



**BID NUMBER SCC 01/2022**

**APPOINTMENT OF A SERVICE PROVIDER TO RENDER INTERNAL AUDIT SERVICES TO SCC FOR  
APERIOD OF 3 YEARS.**

**CLOSING DATE: 29 November 2022**

**CLOSING TIME: 12h00**

**NAME OF BIDDER\***

.....

**ADDRESS\***

.....

.....

.....

.....

**TEL NUMBER\***

.....

**FAX NUMBER\***

.....

**SUPPLIER DATABASE**

**REGISTRATION NUMBER\***

.....

**TENDER AMOUNT, INCL VAT\***

.....

**(\* TO BE COMPLETED BY BIDDER)**

Prepared by:  
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## SECTION 1.1: INVITATION TO TENDER

CLOSING DATE: 29 November 2022

CLOSING TIME: 12h00

### APPOINTMENT OF A SERVICE PROVIDER TO RENDER INTERNAL AUDIT SERVICES TO SCC FOR A PERIOD OF 3 YEARS.

Bids are hereby invited for the appointment of a service provider to supply Internal Audit services to South Cape TVET College's Campuses for 3 years period.

**Compulsory Site Briefing: 11 November 2022, Friday at 11h00. 125 Mitchell Street George 6530**

Bids must be submitted on the original documents and remain valid for ninety (90) days after the closing date of the tender. Enquiries pertaining to the terms of reference can be addressed to:

THE BIDDING PROCEDURE MAY BE DIRECTED TO:				
DEPARTMENT:	CONTACT PERSON	TEL:	FAX:	E-MAIL ADDRESS
FINANCE:SCM	SISANDA MPALALA	044 8840359	044 884 0361	<a href="mailto:sisanda.mpalala@sccollege.co.za">sisanda.mpalala@sccollege.co.za</a>
TECHNICAL INFORMATION MAY BE DIRECTED TO:				
Assistant Director: Internal Audit	Celeste Immink	044 8840359	044 884 0361	<a href="mailto:celeste.immink@sccollege.co.za">celeste.immink@sccollege.co.za</a>

A set of tender documents can be obtained at:

- South Cape TVET College website it can be downloaded and printed at own expense. Please make sure all pages are printed the college will not be liable for any lost pages.
- a non-refundable deposit of R300 per set from the Finance Department at telephone (044) 884-0359. Payments must be payable to the South Cape TVET College (see banking details below).

**Name of account:** South Cape TVET College  
**Bank:** ABSA  
**Account Number:** 404-947-1024  
**Branch Code:** 632-005  
**Reference:** SCC/03-2017

Fully completed tender documents must be placed in a sealed envelope and placed in the **tender box on the Ground floor of Central Office at 125 Mitchell Street, George by no later than 12h00 on Tuesday, 29 November 2022.** The envelopes must be endorsed clearly with the number, title and closing date of the tender as stated above.

The tender will be evaluated on the 80/20 point system as prescribed by the Preferential Procurement Regulations 2017.

The tender box will be emptied at 12h00 on the closing date as stated above, hereafter all bids will be opened in public.

**Late tenders or tenders submitted by e-mail or fax will not be accepted under any circumstances.**

The College reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it.

The College does not bind itself to accepting the lowest tender or awarding a contract to the bidder scoring the highest number of points.

It is expected of all bidders who are not yet registered on the College's Accredited Supplier Database to register without delay on the prescribed form (copy of which is available on the College website [www.sccollege.co.za](http://www.sccollege.co.za) (follow the link Industry/Suppliers).

## SECTION 1.2: TENDER CONDITIONS AND INFORMATION

### 1.2.1 General and Special Conditions of Contract

The General Conditions of Contract (GCC) as well as Special Conditions of Contract (SCC) forming part of this set of tender documents will be applicable to this tender in addition to the conditions of tender. Where the GCC and SCC are in conflict with one another, the stipulations of the SCC will prevail.

#### 1.2.1.1 GENERAL CONDITIONS OF CONTRACT

##### 1. Definitions

1. The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of 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 goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods 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 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.

- 1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 “Written” or “in writing” means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, 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 Invitations to bid are usually published in locally distributed news media and on the Government Gazette.
- 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.
- 6.2 When a supplier developed documentation / projects for the college, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the college.
- 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: (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser’s country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or (b) a cashier’s or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier’s performance obligations under the contract, including any warranty obligations, unless otherwise specified.
- 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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor’s premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

- 8.6 Goods 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 goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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 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, and in any subsequent instructions ordered by the purchaser.
- 10. Delivery and documents**
- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.
- 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.
- 12. Transportation**
- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.
- 13. Incidental Services**
- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (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, 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.

- 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 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, 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.
- 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.
- 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 or in the purchaser's request for bid validity extension, as the case may be.
- 18. Variation orders**
- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 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 goods are required, or the supplier's services are not readily available.
- 21.4 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 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.
- 22. Penalties**
- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.
- 23. Termination for default**
- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2; (b) if the supplier fails to perform any other obligation(s) under the contract; or (c) if the supplier, in the judgement 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 supplier as having no objection and proceed with the restriction.
- 23.5 Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:  
 (i) the name and address of the supplier and / or person restricted by the purchaser;  
 (ii) the date of commencement of the restriction  
 (iii) the period of restriction; and  
 (iv) the reasons for the restriction. These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website
- 24. Antidumping and countervailing duties and rights**
- 24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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 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 for goods delivered and / or services rendered according to the prescripts of the contract.
- 28. Limitation of Liability**  
 28.1 Except in cases of criminal negligence or wilful 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.
- 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 SARS must have certified that the tax matters of the preferred bidder are in order.  
 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.
- 33. Transfer of contracts**  
 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser
- 34. Amendment of contracts**  
 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.
- 35. Prohibition of restrictive practices**  
 35.1 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.  
 35.2 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 section 59 of the Competition Act No 89 Of 1998. 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

### 1.2.2.2 Special Conditions of Contract

- **Acceptance or Rejection of a Tender**

The College reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it. The College does not bind itself to accepting the lowest tender or the tender scoring the highest points.

