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TERMS OF REFERENCE

**SCMU11-23/24-045: MTHATHA – MAYDENE FARM 969
(482) SUBS RECTIFICATION PROJECT: APPOINTMENT OF
A TURNKEY CONTRACTOR FOR RECTIFICATION OF 482
UNITS AT KING SABATHA DALINDYEBO LOCAL
MUNICIPALITY IN OR TAMBO REGION**

COMPILED FOR:

Eastern Cape Department of
Human Settlements
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CONTENTS

PAGE

1. BACKGROUND	1
2. PROJECT LOCATION	1
3. PROJECT DESCRIPTION	2
4. SCOPE OF WORKS.....	3
5. MINIMUM SPECIFICATIONS	7
6. PROJECT DELIVERABLES	9
7. PROPOSAL FORMAT.....	9
8. PRICE GUIDELINES AND PAYMENT MILESTONES	15
9. EVALUATION CRITERIA.....	18
10. OBJECTIVE CRITERIA.....	30
11. LEGALITIES OF CONTRACT AND TENDER RULES.....	34
12. DOCUMENTS TO BE SUBMITTED	35
13. DURATION OF THE PROJECT.....	35
14. RETURNABLE SCHEDULES	36
15. COLLECTION OF BID DOCUMENTS.....	36
16. SUBMISSION OF BID PROPOSALS	36
17. BID VALIDITY	37
18. COMPULSORY BRIEFING	37
19. CLOSING DATE	38
20. CONTACT DETAILS ON TERMS OF REFERENCE.....	38
21. FINAL SUMMARY AND FORM OF OFFER	39
22. ANNEXURE A.....	41
23. ANNEXURE B:	43

LIST OF TABLES

Table 1: Project Details	2
Table 2: Project Information	2
Table 3: Housing Typologies	3
Table 4: Average Construction Rate for 40m2 house.....	9
Table 5 : Bill of quantities for construction of a 40m2 house	11
Table 6: Bill of quantities for construction of 45m2 house	13
Table 7: Bill of quantities for construction of 50m2 house	14
Table 8: Payment Milestones.....	15
Table 9. RATES ONLY	16
Table 10 : Payment Milestones.....	17
Table 11 : Stages of Evaluations of Bidders	18
Table 12: Administrative compliance.....	19
Table 13: Functionality criteria for construction portion	21
Table 14: List of professionals to be considered for evaluation.	25
Table 15: Functionality criteria for Professional team.....	25
Table 16: Specific goals allocated points	28
Table 17: Document that must be submitted for risk analysis	31
Table 18: Risk assessment scorecard	33
Table 19: Duration of the project.....	36
Table 20: Final Summary and Form of Offer	39

LIST OF ACRONYMS

ECDHS	Eastern Cape Department of Human Settlement
RDP	Reconstruction Development Program
BOQ	Bill of Quantities
VIP	Ventilated Improved Pit
RWG	Rainwater Goods
COC	Certificate of Compliance
FURs	Final Unit Report
EPWP	Expanded Public Works Program
DTI	Department of Trade and Industry
NHBRC	National Home Builders Regulation Council
GPS	Global Positioning System
SABS	South African Bureau of Standards
SANS	South African National Standards
JBCC	Joint Building Contracts Committee
JCC	Joint Contracts committee
VAT	Value Added Tax
EME	Exempted micro enterprise
QSE	Qualifying small enterprise
SBD	Standard Bidding Document
ECSA	Engineering Council of South Africa
DPSA	Department of Public Service and Administration
SLA	Service Level Agreement
CSD	Central Supplier Database

1. BACKGROUND

The Department is engaged in an effort to improve and accelerate delivery of houses for low-income earners in the Province and to fast track the implementation of these projects. The Department is calling on suitable contractors and developers with high performing capacity to undertake housing development and other project related activities to assist in the rectification and completion of Mthatha – Maydene Farm 969 (482 units) project in the King Sabatha Dalindyebo local municipality. The project will follow the 3 phases as below;

- 1.1 Inception,
- 1.2 Planning & Design and
- 1.3 Implementation.

Detailed information on the phases of the project is put on the content of this document. The project total scope is 969 (482 units), the contractor will be appointed for 482 housing units in wards 9 under KSD Local Municipality in OR Tambo region.

