



NEC3 Professional Services Contract (PSC3)

Contract between **ESKOM ROTTEK INDUSTRIES SOC LIMITED**
(Reg No. 1990/006897/30)

and [Insert at award stage]
(Reg No. _____)

**PROVISION OF PROFESSIONAL SALARY, PACKAGE
AND BENEFITS BENCHMARKING SERVICES ON AN “AS
AND WHEN REQUIRED” BASIS TO ESKOM ROTTEK
INDUSTRIES SOC LIMITED.**

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CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Document reference	Title	No of pages
C1.1	Form of Offer & Acceptance [to be inserted from Returnable Documents at award stage]	[•]
C1.2a	Contract Data provided by the <i>Employer</i>	[•]
C1.2b	Contract Data provided by the <i>Consultant</i> [to be inserted from Returnable Documents at award stage]	[•] [•]

C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.

The tenderer, identified in the Offer signature block, has

<i>either</i>	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
<i>or</i>	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Consultant* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

The offered total of the Prices exclusive of VAT is	R
Value Added Tax @ 15% is	
The offered total of the Prices inclusive of VAT is	
(in words)	

This Offer may be accepted by the *Employer* by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Consultant* in the *conditions of contract* identified in the Contract Data.

Signature(s)			
Name(s)			
Capacity			
For the tenderer:			
Name & signature of witness	(Insert name and address of organisation)	Date	

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Consultant the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: The Scope

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)			
Name(s)			
Capacity			
for the Employer			
Name & signature of witness		Date	

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rottek Industries SOC Limited for a period of three (3) years.

Schedule of Deviations

None

	For the tenderer:		For the Employer
Signature			
Name			
Capacity			
On behalf of			
Name & signature of witness			
Date			

C1.2a PSC3 Contract Data

Part one - Data provided by the *Employer*

Completion of the data in full, according to the Options chosen, is essential to create a complete contract.

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
		G: Term Contract
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	X1: Price Adjustment for Inflation
		X2: Changes in the law
		X7: Delay damages
		X9: Transfer of rights
		X10: Employer's Agent
		X11: Termination by the <i>Employer</i>
		X18: Limitation of liability
		X20: Key Performance Indicators
		Z: Additional conditions of contract

	of the NEC3 Professional Services Contract (June 2005) ¹ with amendments June 2006	
10.1	The <i>Employer</i> is (Name):	Eskom Rotek Industries SOC Limited (reg no: 1990/006897/30), a juristic person incorporated in terms of the company laws of the Republic of South Africa
	Address	Eskom Rotek Industries SOC Ltd, Lower Germiston Road, Rosherville, Johannesburg, 2094
	Tel No.	+27 11 629 8000
	Fax No.	
11.2(9)	The <i>services</i> are	Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.
11.2(10)	The following matters will be included in the Risk Register	To be recorded as and when it occurs
11.2(11)	The Scope is in	Part 3: Scope of Work
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	01 week
13.6	The <i>period for retention</i> is	N/A
2	The Parties' main responsibilities	
25.2	The <i>Employer</i> provides access to the following persons, places and things	As per the Task Order
3	Time	
31.2	The <i>starting date</i> is.	
11.2(3)	The <i>completion date</i> for the whole of the <i>services</i> is.	
31.1	The <i>Consultant</i> is to submit a first programme for acceptance within	2 weeks of the Contract Date.
32.2	The <i>Consultant</i> submits revised programmes at intervals not longer than	1 week.
4	Quality	
40.2	The quality policy statement and quality plan are provided within	As per Task Order

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

42.2	The <i>defects date</i> is	1 year after Completion of the whole of the <i>services</i> .	
5	Payment		
50.1	The <i>assessment interval</i> is	between the [30 th] day of each successive month.	
50.3	The <i>expenses</i> stated by the <i>Employer</i> are	Refer to schedule of prices/price list	
51.1	The period within which payments are made is	30 Days after receipt of valid Tax invoice	
51.2	The <i>currency of this contract</i> is the	South African Rand	
51.5	The <i>interest rate</i> is	<p>(i) zero percent above the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and</p> <p>(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption “Money Rates” in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.</p>	
6	Compensation events	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.	