- **Validity Period**

Bids shall remain valid for 90 (ninety) days after the tender closure date.

- **Cost of Tender Documents**

Payment for tender documents, if specified, must be made electronically or in cash to South Cape College. These costs are non-refundable.

- **Registration on Accredited Supplier Database**

It is expected of all prospective service providers who are not yet registered on the **NATIONAL TREASURY'S CENTRALISED SUPPLIER DATABASE** to register without delay. The College reserves the right not to award tenders to prospective suppliers who are not registered on the Database. Bidders must furnish the registration number on **CSD**. \_\_\_\_\_

- **Completion of Tender Documents**

(a) The original tender document must be completed fully in black ink (written) and signed by the authorised signatory to validate the tender. SBD 4: DECLARATION must be completed and signed by the authorised signatory and returned. Failure to do so will result in the disqualification of the tender.

(b) Tender documents may not be retyped. Retyped documents will result in the disqualification of the tender.

(c) The complete original tender document must be returned. Missing pages will result in the disqualification of the tender.

(d) No unauthorised alteration of this set of tender documents will be allowed. Any unauthorised alteration will disqualify the tender automatically. Any ambiguity has to be cleared with contact person for the tender before the tender closure.

- **Compulsory Documentation**

- \* **Tax Clearance Certificate**

(a) A valid Tax Clearance Certificate with pin must accompany the bid documents. If the South African Revenue Services (SARS) do not confirm the validity of the Tax Clearance Certificate if requested to do so by the College, the bid will be rejected.

(b) In the case of a Consortium/Joint Venture every member must submit a separate Tax Clearance Certificate with the bid documents.

(c) If a bid is not supported by a valid Tax Clearance Certificate, either as an attachment to the bid documents, the bid will be rendered to be non-responsive.

- **Other Documentation**

- \* **Construction Industry Development Board (CIDB) (Not applicable)**

When applicable, the bidder's CIDB registration number must be included with the tender. The College will verify the bidder's CIDB registration during the evaluation process.

- \* **Authorised Signatory**

(a) A copy of the recorded Resolution taken by the Board of Directors, members, partners or trustees authorising the representative to submit this bid on the bidder's behalf must be attached to the Bid Document on submission of same.

(b) A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorised to sign it for and on behalf of the bidder.

(c) If such a copy of the Resolution does not accompany the bid document of the successful bidder, the College reserves the right to obtain such document after the closing date to verify that the

signatory is in order. If no such document can be obtained within a period as specified by the College, the bid will be disqualified.

- **Site / Information Meetings**

- (a) Site or information meetings, if specified, are compulsory. Bids will not be accepted from bidders who have not attended compulsory site or information meetings. Bidders that arrive 15 minutes or more after the advertised time the meeting starts will not be allowed to attend the meeting or to sign the attendance register. If a bidder is delayed, he must inform the contact person before the meeting commences and will only be allowed to attend the meeting if the chairperson of the meeting as well as all the other bidders attending the meeting, give permission to do so.
- (b) All partners or the leading partner of a Joint Venture must attend the compulsory site or information meeting.

- **Samples**

Samples, if requested, are to be provided to the College with the tender document.

- **Quantities of Specific Items**

If tenders are called for a specific number of items, the College reserves the right to change the number of such items to be higher or lower. The successful bidder will then be given an opportunity to evaluate the new scenario and inform the College if it is acceptable. If the successful bidder does not accept the new scenario, it will be offered to the second-placed bidder. The process will be continued to the College's satisfaction.

- **Submission of Tender**

(a) The tender must be placed in a sealed envelope, or envelopes when the two-envelope system is specified, clearly marked with the tender number, title as well as closing date and time and be placed in the **tender box on the Lower Ground floor of Central Office at 125 Mitchell Street, George by not later than 12h00 on Tuesday, 29 November 2022.**

(b) Faxed, e-mailed and late tenders will not be accepted. Tenders may be delivered by hand, by courier, or posted at the bidder's risk and must be deposited in the **tender box on the Lower Ground floor of Central Office at 125 Mitchell Street, George by not later than 12h00 on Tuesday, 29 November 2022**, irrespective of how they are sent or delivered.

- **Expenses Incurred in Preparation of Tender**

The College shall not be held liable for any expenses incurred in the preparation and submission of the tender.

- **Contact with the College after Tender Closure Date**

Bidders shall not contact the South Cape TVET College on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the notice of the College, it should do so in writing to the South Cape TVET College. Any effort by the firm to influence South Cape TVET College in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.

- **Opening, Recording and Publications of Tenders Received**

- (a) Tenders will be opened on the closing date immediately after the closing time specified in the tender document. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.
- (b) Details of tenders received in time will be recorded in a register which is open to public inspection.
- (c) Faxed, e-mailed and late tenders will not be accepted.