2. PROJECT LOCATION

The project area is located on the southern side of Mthatha town within the urban space of the town. The area is easily accessible entirely, there no challenges of access as all roads are surfaced. The location has surfaced access roads making it easy to drive around. The project co-ordinates for the location are **31.35'07.1S & 28.47'43.1E**

3. PROJECT DESCRIPTION

Table 1: Project Details

LOCAL MUNICIPALITY	TOWN	WARD	DISTRICT MUNICIPALITY	BENEFICIARIES	WATER & SEWER ERF CONNECTIONS	NO. OF HOUSES
King Sabatha Dalindyebo	Mthatha	9	O R Tambo	482	482	482
Total				482	482	482

Table 2: Project Information

NO.	DESCRIPTION	STATUS	COMMENT
1.	Number of approved beneficiaries	Done	Beneficiary list will be supplied to the successful bidder including the 482 that were not rectified.
2.	Environmental Impact Assessment	Outstanding	To be done by the successful bidder
3.	Geo-technical Investigation	Outstanding	To be reviewed and adopted by the successful bidder
4.	House plan	Outstanding	To be reviewed and adopted by the successful bidder
5.	Foundation Design	Outstanding	To be reviewed and adopted by the successful bidder
6.	Sewer and water connections	Outstanding	To be done by the successful bidder
7.	Rainwater Goods (Gutters & Downpipes)	Outstanding	To be reviewed by the successful bidder
8.	Social facilitation	Outstanding	To be done by the successful bidder
9.	Construction Monitoring, supervision and certification	Outstanding	To be done by the successful bidder
10.	Occupational Health and Safety Specification	Outstanding	To be done by the successful bidder
11.	NHBRC Home Enrolment	Outstanding	To be reviewed and adopted by the successful bidder
12.	Global Positioning System (GPS) – Co-ordinates for each beneficiary stand	Outstanding	To be reviewed and adopted by the successful bidder
13.	Demolish and cart away rubble	Outstanding	To be done by the successful bidder
14.	Construction (482)	Outstanding	To be done by the successful bidder
15.	Final account and Close out Report	Outstanding	To be done by the successful bidder

4. SCOPE OF WORKS

There will be one (1) contractor to be appointed for this project.

It must be noted that the Successful bidder may be instructed to rectify as per following house typologies: - It must be noted that the Successful bidder might be instructed to build a 45m² houses for a Disabled people or a 50 m² houses for Military Veterans when the need is identified (Specification for 45m² and 50m² to be provided later). The work is organized as follows:

Table 3: Housing Typologies

TPOLOGY	SIZE	NO. OF UNITS
1. Normal House	40 m ²	482
2. Disabled	45 m ²	-
3. Military Veteran	50m ²	-

4.1 PHASE ONE (1) – INCEPTION

This phase involves the assessing of the available information and getting familiar with the scope of work and the project area, identifying risks and constraints and devise plans to mitigate these.

A detailed project implementation plan including cash flow projections for the entire project as well as plans for stakeholder engagement and social facilitation will have to be prepared.

Although the beneficiary process has been done and the approved list is available in the Regional Office, there is still a need for physical verification of beneficiaries and provision of Geographical Projection System Co-ordinates.

The successful bidder will have to perform the following main tasks during this phase:

4.1.1 Review data provided by the Department and identify outstanding information required to be included in the project implementation plan.

4.1.2 Review the project scope and visit the site(s) to become familiar with all the details of the assignment and the possible geographical and

logistical challenges. Any risks to the project must be identified and mitigating measures devised;

- 4.1.3 A detailed quarterly cost analysis report (i.e showing original costs, current costs and variation orders (additions or omissions or savings) for labour, material and professional service provider costs and any other project costs) a process will run throughout the entire project quarterly.
- 4.1.4 Undertake project planning and prepare a detailed project implementation plan in MS Project detailing all activities until project closeout (including identifying risks and mitigation measures);
- 4.1.5 Although the beneficiary process has been done, there is still a need for physical verification on beneficiary registration/administration against Departmental Housing Subsidy System (HSS).
- 4.1.6 Stakeholder engagement through on-going interaction with Department, Local and District Municipality and public participation (through Social Facilitation).
- 4.1.7 Conduct social facilitation (a process will run throughout the entire project) which will include discussing and agreeing on top structure typologies with the beneficiaries
- 4.1.8 Project Cash Flow will have to be prepared and submitted with the Project Implementation Plan

4.2 PHASE TWO (2) – PLANNING AND DESIGN

This phase would involve the continuation of social facilitation, beneficiary verification/administration, obtaining EIA RODs, Obtain GPS - Co-ordinates for each beneficiary stand), review and adopt existing geotechnical investigations (submit soft and hard copies) phase 1 & 2, review and adopt existing house plan and foundation design, update NHBRC Home Enrolment and engineering designs (application for change of competent person and home builder)