7	Rights to material	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.	
8	Indemnity, insurance and liability		
81.1	The amounts of insurance and the periods for which the <i>Consultant</i> maintains insurance are		
	Event	Cover	Period following Completion of the whole of the services or earlier termination
	Liability for failure by the <i>Consultant</i> to use the skill and care normally used by professionals providing services similar to the <i>services</i>	Whatever the <i>Consultant</i> deems necessary in respect of each claim, without limit to the number of claims	See Notes to Consultants in Annexure A
	death of or bodily injury to a person (not an employee of the <i>Consultant</i>) or loss of or damage to property arising from or in connection with the <i>Consultant's</i> Providing the Services.	Whatever the <i>Consultant</i> deems necessary for any occurrence or series of occurrences arising out of one event without limit to the number of claims.	See Notes to Consultants in Annexure A
	death of or bodily injury to employees of the <i>Consultant</i> arising out of and in the course of their employment in connection with this contract	The amount of the cover, without derogating from or limiting the <i>Consultant's</i> liability to the Employer or any other Party shall be determined by the <i>Consultant</i> . Although this amount is at the discretion of the <i>Consultant</i> , the Employer recommends that the Limit of the Cover should at least be R20,000,000.00 (twenty million Rand)	As <i>Consultant</i> deems necessary
81.1	The <i>Employer</i> provides the following insurances	Refer to Annexure A for details of insurance provided by the <i>Employer</i> .	

82.1	The <i>Consultant's</i> total liability to the <i>Employer</i> for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	The total of the Prices
	The <i>Consultant</i> provides these additional insurances.	Professional Indemnity
	1 Insurance against:	Whatever the <i>Consultant</i> deems necessary including cover provided for payment of deductibles
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
G	Term Contract	
21.3	The <i>Consultant</i> prepares forecasts of the total of the <i>expenses</i> at intervals of no longer than	4 weeks.
50.4	The <i>exchange rates</i> are those published in	N/A
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is (Name)	The person selected from the ICE-SA Division (or its successor body) of Adjudicators by the party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>adjudicator nominating body</i> is:	the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering or its successor body. (See www.jointcivils.co.za).
W1.4(2)	The <i>tribunal</i> is:	Arbitrator appointed in terms of the Arbitration Foundation of Southern Africa (AFSA) rules
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	Republic of South Africa in Gauteng
	The person or organisation who will choose an arbitrator <ul style="list-style-type: none"> if the Parties cannot agree a choice or if the <i>arbitration procedure</i> does not state who selects an arbitrator, is 	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.

12	Data for secondary Option clauses	
X1	Price adjustment for inflation	
X1.1	The index is	CPI limited to 90% of the annual contract value
X2	Changes in the law	
X2.1	The law of the project is	South African Law
X7	Delay damages	
X7.1	Delay damages for late Completion of the whole of the <i>services</i> are	As per Task Order
X9	Transfer of rights	<i>Consultant</i> hereby grants to the <i>Employer</i> an irrevocable, nonexclusive, royalty-free license to utilise <i>Consultant's</i> intellectual property to the extent necessary for the construction, operation, maintenance, repair or alteration of its facilities or that of a third party.
X10	The <i>Employer's Agent</i>	
X10.1	The <i>Employer's Agent</i> is	
	Name:	
	Address	
	The authority of the <i>Employer's Agent</i> is	To carry out all the actions of the <i>Employer</i>
X11	Termination by the <i>Employer</i>	There is no reference to Contract Data in this Option and terms in italics used in this Option are identified elsewhere in this Contract Data.
X18	Limitation of liability	
X18.1	The <i>Consultant's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to:	R0.00 (Zero Rand)
X18.2	The <i>Consultant's</i> liability to the <i>Employer</i> for Defects that are not found until after the <i>defects date</i> is limited to:	The total of the Prices
X18.3	The <i>end of liability date</i> is	three years after Completion of the whole of the <i>services</i>.
X20	Key Performance Indicators	
X20.1	The Incentive schedule for Key Performance Indicators is in	As per Task Order
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	Monthly