- **Evaluation of Tenders**
  - (a) Tenders will be evaluated in two (2) phases
    - Phase 1:** Required documents submitted
    - Phase 2:** Bidders will be evaluated based on functionality.
    - Phase 3:** 80/20 Preferential Procurement Points system
  - (b) Tenders will be evaluated in terms of their responsiveness to the tender specifications and requirements as well as such additional criteria as set out in this set of tender documents.
- **Procurement Policy**

Bids will be awarded in accordance with the Preferential Procurement Regulations, 2017 pertaining to the Preferential Procurement Policy Framework Act, No 5 of 2000 and its amendments as well as the College's Procurement & Supply Chain Management Policy.
- **Contract**

The successful bidder will be expected to sign the agreement in Section 6 of this bid document. The signing of both Parts of Section 6 of this bid document signifies the conclusion of the contract. The College, at its discretion, may request the signing of an additional Service Level Agreement which, together with the signed tender document, will constitute the full agreement between the College and the successful bidder.
- **Subcontracting**
  - (a) The Contractor shall not subcontract the whole of the Contract.
  - (b) Except where otherwise provided by the Contract, the Contractor shall not subcontract any part of the Contract without the prior written consent of the College, which consent shall not be unreasonably withheld.
  - (c) The contractual relationship between the Contractor and any subcontractors selected by the Contractor in consultation with the College in accordance with the requirements of and a procedure contained within the Scope of Work, shall be the same as if the Contractor had appointed the subcontractor in terms of paragraph (b) above.
  - (d) Any consent granted in accordance with paragraph (b) or appointment of a subcontractor in accordance with paragraph (c) shall not imply a contract between the College and the subcontractor, or a responsibility or liability on the part of the College to the subcontractor and shall not relieve the Contractor from any liability or obligation under the Contract and he shall be liable for the acts, defaults and neglects of any subcontractor, his agents or employees as fully as if they were the acts, defaults or neglects of the Contractor, his agents or employees.
  - (e) The Contractor shall not be required to obtain such consent for –
    - (i) the provision of labour, or
    - (ii) the purchase of materials which are in accordance with the Contract, or
    - (iii) the purchase or hire of Construction Equipment.
- **Language of Contract**

The contract documents will be compiled in English and the English versions of all referred documents will be taken as applicable.
- **Extension of Contract**

The contract with the successful bidder may be extended at the sole discretion of the College should additional funds become available.
- **Stamp and Other Duties**

The successful bidder will be liable for all duties and costs on legal documents resulting in the establishment of a contract and for the surety and retentions, if any.

- **Wrong Information Furnished**

Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the College may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the College as a result of the award of the contract.

- **Past Practices**

- (a) The bid of any bidder may be rejected if that bidder or any of its directors have abused the College's Procurement & Supply chain management system or committed any improper conduct in relation to such system.
- (b) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors influenced or tried to influence any official with this or any past tender.
- (c) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors offered, promised or granted any official or any of his/her close family members, partners or associates any reward, gift, favour, hospitality or any other benefit in any improper way, with this or any past tender.

## SECTION 1.3 DETAILS OF TENDERER

Name of firm / entity / enterprise	
Trading as (if different from above)	
Postal address	Postal Code _____
Physical address	
Contact Details of the <b>Person Signing the Tender:</b>	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
Contact Details of the <b>Senior Manager Responsible for Overseeing Contract Performance:</b>	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
Contact Details of the <b>Person Responsible for Accounts / Invoices:</b>	Name: _____ Telephone: (____) _____ Fax: (____) _____ Cellular Number: _____ E-mail address: _____
Company Income Tax Number	
VAT Registration Number	
Company Registration Number	
Any other Registration Applicable to this Industry	
CIDB Registration Number	N.A.
NATIONAL TREASURY'S centralised supplier database registration number	

## **DETAILS OF TENDERING ENTITY'S BANK**

I/We hereby authorize the Employer/Client to approach all or any of the following bank/s for the purposes of obtaining a financial reference:

<b>DESCRIPTION OF BANK DETAIL</b>	<b>BANK DETAILS APPLICABLE TO TENDERER'S HEAD OFFICE</b>
Name of bank	
Branch name	
Branch code	
Name of Account Holder	
Account number	
Type of Account	

Signature of Tenderer: \_\_\_\_\_

Date: \_\_\_\_\_

## **DETAILS OF DIRECTORS**

**THE COMPLETION OF THE FOLLOWING TABLE WITH ALL YOUR DIRECTORS' INFORMATION IS COMPULSORY:**

<b>Name of Director</b>	<b>Identity Number</b>	<b>Individual Tax Ref. Number for each Director</b>

## THE RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS

**RESOLUTION** of a meeting of the Board of Directors / Members / Partners of

\_\_\_\_\_ NAME OF  
TENDERER

Held at \_\_\_\_\_ (place)

on \_\_\_\_\_ (Date)

### RESOLVED THAT:

1. The enterprise submits a Tender to the South Cape College in respect of the following:

**TENDER NUMBER:** \_\_\_\_\_

2. Mr/Mrs/Ms \_\_\_\_\_

In his/her capacity as \_\_\_\_\_

And who will sign as follows:

\_\_\_\_\_  
(SPECIMAN SIGNATURE)

be, and is hereby, authorized to sign the Tender and any all other documents and/or correspondence in connection with and relating to the Tender, as well as to sign any contract, and or all documentation resulting from the award of the Tender to the enterprise mentioned above.