The planning and design phase will address the following (it must be noted that some of these activities might not be required for this projects):

- 4.2.1 Conduct Environmental Impact Assessment.
- 4.2.2 Review and adopt Geotechnical Investigation Phase 1 & 2 (including Ground water Protocol investigation);
- 4.2.3 Review and adopt multiple house designs to urban needs and comply with Department's minimum requirements and standards;
- 4.2.4 Review and adopt existing foundation designs based on Geotechnical Conditions for NHBRC and Department's requirements;
- 4.2.5 Review and adopt existing engineering services designs for stormwater management to comply with the Department, NHBRC and Local Authority minimum requirements;
- 4.2.6 Prepare layout and site plan per erf;
- 4.2.7 Prepare and compile home enrolment documents and submit to Project Manager for NHBRC enrolment;
- 4.2.8 Preparation of monthly progress reports detailing progress, challenges and mitigating measures; and
- 4.2.9 Any other activity, not listed above, that may be required to render the project ready to commence construction.

4.2.9.1 Ensure compliance with environmental control and Occupational health and safety;

4.3 PHASE THREE (3) – IMPLEMENTATION

This phase will entail the rectification of the top structures, further social facilitation, contracts administration and inspection (including Principal Agents / Engineer duties), Construction Monitoring Level 3 (as per ECSA Scope of Works), Occupational Health & Safety and Environmental Management inclusive of the applicable monitoring agents and Close Out.

The successful bidder will be responsible for the following during this stage:

- 4.3.1 In cases where there is demolishing old existing structures including site clearance the Contractor will prepare for construction of a new house and carting away rubbles from site to the area identified for land fill;
- 4.3.2 De-connection and re-connection of electricity from old house to newly built house including application fees to Eskom;
- 4.3.3 Continuation with the social facilitation process;
- 4.3.4 Construction of forty square meter (**40m²**) top structures, 45m² unit for the disabled with ramp, grab rails where necessary;
- 4.3.5 Installation of sewer and water connections
- 4.3.6 Monthly progress reporting and EPWP reports;
- 4.3.7 Conduct fortnightly technical site meetings;
- 4.3.8 Contracts administration and inspection (including Engineer duties), Construction Monitoring Level 3 (as per ECSA Scope of Works), Occupational Health & Safety, Environmental Management duties.
- 4.3.9 Further engagement with NHBRC to obtain Final Unit Reports (FURs) for all completed units;
- 4.3.10 Provide completion certificates and facilitate obtaining of ("Happy Letters") for all completed units including Electrical Certificate of Compliance (CoC);
- 4.3.11 Handover of houses; and
- 4.3.12 Provide necessary reports on project completion for project close-out and commissioning

5. MINIMUM SPECIFICATIONS

5.1 GENERAL

- 5.1.1 All works to be carried out in compliance with the Department of Housing Generic Specifications (GFSH 1 to 11) and the Technical Guidelines as contained in the Housing Code and NHBRC Home Builders Manual OR / and Agre'ment South Africa Technical description;
- 5.1.2 All Department of Labour and Expanded Public Works Program (EPWP) requirements should be met;
- 5.1.3 All works to be done in compliance with the current Health & Safety Regulations and must also be done in compliance with all Environmental Legislation.
- 5.1.4 All relevant Local Authority requirements to be adhered to and relevant permission obtained

5.2 INFRASTRUCTURE

In addition to the above, the minimum requirements for infrastructure will be in accordance with the following:

- 5.2.1 Guidelines for Human Settlements Planning and Design Vol. 1 & 2 ("Redbook").
- 5.2.2 NHBRC Technical requirements and SANS 10400
- 5.2.3 Department of Housing Generic Specification, GFSH 08;

5.3 TOPSTRUCTURE

In addition to the specification already mentioned, the following are additional minimum requirements:

- 5.3.1.1 2015 revised National Building regulations; South African National Standards (SANS) 10400 XA Energy Usage in Buildings and therefore all work must comply with SANS 10400
- 5.3.1.2 All external doors must be SABS approved hardwood such as meranti frame ledged button doors or similar approved doors;