Z	The <i>Additional conditions of contract</i> are	Z1 to Z11 always apply.
Z1	Cession delegation and assignment	
Z1.1	The <i>Consultant</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Consultant</i> cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.	
Z2	Joint ventures	
Z2.1	If the <i>Consultant</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the <i>Employer</i> for the performance of this contract.	
Z2.2	Unless already notified to the <i>Employer</i> , the persons or organisations notify the <i>Employer</i> within two weeks of the Contract Date of the key person who has the authority to bind the <i>Consultant</i> on their behalf.	
Z2.3	The <i>Consultant</i> does not substantially alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the <i>Employer</i> having been given to the <i>Consultant</i> in writing.	
Z3	Change of Broad Based Black Economic Empowerment (B-BBEE) status	
Z3.1	Where a change in the <i>Consultant's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Consultant's</i> B-BBEE status, the <i>Consultant</i> notifies the <i>Employer</i> within seven days of the change.	
Z3.2	The <i>Consultant</i> is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the <i>Employer</i> within thirty days of the notification or as otherwise instructed by the <i>Employer</i> .	
Z3.3	Where, as a result, the <i>Consultant's</i> B-BBEE status has decreased since the Contract Date the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Consultant's</i> obligation to Provide the Services.	
Z3.4	Failure by the <i>Consultant</i> to notify the <i>Employer</i> of a change in its B-BBEE status may constitute a reason for termination. If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the <i>Employer</i> of completing the whole of the <i>services</i> in addition to the amounts due in terms of core clause 92.1.	
Z4	Ethics	
Z4.1	Any offer, payment, consideration, or benefit of any kind made by the <i>Consultant</i> which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the <i>Consultant's</i> obligation to Provide the Services or taking any other action as appropriate against the <i>Consultant</i> (including civil or criminal action).	
Z4.2	The <i>Employer</i> may terminate the <i>Consultant's</i> obligation to Provide the Services if the <i>Consultant</i> (or any member of the <i>Consultant</i> where the <i>Consultant</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.	

	Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the <i>Employer</i> or other people or organisations and including in circumstances where the <i>Consultant</i> or any such member is removed from the an approved vendor data base of the <i>Employer</i> as a consequence of such practice.
Z4.3	If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the <i>Employer</i> of completing the whole of the <i>services</i> in addition to the amounts due in terms of core clause 92.1.
Z5	Confidentiality
Z5.1	The <i>Consultant</i> does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the <i>Consultant</i> , enters the public domain or to information which was already in the possession of the <i>Consultant</i> at the time of disclosure (evidenced by written records in existence at that time). Should the <i>Consultant</i> disclose information to Others in terms of clause 23.1, the <i>Consultant</i> ensures that the provisions of this clause are complied with by the recipient.
Z5.2	If the <i>Consultant</i> is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the <i>Employer</i> .
Z5.3	In the event that the <i>Consultant</i> is, at any time, required by law to disclose any such information which is required to be kept confidential, the <i>Consultant</i> , to the extent permitted by law prior to disclosure, notifies the <i>Employer</i> so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the <i>Consultant</i> may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
Z5.4	The taking of images (whether photographs, video footage or otherwise) of the <i>Employer's</i> project works or any portion thereof, in the course of Providing the Services and after Completion, requires the prior written consent of the <i>Employer</i> . All rights in and to all such images vests exclusively in the <i>Employer</i> .
Z6	Waiver and estoppel: Add to core clause 12.3:
Z6.1	Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, or the <i>Adjudicator</i> does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.
Z7	Provision of a Tax Invoice. Add to core clause 51
Z7.1	The <i>Consultant</i> (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the <i>Employer's</i> VAT number 4740101508 on each invoice he submits for payment.
Z8	Notifying compensation events
Z8.1	Delete from the last sentence in core clause 61.3, “unless the <i>Employer</i> should have notified the event to the <i>Consultant</i> but did not”.
Z9	<i>Employer's</i> limitation of liability
Z9.1	The <i>Employer's</i> liability to the <i>Consultant</i> for the <i>Consultant's</i> indirect or consequential