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate a separate sheet in the same format below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			

## RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE

**RESOLUTION** of a meeting of the Board of Directors / Members / Partners of

\_\_\_\_\_  
NAME OF TENDERER

Held at \_\_\_\_\_ (Place)

On \_\_\_\_\_ (Date)

### RESOLVED THAT:

1. The enterprise submits a Tender to the South Cape College in respect of the following:

**TENDER NUMBER:** \_\_\_\_\_

(list all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium / Joint Venture):

\_\_\_\_\_ and

\_\_\_\_\_ and

\_\_\_\_\_

2. Mr/Mrs/Ms \_\_\_\_\_

In his/her capacity as \_\_\_\_\_

and who will sign as follows: \_\_\_\_\_

(SPECIMAN SIGNATURE)

be, and is hereby, authorized to sign the Tender and any and all other documents and/or correspondence in connection with and relating to the Tender, as well as to sign any contract, and or all documentation resulting from the award of the Tender to the **Consortium / Joint Venture** enterprise mentioned above.

3. The enterprise in the form of a consortium or joint venture accepts joint and several liability with parties under item 1 above for the fulfilment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the South Cape College in respect of the project described above under item 1.
4. The **Consortium / Joint Venture** enterprise chooses as its domicilium citandi et executandi for all purposes arising from this joint venture agreement and contract with the South Cape College in respect of the project under item 1:

(Physical Address) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Note: The resolution **must be signed by all the directors or members / partners** of the bidding enterprise. Should the space provided below not be sufficient for all the directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

## JOINT VENTURE

Only to be completed if applicable

Name of Joint Venture:	
Name of Each Enterprise:	
(1) Name and Address of Enterprise:	
(1) Name and Address of Enterprise:	
(1) Name and Address of Enterprise:	
Has an original valid Tax Clearance Certificate been submitted for each Enterprise?	
CIDB Registration Number(s), if any:	NA

**Submit your Joint Venture Agreement together with this annexure. If no joint Venture Agreement is submitted, your tender will be disqualified.**

**SIGNED ON BEHALF OF JOINT VENTURE**

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## **SECTION 2:**

### **TERMS OF REFERENCE**

#### **Introduction and background**

South Cape TVET College, also referred to as SCC, is situated across the famous Garden Route and the Little Karoo, the catchment area of South Cape TVET College is 80 822 km<sup>2</sup>, which is the largest of the six TVET Colleges in the Western Cape.

SCC has six Campuses across the Garden Route and Klein Karoo District. Campuses are the Beaufort West Campus, Bitou Campus in Plettenberg Bay, George Campus, Hessequa Campus in Riversdale, Mossel Bay Campus and the Oudtshoorn Campus.

The management and coordination of the campuses happens at the central office, located in George. All senior management team members are centrally located there.

The institution was established in the year 2000.

#### **VISION**

- To be a Technical and Vocational Education and Training institution of first choice leading Education and Skills development.

#### **MISSION**

- We are committed to holistic student development by providing responsive, quality education and training leading to employment, self-employment and higher education.

#### **VALUES**

- Leadership;
- People-Centred;
- Integrity;
- Courage;
- Inclusivity;
- Creativity.

#### **Overview of the current Internal Audit Function**

The Internal Audit Function of SCC currently have no Internal Auditor. The Internal Audit Function reports administratively to the Principal and functionally to the Audit and Risk Management Committee.

#### **Objective of the request for proposal**

The objective of this request for proposal is to invite certified Internal Auditors, registered and qualified at the Institute of Internal Auditors (IIA), in tax good standing, to submit proposals for consideration to outsource the entire Internal Audit Function of the SCC for a period of three years (36 months). The current Assistant Director: Risk, Fraud and Integrity Manager at the SCC will act as a coordinator for the Internal Audits.

### **Legislative framework and best practice regulations knowledge**

Knowledge of the following legislation is a must:

- CET Colleges Act No.16 of 2006, as amended in 2012
- Public Finance Management Act, 1999 (Act No.1 of 1999 as amended by Act 29 of 1999)
- National Treasury regulations
- King Code IV of Governance Principles

The bidder should comply with the SCC Internal Audit Charter, Terms of Reference of the Audit and Risk Management Committee and other Internal Audit policies and procedures and report to the Audit and Risk Management Committee (meetings should be attended). Interim reporting must be done to the current Assistant Director: Risk, Fraud and Integrity Manager and administratively to the College Principal.

### **Mission of the Internal Audit Function (IAF)**

The mission of the IAF is to provide an independent, objective assurance and consulting service designed to add value and improve the SCC's operations and internal control environment. It helps the College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

### **Scope of work**

The scope of the IAF is to determine whether the College's network of risk management, control and governance processes (refer to Annexure A- Internal Audit Focus Areas), as designed and represented by management are adequate and functioning in a manner to ensure, amongst other matters, that:

- a) Risks are appropriately identified and managed;
- b) Significant financial, managerial and operating information is accurate, reliable and timely;
- c) Resources are acquired economically, used efficiently and adequately protected;
- d) Programmes, plans and objectives are achieved;
- e) Quality and continuous improvements are fostered in the College's control process; and
- f) Significant legislative or regulatory issues impacting the College are recognised and addressed appropriately.

Opportunities for improving management control, service delivery and the College's image may be identified during audits and communicated to the appropriate level of management.

### **Authority**

The IAF, with strict accountability for confidentiality and safeguarding records and information, is authorized full, free, and unrestricted access to any and all of College records, physical properties and personnel pertinent to carrying out any engagement.