- 5.3.1.3 All door locks must be SABS approved with a minimum of five-year guarantee;
- 5.3.1.4 SABS approved roof trusses to be used and Roof Covering to be cement roof tiles
- 5.3.1.5 Smaller size windows and special low E clear and E opaque safety glass for all window types as prescribed
- 5.3.1.6 Concrete aprons to be provided on all 4 sides with a minimum width of 1000mm including storm water management precautionary measures (as per NHBRC project enrolment requirement);
- 5.3.1.7 Fascia and barge boards and gutters with pipe work;
- 5.3.1.8 House to be plastered and painted both internally and externally;
- 5.3.1.9 Installation of a ceiling with the prescribed air gap for the entire dwelling;
- 5.3.1.10 Installation of above ceiling insulation comprising a 130mm mineral Fiber glass blanket for the entire house; and
- 5.3.1.11 Installation of a pre-paid meter with distribution board including plugs and lights to all living areas of the house including disconnection and reconnection of electricity.
- 5.3.1.12 Installation of a shower unit in the bathroom with proper drainage (plumbing for the bathroom, kitchen and outside tap) in place
- 5.3.1.13 Installation of a toilet pan with a water cistern
- 5.3.1.14 Installation of a wash hand basin
- 5.3.1.15 Sewer and water connection
- 5.3.1.16 One work surface to be provided in the kitchen area (minimum length 1m, height 1m and width of 0,5m)

5.3.1.17 Installation of 6,4mm Fiber cement plasterboard ceiling including 80mm thick mineral wool insulation

5.3.1.18 House numbering

5.3.1.19 A carport, fencing, floor and wall tiling, 2 plate hob and joinery in case of a Military Veteran house identified

6. PROJECT DELIVERABLES

The scope of works clearly describes the extent of what is expected from the Successful bidder. Project deliverables can be summarized as follows:

6.1 Completing all Inception, Planning and Design activities as described in the scope of works, to render the project ready for construction and

6.2 Completing the installation of sewer and water connections and top structures as described in the scope of works, including providing FURs, CoCs and "Happy Letters"

7. PROPOSAL FORMAT

All respondents must submit (one) 1 sealed envelope of their proposals to fulfill the project deliverables described above:

7.1 ENVELOPE is to contain copies of documents in a form of **Technical and Financial Proposals**.

7.2 FINANCIAL SCHEDULE OF RATES

The Average Construction Rate is firm and fixed for duration of contract as per table 4 below, including total fees and expenses (**VAT zero rated**), to complete the project.

Table 4: Average Construction Rate for 40m² house

HOUSE TYPOLOGIES	SIZE	NO. OF UNITS	AVERAGE CONSTRUCTION PER UNIT
1. Normal House	40 m ²	482	R 180 000.00

NB: Average construction rate as per above include all extra ordinary site conditions

The Financial Proposal provided shall specify and state a firm and fixed price, including total fees and expenses (VAT zero rated), in order to complete the project.

Table 5 : Bill of quantities for construction of a 40m2 house

NO	ITEM	UNIT	QTY	RATE	TOTAL AMOUNT
1.	INCEPTION				
1.1.	Risk report & mitigation measures	NO.	1		
1.2.	Implementation Plan & Cash flow projections	NO.	1		
1.3.	Beneficiary Verification	NO.	1		
1.4.	Social facilitation	NO.	1		
1.5.	Assessment of available information	NO.	1		
1.6.	Quarterly Cost Analysis Report	NO.	1		
SUB TOTAL				R	R
2.	PLANNING AND DESIGN				
2.1.	Environmental Impact Assessment	NO.	1		RATE ONLY
2.2.	Review and adopt Geotechnical Investigation Phase 1& 2	NO.	1		
2.3.	Adopt and submit Project and Home enrolment with NHBRC	NO.	1		
2.4.	Review and adopt GPS Co-ordinates	NO.	1		
2.5.	Review and adopt House plan Design with electrical layout	NO.	1		
2.6.	Prepare layout and site plan per erf	NO.	1		
2.7.	Review and adopt foundation design	NO.	1		
2.8.	Prepare water and sewer designs and connections per erf	NO.	1		
SUB TOTAL				R	R
3.	IMPLEMENTATION				

NO	ITEM	UNIT	QTY	RATE	TOTAL AMOUNT
3.1.	Foundation/ slab Normal –R,S,C,H	NO.	1		RATE ONLY
3.2.	Foundation slab-Modified-H2	NO.	1		RATE ONLY
3.3.	Foundation/ slab – Stiffened – H3	NO.	1		
3.4.	Wall plate	NO.	1		
3.5.	Roof	NO.	1		
3.6.	Electrical tubing	NO	1		
3.7.	Completion	NO.	1		
3.8.	Plumbing and stormwater drainage	NO.	1		
3.9.	Shower and sink unit	NO.	1		
3.10.	Obtaining of FUR's from NHBRC, Happy letters, CoCs and completion certificates	NO.	1		
3.11.	Monthly progress & EPWP reports	NO.	1		
3.12.	Contract administration and inspection	NO.	1		
3.13.	Construction Monitoring Level 3 (Full Time)	NO.	1		
3.14.	Occupational Health & Safety	NO.	1		
3.15.	Environmental Management	NO.	1		
3.16.	Demolish and cart away rubble	NO.	1		
3.17.	Disconnection and reconnection of sewer, water and electricity	NO.	1		
3.18.	Close out Report	NO.	1		
SUB TOTAL				R	R
TOTAL = SUM OF SUB TOTALS FOR 482 UNITS				R	R

