications

The Head of the Department should ensure that funds are available to implement this policy.

10. Communication, Implementation, and Review

- a) Human Resource Management and Development will be responsible as part of the Induction Programme to liaise with the Office of the Chief Financial Officer for the office of the CFO to communicate this policy to all new employees of the department.
- b) The Office of the Chief Financial Officer will be responsible for the implementation thereof and the constant communication to all staff via Office of the Chief Financial Officer seminars to the whole department.
- c) This document will be reviewed on an annual basis, unless inputs from departmental employees or an agreement with organised labour informs otherwise.

11. Implementation Date

This policy is effective from the date HOD approves it, and replaces any existing departmental policy on subsistence and travel allowances prior to this date.

SIGNED BY
MANAGEMENT