- The Internal Audit Activity (IAA) will obtain cooperation of personnel from all divisions of the College where they perform their duties.
- The Audit Partner (bidder) will have free and unrestricted access to the Audit and Risk Committee and the Chairperson of the Council.
- The IAF is not authorized to:
  - a) Perform any operational duties for the College;

- b) Initiate or approve accounting transactions;
- c) Develop or install systems or procedures, prepare records or engage in any other activity which would normally be audited;
- d) Engage in day to day operations at the College and must be seen to be independent in all respects.
- e) Direct the activities of any of the employees of the College, not employed by the IAF, except to the extent that such employee has been appropriately assigned to auditing teams or to assist the internal auditors.

### **Accountability**

The Audit Partner (Bidder) in the discharge of his/her responsibilities, shall be accountable to the Principal, current Assistant Director: Risk, Fraud and Integrity Manager and the Audit and Risk Management Committee to:

- Provide annually an assessment on the adequacy and effectiveness of the College's processes for controlling its activities (internal control systems) and managing its risks set in the areas defined in the annual internal audit plan;
- Report significant issues related to the processes for controlling the activities of the College, including potential improvements to those processes, and provide information concerning such issues for further action by management;
- Provide information, on a quarterly basis, on the status and results of the Annual Internal Audit Plan and ad hoc requests by the Audit and Risk Management Committee and the Principal, and
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit).

### **Independence**

Treasury draft regulations states that: "The internal audit function must report functionally to the Audit Committee and administratively to the Accounting Officer and must report at all Audit Committee meetings. The function must be independent of activities that are audited, with no limitation on its access to information."

In order to achieve independence, the IAF shall:

- a) Act independently and be able to exercise judgment;
- b) Express opinion and present recommendations with impartiality;
- c) Avoid conflict of interest situations;
- d) Be free from undue influence which either restricts or modifies the scope of work;
- e) Have no direct or indirect interest over any activities of the College;
- f) Not initiate or approve accounting transactions; and
- g) Confirm annually to the Audit Committee on their status of independence.

## **Responsibilities**

The Audit Partner (bidder) have, amongst others, the following responsibilities as listed on Annexure A – Internal Focus Areas:

- Prepare a three year rolling strategic plan and annual internal audit plan using an appropriate risk based audit methodology, taking into account concerns from management and the external auditors, current operations, those proposed in its strategic plan and its risk management strategies.
- Prepare and execute the internal audit plan.
- Prepare plans indicating the scope of each audit in the annual internal audit plan.
- A quarterly report to the Audit and Risk Management Committee detailing its performance against the plan, to allow effective monitoring and intervention when necessary.
- Implement the annual internal audit plan, as approved, including, and as appropriate, any special tasks or projects requested by the Principal and the Audit and Risk Management Committee.
- Assist the Principal in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The controls subject to evaluation should encompass the following:
  - a) The information systems environment;
  - b) The reliability, integrity, accuracy, completeness and timeliness of financial and management information;
  - c) The application and effectiveness of the College's risk management procedures and assessment methodology;
  - d) The effectiveness of operations;
  - e) Review operations or programmes to ascertain whether or not the results are consistent with established objectives and goals according to the strategic plan; and whether or not the operations are carried out as planned;
  - f) The effectiveness and efficiency with which resources are employed;
  - g) Safeguarding of assets; and
  - h) Compliance with policies, plans, procedures laws and regulations.
- Monitor and evaluate governance processes.
  - Consider the scope of work of the external auditors for the purpose of providing optimal audit coverage to the College to minimize duplication of effort.
  - Perform consulting and advisory services related to governance, risk management and control as appropriate for the College when specifically requested by the Principal or the Audit and Risk Management Committee.
- Report significant risk exposures and control issues, including, fraud risks, governance issues and any other matters needed or requested by the Principal or the Audit and Risk Management Committee.
- Evaluate specific operations at the request of the Principal or the Audit and Risk Management Committee, as appropriate.

- Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes.
- Perform periodic tracking and follow-up of internal audit findings to ensure satisfactory corrective actions are implemented by management.
- The Audit Partner (bidder) will provide the following to the Audit and Risk Management Committee:
  - a) The rolling three-year strategic internal audit plan, for approval by the Principal, the Audit and Risk Management Committee and the College Council;
  - b) Prepare an annual internal audit plan for approval by the Principal, the Audit and Risk Management Committee and the College Council for the first year of the rolling three-year strategic internal audit plan,
  - c) Prepare plans indicating the proposed scope of each audit in the annual internal audit plan;
  - d) Prepare written quarterly reports to the Audit and Risk Management Committee detailing its performance against the annual internal audit plan, and results of audit activities (meetings must be attended);
  - e) Keep the Audit and Risk Management Committee informed of emerging trends and successful practices in internal auditing;
  - f) Make any recommendations it deems fit for consideration by the Audit and Risk Management Committee.
- The IAA must also:
  - a) Issue a client satisfaction survey and analyse responses; and
  - b) Conduct their work in accordance with the Standard for the Professional Practice of Internal Auditing and the Code of Ethics of the Institute of Internal Auditors.

### **Relationships**

- Relationship with Management
  - a) The Audit Partner (bidder) should prepare the internal audit plan in consultation with senior management and the current Assistant Director: Risk, Fraud and Integrity Manager (AD: RFI).
  - b) The Audit Partner (bidder) should arrange the timing of internal audit assignments in consultation with management (the current AD: RFI will be the coordinator of such audits), except on those rare occasions where an unannounced visit is a necessary part of the audit approach. Consultation can lead to the identification of areas of concern or of other interest to management.
  - c) The Audit Partner (bidder) will report all audit findings to the relevant senior line manager and current AD: RFI and obtain their comments within 5 working days of issuing the report.
  - d) Copies of the final reports with management comments and actions will be sent to the current AD: RFI, Principal as well as the Chairperson of the Audit and Risk Management Committee for distribution to members of the Audit and Risk Management Committee (meetings must be attended).