NO	ITEM	UNIT	QTY	RATE	TOTAL AMOUNT
TOTAL= SUM OF SUB TOTALS (carried to Final Summary & Form of Offer)				R	

Table 6: Bill of quantities for construction of 45m2 house

2	PLANNING & DESIGN INCEPTION (45 m² House for Disabled) RATE ONLY				
2.1	Project and Home enrolment with NHBRC	NO.	1		Rate only
2.2	House Design	NO.	1		Rate only
2.3	Foundation Design	NO.	1		Rate only
2.4	stormwater Design	NO.	1		Rate only
SUB TOTAL				R	R
3	IMPLEMENTATION (45 m² House for Disabled) RATE ONLY				
3.1	Foundation/ Slab – Normal – R,S,C,H	NO.	1		Rate only
3.2	Foundation/ Slab-Modified – H2	NO.	1		Rate only
3.3	Foundation/ slab – Stiffened – H3	NO.	1		Rate only
3.4	Wall plate	NO.	1		Rate only
3.5	Roof	NO.	1		Rate only
3.6	Completion	NO.	1		Rate only
3.7	Electricity tubing	NO.	1		Rate only

3.8	Toilet with a toilet pan	NO.	1		Rate only
3.9	Close out Report	NO.	1		Rate only
SUBTOTAL				R	R
TOTAL = SUM OF SUB TOTALS				R	R

Table 7: Bill of quantities for construction of 50m2 house

2	PLANNING & DESIGN INCEPTION (50 m² House for Military Veteran) RATE ONLY:				
2.1	Project and Home enrolment with NHBRC	NO.	1		Rate only
2.2	House Design	NO.	1		Rate only
2.3	Foundation Design	NO.	1		Rate only
2.4	Stormwater design	NO.	1		Rate only
SUB TOTAL				R	R
3	IMPLEMENTATION (50 m² House for Military Veteran) RATE ONLY				
3.1	Foundation/ Slab – Normal – R,S,C,H	NO.	1		Rate only
3.2	Foundation/ Slab-Modified – H2	NO.	1		Rate only
3.3	Foundation/ slab – Stiffened – H3	NO.	1		Rate only
3.4	Wall plate	NO.	1		Rate only
3.5	Roof	NO.	1		Rate only
3.6	Completion (including a carport)	NO.	1		Rate only

3.7	Electricity tubing	NO.	1		Rate only
3.8	Toilet with a toilet pan	NO.	1		Rate only
3.9	Close out Report	NO.	1		Rate only
SUBTOTAL				R	R
TOTAL = SUM OF SUB TOTALS				R	R

8. PRICE GUIDELINES AND PAYMENT MILESTONES

Payment will only be made upon the completion of a house and partial services. Inception will be paid at enrolment with NHBRC. Payment milestones are as follows:-
:

Table 8: Payment Milestones

ITEM	MILESTONE	UNIT	QUANTITY
1	Inception	No	482
2	Planning and design	No	482
3	Implementation <ul style="list-style-type: none"> • Foundation • Wall plate • Roof • Electricity • Completion • Close Out 	No	482

NB: A sectional completion plan must be provided as a proposal by the contractor, agreed upon and approved by the Department. A written approval of the sectional completion plan must form part of the contract. The minimum market related rate per unit is R180 000.00 and this includes all extra ordinary site conditions.

*Table 9. **RATES ONLY***

NO.	DESCRIPTION OF EXTRA WORK	UNIT	QTY	RATE	AMOUNT
1.	Access road with storm water control	km	1		RATE ONLY
2.	Paving and ramp at the doorway	m2	1		RATE ONLY
3.	Hand and Grab rails	m	1		RATE ONLY
4.	Sub-surface drainage	m	1		RATE ONLY
5.	Hard rock excavation	m3	1		RATE ONLY
6.	Boulder excavation	m3	1		RATE ONLY
7.	Supply and filling of imported material	m3	1		RATE ONLY
8.	Cutting of slopes less 2m deep	m2	1		RATE ONLY
9.	Cutting of slopes more than 2m deep	m2	1		RATE ONLY
10.	Retaining walls less than 2m deep	m2	1		RATE ONLY
11.	Retaining walls more than 2m deep	m2	1		RATE ONLY
12.	Double handling of material (Per Unit)	km	1		RATE ONLY
13.	Triple handling of material (Per Unit)	km	1		RATE ONLY
TOTAL RATE ONLY AMOUNT		PER UNIT			

NB: This table is merely to allow bidders to indicate estimated costs/ rate only for all extra over / extraordinary activities that are over and above normal extraordinary conditions.