	loss is limited to R0.00 (zero Rand)
Z10	Termination: Add to core clause 90.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":
Z10.1	or had a judicial management order granted against it.
Z11	Delay damages: Addition to secondary Option X7 Delay damages (if applicable in this contract)
Z11.1	If the <i>Consultant's</i> payment of delay damages reaches the limits stated in this Contract Data for Option X7 or Options X5 and X7 used together, the <i>Employer</i> may terminate the <i>Consultant's</i> obligation to Provide the Services.
Z11.2	If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the <i>Employer</i> of completing the whole of the <i>services</i> in addition to the amounts due in terms of core clause 92.1.
Z12	Transfer of Skills
	<p>The <i>Consultant</i>, within the Task Order execution period or part thereof, may be required from time to time and depending on the nature of the task to actively train candidate learners.</p> <p>The Skills transfer process may take place in the Consultant's offices, the <i>Employer's</i> offices or on site, as agreed with <i>the Employer</i>. During this period, the candidate will remain in the employ of the <i>Employer</i> or as otherwise agreed. The <i>Consultant</i> has the right to refuse a candidate in the event that the identified candidate is not qualified, committed, or for any other legitimate reason. The training program will be put in place by the <i>Employer</i>. The cost of the training shall be borne by the Employer.</p>

Annexure A: Notes to Consultants

This is guidance to Consultants to assist their decision making about what cover to arrange in the insurance to be provided by the Consultant. The guidance is not part of the contract and the Employer carries no liability for it.

1. For the purpose of works contracts, insurance provided by Eskom (the *Employer*) has been arranged on the basis of “project” or “contract” value, where the value is the total of the Prices at Completion of the whole of the works including VAT.

A “project” is a collection of contracts or work packages to be undertaken as part of a single identified capital expansion or refurbishment of a particular asset or facility.

A “contract” is a single contract not linked to or being part of a “project”.

2. There are three main “formats” of cover and deductible structure; Format A, Format B and Format Dx.

Format A is for a project or contract value less than or equal to R350M (three hundred and fifty million Rand) inclusive of VAT.

Format B is for a project or contract value greater than R350M (three hundred and fifty million Rand) inclusive of VAT.

In the case of contracts / packages within a project:

- For a contract / package of R50M which is part of a R400M project, Format B will apply
- For a contract / package of R250M which is part of a R6 billion project, Format B will apply;
- For a contract / package of R120M which is part of a R350M project Format A will apply;

For a contract which is not part of a project the same limits apply:

- For a contract of R50M, Format A will apply
- For a contract of R355M, Format B will apply.

Format Dx applies only to Distribution Division projects and contracts. If a Distribution Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover. Cover and deductibles for Distribution Division are per the relevant policy available on the internet web link given below.

Format A generally applies to Transmission Division projects and contracts. If a Transmission Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover.

3. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

http://www.eskom.co.za/live/content.php?Item_ID=9248

4. The Insurance which the *Consultant* is to provide against his liability for claims made against him arising out of his failure to use reasonable skill and care (first row in the Insurance Table of clause 81.1 in the PSC3) should also indemnify the *Consultant* for those sums which he could become legally liable to pay as damages arising from any claim first made against him and reported to Insurers some time after Completion of the whole of the *services*. Hence the *Consultant* needs to ensure that his cover is in place at least until all his liabilities under the

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.

contract have expired. Such claims could arise out of any negligent act, error or omission committed or alleged to have been committed by the *Consultant* in the conduct of professional services in connection with the contract.

Annexure B: The *Employer's* Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the Eskom Panel of Adjudicators. Their CV's may be obtained by using the contact details provided.