- e) In cases where management comments are not obtained within the required period, the report will be escalated to the Principal who will be given 5 working days to provide commentary on the report, failing which the report will be finalized without management comments and reported as such to the Audit and Risk Management Committee.
- Relationship with External Audit
  - a) External Audit and Internal Audit may rely on each other's work, subject to their respective audit methodologies.
  - b) Consultations should be held and consideration given to whether any work of either auditor is adequate for the purpose of the other.
  - c) Periodic meetings should be held between Internal Audit and External Audit at which joint audit planning, priorities, scope and audit findings are discussed and information exchanged.
- Relationship with the Audit and Risk Management Committee
  - a) The Audit Partner (bidder) should report and liaise with the Audit and Risk Management Committee and current AD: RFI on a regular basis on matters affecting and pertinent to the IAF. Direction and guidance should be sought from the Audit and Risk Management Committee on a regular basis.
  - b) The Audit Partner (bidder) shall have free and unrestricted access to the Principal and Audit and Risk Management Committee chairperson.
  - c) Any recommendations not implemented by management should be tabled at the Audit and Risk Management Committee meetings for direction and resolution.

#### **Client satisfaction survey and analysing responses**

College's feedback must be obtained for every review. The client questionnaire must be discussed and communicated to the College at the commencement of the review. The client questionnaire must also be discussed at the audit exit/closeout meeting and due dates for feedback from management. Senior internal audit staff members should analyse returned questionnaires and all areas of concern should be followed up with and addressed with the applicable internal audit staff members as well as College's staff. CAE (bidder) will be utilised this for continuous improvement.

#### **Costing**

- All disbursements (meals, accommodation, and transport) must be included in the total fee.
- A CV with qualifications and experience of all Internal Auditors should be included.
- Office space will be provided during College office hours, but all other resources should be included in the audit fee.
- A costing table with all audit staff and hourly rate per staff member should be included

### **Criteria in terms of which the most suitable firm will be selected**

- The top 3 bidders, who scored the highest number of points during evaluation, will be invited to the College to demonstrate to the Bid adjudication committee why they are most suitable to deliver the services.
- The firm should have the ability to deliver the abovementioned services in an efficient and cost-effective manner.
- The firm should have performed previous work preferable in the Public Sector environment.
- Suitably qualified and experienced staff should perform the work, however the audit partner reviewing the work and supervising should be a qualified Internal Auditor and registered at the Institute of Internal Auditors.
- The final decision on the most suitable bidder to appoint lies with the Bid Adjudication Committee and the Principal of the College.
- Please refer to the schedule of internal audit focus areas that needs to be covered during the 36 months.

### **EVALUATION CRITERIA**

- SCC will evaluate all proposals in terms of the Preferential Procurement Regulation of 2017 and Preferential Procurement Policy Framework Act. No. 5 of 2000 (PPPFA).
- three (3) phase evaluation criteria will be considered in evaluating the proposals, being
  - a) **Phase 1: Pre - Qualification Criteria (Mandatory Requirements)**

Bidders must submit all the below mentioned requirements. The following mandatory requirements must be met to qualify for this bid:

    - Service provider must be a qualified member of the Institute of Internal Auditors.
    - The core engagement leadership size for the assignment should be two (2) or more.
    - Curriculum Vitae (CV) of all staff to be allocated to the contract / project should be included in the bid.
    - Service provider must have the expertise to perform audits in all of the following specialist functions: Performance Management, HR, Supply Chain Management, Information Technology, Risk Management and Financial Statements Performance Management (GRAP).
    - Suitable references should be supplied (at least three (3) of the past 3 years).
    - Provide a Sample SERVICE LEVEL AGREEMENT WITH THE BID DOCUMENT
  - **Company registration certificates (CK):**
    - In the case of the bidder being in partnership, close corporation or a company, company certificates reflecting the names, identity numbers and address of the partners, members or directors must be submitted with proposal.
    - In the event of the bidder being a consortium organisation, relevant shareholding certificates must be submitted.

- **Current and valid SARS Clearance Certificate.**
  - A copy of the Tax Clearance Certificate with a pin must be submitted together with the bid on the closing date. Failure to submit a Tax Clearance Certificate will result in the invalidation of the bid.
  - This application may be applied only if the closing date of the bid falls within the expiry date of the tax certificate that is in possession of SCC.
- **Latest Municipal Billing Clearance Certificate/ Copy of Municipal Account / Rental Agreement in the event of leasing**
  - To confirm address and existence of provider, and any indebtedness to the state.
  - Rental agreement – In the event of leasing where utilities are for the lessee's account, the rental agreement and a copy of the municipal account must be submitted.
- **Certified copies of proof of affiliation with relevant professional body**
  - Registration with the Institute of Internal Auditors.
- **Proof of Centralised supplier database (CSD) registration**
  - Bidders must supply a registration form from the CSD

If any bidder fails to meet any of these minimum requirements, they will be excluded from further evaluation.

**b) Phase 2: Functional/technical evaluation**

- Only bidders that have met the pre-qualification criteria will be evaluated for functional evaluation. In this phase the evaluation will be based on the bidders' responses in respect of the bid proposal (evaluated on the minimum functional specifications).
- Prospective bidders who score a minimum of 70 points or more will be considered for the next phase (Price and B-BBEE status level contributor).