And will only be executed upon prior approval by the DoHS when the need arises. Failure to obtain prior approval may lead to claims not being entertained.

8.1 PAYMENT MILESTONES

Payment will only be made upon value created on site, approved and certified by competent person or Department for the completion of milestones (payment milestones) as follows:

Table 10 : Payment Milestones

ITEM	MILESTONE	UNIT	QUANTITY	PERCENTAGE PAYABLE
1	INCEPTION, PLANNING & DESIGNS			6%
2	DEMOLISH & CART AWAY	NO	1	5%
3	FOUNDATION/ SLAB – MODIFIED – H2 (EARTHWORKS, CONCRETE & REINFORCEMENT)	NO	1	23%
4	WALL PLATE (BRICKWORK, DOORS & FRAMES, WINDOWS,	NO	1	18%
5	ROOF (STRUCTURE, COVERING & BEAM FILLING)	NO	1	18%
6	COMPLETION (CEILING& INSULATION, FINISHINGS, APRONS, PLASTERING & PAINTING, ELECTRICAL, FASCIA & BARGE BOARDS	NO	1	28%
7	MONTHLY PROGRESS REPORTING AND EXTENDED PUBLIC WORKS PROGRAM (EPWP) REPORTS	NO	1	0.2%
8	OBTAINING OF FUR'S FROM NHBRC, COCS, HAPPY LETTERS AND COMPLETION CERTIFICATES	NO	1	0.8%
9	IMPLEMENTATION OF OCCUPATIONAL HEALTH AND SAFETY PLAN	NO	1	0.5
10	IMPLEMENTATION OF ENVIRONMENTAL MANAGEMENT PLAN	NO	1	0.5
TOTAL		NO.	1	100 %

NB: A sectional completion plan must be provided as a proposal by the contractor, agreed upon and approved by the Department. A written approval of the sectional completion plan must form part of the contract. All claims will only be paid as per certified value created on site.

9. EVALUATION CRITERIA

ECDHS has set minimum standards (Stages) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Table 11 : Stages of Evaluations of Bidders

(STAGE 0): Administrative compliance	(STAGE 1): Functionality Criteria	(STAGE 2): Price and Specific goals Evaluation	(STAGE 3): Risk Assessment
Bidders must submit all documents as outlined in Table 10	Bidders must meet all the criteria stipulated under functionality criteria to proceed to Stage 2 (Price and specific goals evaluation).	Bidders will be evaluated in terms of section 5 of the PPPFA 2000, Preferential Procurement Regulations, 2022.	Bidders will be evaluated in terms risk. Bidders that fail to meet the risk criteria will be considered to containing a potential high risk level and will not be considered for appointment

9.1 STAGE 0 – ADMINISTRATIVE COMPLIANCE

9.1.1 Without limiting the generality of ECDHS's other critical requirements for this Bid, bidders must submit the documents listed in Table 12 below. All documents must be completed and signed by the duly authorised representative of the prospective bidder. During this phase, bidders' response will be evaluated based on compliance with the listed administration and mandatory bid requirements. In case of a Joint Venture/Consortium all parties are expected to submit individual documentation:

Table 12: Administrative compliance

No	Document that must be submitted	Explanatory Information
1	SBD1: Invitation to tender	Complete and sign the supplied proforma document
2	SBD2: Tax clearance certificate	Complete and sign the supplied proforma document
3	SBD4: Declaration of interest	Complete and sign the supplied proforma document
4	SBD6.1: Preference points claim form;	Complete and sign the supplied proforma document
5	SBD6.2: Declaration certificate for local production and content for designated sectors and Annexure A	Complete and sign the supplied proforma documents. Evaluation of local production and content
6	Bill of quantities and summary & form of offer	Submit full details of the pricing proposal as per Bill of quantities. Blank spaces will be regarded as incomplete. Should the bidder not charge for the service, the bidder must indicate that with a zero (0). Bidders must complete the entire Pricing Schedule
7	National home builders registration council (NHBRC) certificate	Bidders must submit a valid International NHBRC certificate (certified copy) at closing date. The Department will verify the NHBRC certificate prior/during evaluation. Non compliance will lead to elimination.
8	Central supplier Database (CSD) registration	Service Providers must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered, prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit CSD printout as proof of registration.
9	Annexure A: Performance report	Completed performance reports must be

		submitted together with the bid proposal, failure to submit will result in non-allocation of points
10	Annexure B: Intent to form Joint venture consortium agreement	The joint venture and/or consortium agreements must clearly set out the shareholding and roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement. A signed agreement will be expected to be submitted prior award of contract.