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecsconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected *Adjudicator* is available from Eskom Supply Chain Operations management, by contacting Leighton.ltholeng 011 800 4031 or [Leighton.ltholeng@eskom.co.za]

C1.2b Contract Data

Part two - Data provided by the *Consultant*

Clause	Statement	Data	
10.1	The <i>Consultant</i> is (Name): Address Tel No. Fax No.		
22.1	The <i>key people</i> are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job Responsibilities: Qualifications: Experience:		
Only if required		CV's (and further <i>key persons</i> data including CVs) are appended to Tender Schedule entitled .	
11.2(3)	The <i>completion date</i> for the whole of the <i>services</i> is	36 Months from the contract start date	
11.2(10)	The following matters will be included in the Risk Register	As agreed between the <i>Employer's Agent</i> and the <i>Consultant</i>	
11.2(13)	The <i>staff rates</i> are:	See Part C2.2	
	Either complete here or cross refer to a schedule in Part C2.2		
25.2	The <i>Employer</i> provides access to the following persons, places and things	access to	access date

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.

		1	ERI Sites/Offices	Contract Duration
31.1	The programme identified in the Contract Data is	As required and stated in the Task Order		
50.3	The <i>expenses</i> stated by the <i>Consultant</i> are	As per the price schedule		

G	Term contract
11.2(25)	The task schedule is in part C2.2

PART 2: PRICING DATA

PSC3 Option G

Document reference	Title	No of pages
C2.1	Pricing instructions: Option G	[•]
C2.2	Staff rates, expenses.	[•]

C2.1 Pricing instructions: Option G

1. The *conditions of contract*

1.1 How work is priced and assessed for payment

From Option G: Term contract

Identified and defined terms	11	
	11.2	(17) The Price for Services Provided to Date is, for each Task, the total of <ul style="list-style-type: none"> the Time Charge for work which has been completed on time based items on the Task Schedule and a proportion of the lump sum price for each other item on the Task Schedule which is the proportion of work completed on that item.
		(20) The Prices are <ul style="list-style-type: none"> the Time Charge for items described as time based on the Task Schedule and the lump sum price in the Task Schedule for each other item.

From the Core Clauses:

Identified and defined terms	11.2	(13) The Time Charge is the sum of the products of each of the <i>staff rates</i> multiplied by the total staff time appropriate to that rate properly spent on work in this contract.
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and

Assessing the amount due	50.3	The amount due is <ul style="list-style-type: none"> the Price for Services Provided to Date, the amount of the <i>expenses</i> properly spent by the <i>Consultant</i> in Providing the Services and other amounts to be paid to the <i>Consultant</i> less amounts to be paid by or retained from the <i>Consultant</i>. <p>Any tax which the law requires the <i>Employer</i> to pay to the <i>Consultant</i> is included in the amount due.</p>
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In effect Option G is a cost reimbursable form of contract with work ordered by the *Employer* on a Task by Task basis using the Task Schedule to compile the cost of carrying out a Task.

Expenses are calculated separately and added to the amount due for the services provided.

1.2. Staff rates and expenses

Rate adjustments for inflation are based adjustments by using Option X1: Price adjustment for inflation.

Expenses associated with employing a staff member in providing the Services are listed separately.

As only the *expenses* listed may be claimed by the *Consultant*, all other cost to the *Consultant* associated with providing the Services are included within the *staff* rates.

1.3. The function of the Task Schedule

The Task Schedule may include items of work to be paid for on a rate (Time Charge) or on a lump sum price for the item. Any work ordered during the term of the contract – i. e. before the Completion Date – for which there is no priced item in the Task Schedule is priced using the compensation event procedure and the resulting Price is added into the Price List.

The *task schedule* is prepared by the *Employer* for the *Consultant* to price or may be prepared jointly with the *Consultant*. It is typically priced in two parts as items of work to be carried out on a time basis and lump sum prices for other items of work. The task schedule must be as complete as possible and fully representative of all the work and *services* which the *Employer* may require the *Consultant* to carry out. The only unknown is when the work is to be carried out; the Task Order will be used to instruct when work to be done.