CRITERIA	KEY AREA	SCORE RANGE	MAX. SCORE
Skills, experience & knowledge	Core engagement leadership team of at least 1 person must possess the relevant professional qualifications: CIA and CA(SA) and/or CISA and IIA SA	Number of people with professional qualification: 3 and more = 20 points 2 = 15 points At least 1 = 10 points	20
	Supporting staff of at least 2 people must possess the relevant tertiary qualifications: BCom (with Auditing and Accounting as major subjects) National Diploma / BTech (Internal Auditing) or equivalent	Number of support staff with tertiary qualifications: 8 or more = 30 points 7 = 25 points 6 = 20 points 5 = 15 points 4 = 10 points At least 2 = 5 points	30
	Service provider has extensive proven experience in the TVET Sector	0 – 2 years = 5 points 3 – 5 years = 10 points 6 – 10 years = 15 points 10 or more = 20 Points	20
	Service provider must have the expertise to perform audits in the following specialist functions: - Performance Management (4 points) - HR (4 points) - Supply Chain Management (4 points) - Information Technology (4 points) - Financial Statements (GRAP) (4 points)	Points will be awarded for expertise and experience in each of the specialist functions	20
Locality	Office located within the boundaries of the Garden Route	Office within the boundaries of the Garden Route – 10 points No local office – 5 points	10

\*Minimum of 70 points should be obtained from the functionality Phase\*

**PHASE 3: THE 80/20 PRINCIPLE BASED ON PRICE AND B-BBEE STATUS LEVEL CONTRIBUTOR.**

Price	80
B-BBEE compliance	20

## 1. PRICES

- 1.1 All services' pricing should be inclusive of all taxes etc. and payment shall be made in South African Rand.
- 1.2 Bidders to provide with the monthly rate for providing and managing whistleblowing hotline clearly outlining rates per call and report.
- 1.3 SCC requires a breakdown of prices on any of the items priced and the bidders are to provide same without any additional cost and also provide a "Pricing Grid" or "Transaction Fee Schedule" as stated below:

## 2. PRICES ADJUSTMENTS

Prices submitted for this bid will be regarded as non-firm subject to the following price adjustments:

- a) Annual price adjustment; and
- b) Application for price adjustments must be accompanied by documentary evidence in support of any adjustment on annual basis.

## 3. FORMAT AND SUBMISSION OF THE PROPOSAL

All the official forms (SBD) must be completed and signed in all respects by bidders. Failure to comply will invalidate a bid.

Annexure A					
No	Activity	High Level Scope	Year		
A	Governance		Year 1	Year 2	Year 3
1	Compile Three Year Rolling Strategic and Annual Operational Internal Audit Plan aligned to the risk profile of the entity and in line with combined assurance principles	Draft new plan and detailed narrative in support of operational plan and risk areas - Annually	X	X	X
2	Development/Review Internal Audit Policies	Develop/Review current policies in accordance with standard – Annual review	X	X	X
3	Liaison with External audit assurance provider (Auditor-General/ Outsourced firm)	Obtain inputs for internal audit plan and discuss future use of IA work in terms of ISA 610	X	X	X
4	Routine follow-up of internal audit reports and implementation of recommendations	Reasonable assurance that corrective action plans are monitored and implemented	X	X	X
5	ICT Governance review - IT Financial operating systems - IT Delivery and support - IT Planning and organization - IT Controls - IT New technology / upgrades	Reasonable assurance that the ICT governance framework are implemented,	X	X	X

Annexure A					
No	Activity	High Level Scope	Year		
A	Governance		Year 1	Year 2	Year 3
		monitored and reported on			

B	Risk Management		Year 1	Year 2	Year 3
1	Review the strategic plan & predetermined objectives of the college. Assess existing risk processes and update internal audit risk assessment as appropriate	Limited assurance that the internal audit plan and focus areas are still applicable and appropriate for the period/year.	X	X	X

C	Internal Control		Year 1	Year 2	Year 3
1	Human Resources - Recruitments and appointments - Retirement and terminations - Leave audit and overtime - Employee costs	Reasonable assurance that the internal controls are designed and implemented	X	X	X
2	Purchases and payables and Procurement/supply chain management and contract management	Reasonable assurance that the internal controls are designed and implemented	X	X	X
3	Compliance with Policies and procedures alignment to relevant legislation and regulations. Maintenance of a register of latest policies and procedures approved.	Reasonable assurance that the internal controls are designed and implemented		X	
4	Financial statements - Operating procedure manual - Financial statements close process - GRAP AFS review	Limited assurance without expressing an opinion on AFS – Review AFS Annually	X	X	X
5	Infrastructure (Asset and facility management) Asset and infrastructure maintenance. (Including Fleet management)	Reasonable assurance that the internal controls are designed and implemented	X	X	X
6	Staff development/ Educator training and development	Reasonable assurance that the internal controls are designed and implemented			X
7	Occupational Health and Safety	Limited assurance on Basic compliance with OHS	X		