9.2 EVALUATION FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS.

9.2.1.1 On local content designated items, only locally produced goods or services with a stipulated minimum threshold for local production and content of 100% will be considered.

9.2.1.2 The relevant designated sector: Steel Components and Plastic pipes and fittings. The minimum threshold for local production and content: 100%: - Reinforcing Bars (100%) Door and Window Frames (100%) Roof Trusses (100%) Joining Connection Components (100%) and Plastic pipes and fittings (100%);

9.2.1.3 Exchange rate to be used for the calculation of local content (local content and local production are used interchangeably) must be the exchange rate published by the SARB at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

9.2.1.4 Failure to indicate minimum percentage (%) or not meeting minimum percentage for local content will automatically invalidate the bid for further consideration.

9.2.1.5 If the raw material or input to be used for a specific item is not available locally, bidders should obtain written authorization from the DTI should there be a need to import such raw material or input and a copy of this authorization letter must be submitted together with the bid document at the closing date and time.

9.2.1.6 Bidders must complete SBD 6.2 with Annexure C and it must be submitted with the bid at the closing date and time. Bids which have not scored the required minimum percentage of 100% for Local Production and content will be disqualified unless the bidder obtains exemption from DTI at this stage. Only qualifying bids will proceed to the evaluation on Functionality.

9.3 STAGE 1: FUNCTIONALITY EVALUATION

9.3.1 In this stage the capabilities of the contractor as well as the professional team will be assessed. Functionality will be scored out of **one hundred and fifty (150) points where one hundred (100) points will be used for scoring the contractor portion and fifty (50) points will be for scoring the professional team portion.**

9.3.2 Bidders should obtain at least **seventy-five (75) points out of the one hundred (100) points for the contractor portion and at least thirty (30) points out of fifty (50) points for the professional team portion** on functionality evaluation to qualify for the Price and specific goals evaluation.

9.3.3 Only bids which have achieved the required minimum points for functionality will proceed to Stage 2 of evaluation. **NB:** Points scored in Stage 1 will not be taken into consideration for the evaluation in Stage 2.

9.4 CRITERIA FOR THE CONTRACTOR PORTION

Table 13: Functionality criteria for construction portion

NO	CRITERION	POINTS
1.	PREVIOUS EXPERIENCE IN SIMILAR PROJECTS	30

1.1	Completed a project with a project scope of 75% in or more	30
1.2	Completed a project with a project scope of 60 to 74%	25
1.3	Completed a project with a project scope of 51 to 59%	15
1.4	Completed a project with a project scope of 1 to 50%	5
1.5	No completed project	0
2.	EXPERIENCE OF NOMINATED SITE AGENT IN SIMILAR PROJECTS	10
2.1	Site experience of 10 years or more	10
2.2	Site experience from 7 to 9 years	8
2.3	Site experience from 4 to 6 years	5
2.4	Site experience of less than 4 years	1
2.5	No site experience	0
3.	EQUIPMENT RELEVANT FOR THE ASSIGNMENT	20
3.1	Access to all five (05) the following: 1. TLB backhoe loader; 2. Tipper Truck or Drop-side Truck; 3. Compactor/Roller; 4. Bakkie; and 5. Batch Plant or Concrete Mixer	20
3.2	Access to four (04) from the following: 1. TLB backhoe loader; 2. Tipper Truck or Drop-side Truck; 3. Compactor/Roller; 4. Bakkie; and 5. Batch Plant or Concrete Mixer	16
3.3	Access to three (03) from the following: 1. TLB backhoe loader; 2. Tipper Truck or Drop-side Truck; 3. Compactor/Roller; 4. Bakkie; and 5. Batch Plant or Concrete Mixer	12
3.4	Access to two (02) from the following: 1. TLB backhoe loader; 2. Tipper Truck or Drop-side Truck; 3. Compactor/Roller; 4. Bakkie; and 5. Batch Plant or Concrete Mixer	8
3.5	Access to one (01) from following: 1. TLB backhoe loader; 2. Tipper Truck or Drop-side Truck; 3. Compactor/Roller; 4. Bakkie; and 5. Batch Plant or Concrete Mixer	4
3.6	No access to any of the following: 1. TLB backhoe loader; 2. Tipper Truck or Drop-side Truck; 3. Compactor/Roller; 4. Bakkie; and 5. Batch Plant or Concrete Mixer	0
3.7	HEALTH AND SAFETY OFFICER	5
3.8	Site experience of 10 years or more	5
3.9	Site experience from 7 to 9 years	4
3.10	Site experience from 4 to 6 years	2.5
3.11	Site experience of less than 4 years	1
3.12	No site experience	0
3.13	ENVIRONMENTAL MANAGEMENT OFFICER	5
3.14	Site experience of 10 years or more	5
3.15	Site experience from 7 to 9 years	4
3.16	Site experience from 4 to 6 years	2.5
3.17	Site experience of less than 4 years	1
3.18	No site experience	0