C2.2 Staff rates, expenses & the task schedule

Annexure X: Pricing Schedule — Salary Survey & Remuneration Benchmarking Services (ERI)

All prices must be quoted in ZAR, inclusive of VAT (15%). Prices firm for Year 1; state Year 2–3 escalation in Assumptions.

Section	Item No.	Description	Unit	Qty	Rate (ZAR)	Line Total (ZAR)	Notes
A. Initiation & Setup							
A.	A1	Project initiation & mobilization (kick-off, governance, project plan)	Lot	1		0	Include stakeholder mapping & detailed workplan
A.	A2	Data model setup & ERI job architecture mapping	Hour	40		0	Map ERI job families to survey taxonomy
A.	A3	Comparator basket design (public & relevant private sector)	Workshop	2		0	Criteria: size, industry, region
A.	A4	Baseline survey acquisition/licensing (initial dataset)	Lot	1		0	Current market data pack
B. Platform Access (Licences & Hosting)							
B.	B1	Named user licences – Analyst	User/Year	5		0	Full analytics & export rights
B.	B2	Named user licences – Viewer	User/Year	15		0	Read-only dashboards
B.	B3	Platform hosting & support (incl. maintenance & security)	Year	1		0	Yearly; replicate to Years 2–3 in Roll-Up
C. Bi-Annual Survey Updates							
C.	C1	Market survey refresh – H1	Update	1		0	Includes QA & methodology note
C.	C2	Market survey refresh – H2	Update	1		0	Same scope as H1
C.	C3	Data ingestion & dashboard refresh	Cycle	2		0	Applied to ERI structure
D. Training of ERI HR Officials							
D.	D1	System user training (platform navigation, exports)	Session (≤12 pax)	2		0	Virtual or on-site
D.	D2	Interpreting survey results (percentiles, compa-ratios, pay mix)	Session (≤12 pax)	2		0	Includes materials
D.	D3	Custom learning materials & job aids	Pack	1		0	PDFs, cheat-sheets, recordings
E. Benchmarking & Analytics Deliverables							
E.	E1	Remuneration benchmarking report (P10/P25/Median/P75/P90)	Report	2		0	Bi-annual; includes narrative insights
E.	E2	Benefits & allowances benchmarking (incl. shift, severance)	Report	2		0	Bi-annual
E.	E3	Job matching & equivalency mapping (ERI vs external)	Role	100		0	Expandable by rate card
E.	E4	Comparator analysis and TGP/CTC pay mix diagnostics	Pack	2		0	Dashboards + slides
E.	E5	Trend & forecast memo (anticipated increases; public sector lens)	Memo	2		0	Short advisory write-up
F. Advisory & Governance Support							
F.	F1	Advisory days (on-demand)	Day	10		0	Pay strategy, benefits design, policy
F.	F2	Governance & approval support (EXCO/Board pack inputs)	Day	5		0	Review decks, Q&A prep

Category	Year 1 (ZAR)	Year 2 (ZAR)	Year 3 (ZAR)	3-Year Total (ZAR)
A. Initiation & Setup				
B. Platform Licences & Hosting				
C. Bi-Annual Updates				
D. Training				
E. Benchmarking & Analytics				
F. Advisory				
G. Optional (if applicable)				
Subtotal (ex-VAT)				
VAT @ 15%				
Total (incl. VAT)				

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
C3.1	This cover page <i>Employer's Scope</i>	1
	Total number of pages	

C3. SCOPE

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.

The purpose of this request is to acquire the services of a supplier or suppliers to provide salary, Package and benefits benchmarking services for ERI over a period of 3 years.

The salary and benefits benchmarking supplier will provide services including salary and benefits benchmarking nationally, provincially and within specific regions where ERI operates, taking the industry and environment that ERI operates in into account.