C	Internal Control		Year 1	Year 2	Year 3
8	Bookkeeping and reconciliations	Reasonable assurance that the internal controls are designed and implemented			X
9	Budget and cash flow management	Reasonable assurance that the internal controls are designed and implemented		X	
10	Attend stock/asset counts at year-end	Reasonable assurance that the internal controls are designed and implemented	X	X	X
11	Student class attendance, stipend and bursary payments to students.	Reasonable assurance that the internal controls are designed and implemented	X		
12	Petty Cash and Cash on hand counts	Reasonable assurance that the internal controls are designed and implemented			X
13	Debit orders from the Bank vs contracts on hand.	Reasonable assurance that the internal controls are designed and implemented		X	
14	Verification of Student marks	Reasonable assurance that the internal controls are designed and implemented	X		
15	Revenue completeness and controls	Reasonable assurance that the internal controls are designed and implemented		X	

D	Reporting and administration		Year 1	Year 2	Year 3
1	Audit and Risk Committee	Attend and report quarterly to the Audit and Risk Management Committee	X	X	X

**SECTION 2.2: 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:** SCC 01/2022

**Closing time** 12h00

**Closing date:** 29 October 2022

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
-------------	----------	-------------	--

- Required by: .....
- At: ..... .....
- Brand and model NA.....
- Country of origin NA.....
- Does the offer comply with the specification(s)? **\*YES/NO**
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....
- Delivery basis .....  
\*Delivery: Firm/not firm

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

\*\*\*"all applicable taxes" includes Value Added Tax,

\*Delete if not applicable

**SECTION 3.1: SBD1: BID FOR THE REQUIREMENTS OF SOUTH CAPE TVET COLLEGE**

<b>TENDER NO:</b> SCC 01/2022	
<b>CLOSING DATE:</b> 29 November 2022	<b>CLOSING TIME:</b> 12h00
<b>DESCRIPTION:</b> APPOINTMENT OF A SERVICE PROVIDER TO RENDER INTERNAL AUDIT SERVICES TO SCC FOR A PERIOD OF 3 YEARS	

Bid documents, placed in a sealed envelope and clearly marked with the bid number on the outside, must be deposited in the tender box situated on the Lower Ground Floor, South Cape Central Office, 125 Mitchell Street, George

Please note:

- **Bidders must ensure that bids are delivered on time to the correct address. If the bid is late, it will not be accepted for consideration.**
- All bids must be submitted on the official forms. Forms may not be retyped.
- This bid is subject to the General Conditions of Contract (GCC) and, if applicable, any other special conditions of contract included in this tender document.
- The successful bidder will be required to fill in and sign a written Contract.

**THE FOLLOWING PARTICULARS MUST BE FURNISHED. FAILURE TO DO SO MAY RESULT IN YOUR BID BEING NOT BEING ACCEPTED.**

NAME OF BIDDER: .....

POSTAL ADDRESS: .....

STREET ADDRESS :

.....  
.....

TELEPHONE: AREA CODE: ..... NUMBER.....

FACSIMILE: AREA CODE: ..... NUMBER.....

E-MAIL ADDRESS (IF AVAILABLE):

.....

NAME OF CONTACT PERSON: .....

CELL PHONE NUMBER OF CONTACT PERSON.....

Has a valid original tax clearance certificate been submitted YES / NO

Income Tax Number .....

Name of taxpayer .....

Identity number of taxpayer (if applicable) .....

Employer's PAYE registration number (if applicable) .....

Has a valid original B-BBEE Verification Certificate submitted YES/NO

Is a CIDB certificate enclosed? YES / NO / **NOT APPLICABLE**

Company or CC Registration No .....

Are you the accredited representative in South Africa for the goods / services offered by you? YES / NO / NOT APPLICABLE

**DELIVERY BASIS:**

Is the delivery period firm?	YES / NO
Period required for delivery after receipt of order (days)	
Is the price (inclusive of VAT) firm?	YES / NO
Discount offered:	Conditional/Unconditional
If conditional, state condition:	
Is offer strictly to specification/terms of reference	YES / NO
If not to specification/terms of reference. Please state deviation(s) if any: ..... .....	

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative:.....
  - 2.2 Identity Number: .....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....
  - 2.4 Company Registration Number: .....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed : .....

Position occupied in the state institution: .....

Any other particulars: .....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....

.....

.....

2.10 Are you, or any person connected with the bidder, **YES/NO**  
 aware of any relationship (family, friend, other) between  
 any other bidder and any person employed by the state  
 who may be involved with the evaluation and or adjudication  
 of this bid?

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members **YES/NO**  
 of the company have any interest in any other related companies  
 whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

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

### 3 Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Tax Reference Number	State Number / Employee Peral Number

### 4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.  
 I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE  
 GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder

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.

## **1. BID SUBMISSIONS 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](mailto: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.....

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

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

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

### 1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or
- 1.3 Points for this bid shall be awarded for:
- (a) Price; and
  - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	80
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2.**

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

### 3.

### 3.1

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

**80/20**

or

**90/10**

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

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

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

#### 5. BID DECLARATION

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

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

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

#### 7. SUB-CONTRACTING

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

(***Tick applicable box***)

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

- 7.1.1 If yes, indicate:

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

(***Tick applicable box***)

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

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

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

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

8.1 Name of company/firm.....

8.2 VAT registration number.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

WITNESSES

- 1. ....
- 2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....  
ADDRESS .....  
.....  
.....

### DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b> The Database of Restricted Suppliers now resides on the National Treasury's website ( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors 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)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....**

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND  
CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN  
AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_

(Name of Bidder)

that:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;

- (b) geographical area where product or service will be rendered (market allocation)
- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit, a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
- (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.
10. 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.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

## CONTRACT FORM - RENDERING OF SERVICES

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

### PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

#### WITNESSES

1 .....

2 .....

**CONTRACT FORM - RENDERING OF SERVICES****PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference number .....dated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE: .....