ERI promotes the concept of “best value” in the award of contracts, as opposed to merely looking for the cheapest price, which does not necessarily provide the best value.

Best value incorporates the expertise, experience and technical proposal of the organization and individuals who will be providing their services to the organization.

Please note that ERI has sites located nationally.

Service providers must be able to provide services at reasonable times, and any limitations that may arise due to one of these locations must be clearly stated in the proposal.

Salary and benefits benchmarking for specific skills and jobs, as well as across occupational categories is required.

The bidder will provide a service which match and compares salaries and benefits with the market nationally and must be available to consult and make recommendations to the Organization as and when required.

These recommendations will be considered to inform decisions regarding the salaries and benefits, as well as the remuneration and rewards offerings.

REQUIREMENTS FROM SERVICE PROVIDER

- To be able to initiate a salary survey that will benchmark ERI against similar organizations.
- To provide access to a web-based platform containing current market salary and benefits information against which ERI can draw comparisons as and when required.
- Updates of salary and benefits survey data to be supplied to ERI bi-annually.
- To ensure the training of ERI Human Resources Officials to use the online survey and the interpretation of the survey results.

SPECIFICATIONS

- Benchmarking of remuneration and incentive practices, such as benefits, rewards/incentives (cash and non-cash), severance pay practice and shift allowance, to the market and other relevant organizations and industries.
- Provide bi-annual benefits and remuneration survey.
- Benchmark the remuneration strategy and practices of ERI with comparator organizations.
- Provide salary and benefits reports that include pay across different percentiles and highlight the common experience, skills, and education in the market to be paid at those percentiles.

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.

- Compare ERI job descriptions with external job descriptions to ensure alignment and fairness when evaluating salaries and benefits between ERI, other organizations and the market.
- Take relevant criteria into account when comparing salaries and benefits including but not limited to location, company size, education requirements, industry, and years of experience.
- Advise ERI on the best practice and latest trends on salaries and benefits offerings together with anticipated increases and general information on salaries in the market.
- Advise ERI on appropriate benefits for all occupational levels within the public sector.
- Provide one-on-one sessions for survey results interpretation and feedback report as required.
- Provide web-based platform containing current market salary and benefits information.
- Provide benchmarking services for every position as required by ERI.
- Provide a separate Executive benchmarking Survey.
- Provide detailed remuneration data for all levels.
- Provide ERI with annual subscription for online service and indicate annual license fees.
- Provide any other type of benefits and remuneration reports as and when required.

Constraints on how the *Consultant* Provides the Services.

Management meetings

Regular meetings of a general nature may be convened and chaired by the *Employer's Agent* from time to time.

Meetings of a specialist nature may be convened at times and locations to suit the Parties.

Records of these meetings shall be submitted to the *Employer's Agent* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

Documentation control

Identification and communication

The Task Order will, where applicable, specify how documentation should be identified.

Invoicing

The following details and information shall be shown on or attached to each Invoice to show how the amount due has been assessed:

- Name and address of the *Consultant* and the *Employer's Agent*.
- The contract number and title.
- *Consultant's* VAT registration number.
- The *Employer's* VAT registration number 4740101508,
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.

Quality management

System requirements

The *Consultant* operate a quality management system as stated in the Scope and in the Task Order

Health and safety

The *Consultant* shall at all times comply with the health and safety requirements prescribed by law as they may apply to the services and to the health and safety requirements applicable at any of the *Employer's* sites.

Working on the *Employer's* property

***Employer's* entry and security control, permits, and site regulations**

The *Consultant* shall comply with all the *Employer's* site entry requirements and obtain at his cost all the necessary permits.

Provision of professional Salary, Package and Benefits benchmarking services on an “as and when required” basis to Eskom Rotek Industries SOC Limited for a period of three (3) years.

People restrictions, hours of work, conduct and records

The *Consultant* keeps detailed records of his people working on the *Employer's* property, including those of his *Sub Consultants*. The *Employer's Agent* shall have access to these records at any time.