4.	FINANCIAL CAPACITY	30
4.1	Access to a financial facility of at least 10% of the Offered Amount	30
4.2	Access to a financial facility of 7 to 9% of the Offered Amount	25
4.3	Access to a financial facility of 5 to 6% of the Offered Amount	15
4.4	Access to a financial facility less than 5% of the Offered Amount	5
4.5	No access to a financial facility	0
TOTAL POINTS		100

9.4.1 DESCRIPTION OF CONTRACTOR CRITERIA

9.4.1.1 PREVIOUS EXPERIENCE IN SIMILAR PROJECTS: This refers to previously completed projects of similar works or value, within **the past five (5) years) starting from 2018. Points will be allocated on submission** of either a certified copy of a completion certificate or a copy of a testimonial from the client with contactable references including duration and values of the project. Only projects conducted within **the past five (05) years will be considered.**

9.4.1.2 EXPERIENCE OF NOMINATED SITE AGENT IN SIMILAR PROJECTS: This shall be the construction site experience of a nominated person that would be placed permanently on site and in charge of the construction works for the duration of the project. **Points will be allocated on submission** of a curriculum vitae of the nominated site agent showing the required experience.

9.4.1.3 EXPERIENCE OF NOMINATED HEALTH AND SAFETY OFFICER IN SIMILAR PROJECTS: This shall be the construction project manager site experience of a nominated person that would be placed permanently on site and in charge of the entire construction works for the duration of the project. **Points will be allocated on submission** of a curriculum vitae of the nominated health and safety officer site agent showing the required experience.

9.4.1.4 **EXPERIENCE OF NOMINATED ENVIRONMENTAL**

MANAGEMENT OFFICER IN SIMILAR PROJECTS: This shall be the construction project manager site experience of a nominated person that would be placed permanently on site and in charge of the entire construction works for the duration of the project. **Points will be allocated on submission** of a curriculum vitae of the nominated environmental management officer showing the required experience.

9.4.1.5 **EQUIPMENT RELEVANT FOR THE ASSIGNMENT:**

This refers to the minimum machinery and plant required for the project as indicated, wherein each item will be allocated 4 out of 20 allocated points. **Points will be allocated on submission** of lease agreement or certified copies of registration papers either in the Company name or in the name of one of the Directors/Shareholders of the company.

9.4.1.6 **FINANCIAL CAPACITY:**

This shall mean access to financial facility to be used as a working capital, until such time that the first milestone can be created to warrant a claim from the Department. This can either be in cash in the bank account of the company or pre-approved credit facility by a Registered Financial Institution or Accredited Material Supplier. **Points will be allocated on submission of** an original letter from the Bank or Financial Institution confirming Bank balance or approved credit facility confirming amount must be attached, letters/statements must be valid within a three (03) months duration from the date of advert.

NB: Verification will be conducted on submitted documents. Where information provided are found to be fraudulent or there's misrepresentation of information, the Department will eliminate the bidder from further evaluation.

9.5 CRITERIA FOR THE PROFESSIONAL TEAM PORTION

These are names of professionals nominated by the bidder whose CVs will be considered for evaluation. If no nomination is made no points will be allocated for evaluation.

Table 14: List of professionals to be considered for evaluation.

NO.	POSITION OF NOMINATED TEAM LEADER	NAME OF NOMINATED TEAM LEADER	HIGHEST LEVEL OF NOMINATED TEAM LEADER
3.1	*Construction Project Manager		
3.2	*Civil and or Structural Engineer		
3.3	*Quantity Surveyor		
3.4	*Architect		
3.5	*Housing Administrator/*Social Scientist		
3.6	*Health And Safety Officer		
3.7	*Health & Safety Agent		
3.8	*Environmental Management Officer		
3.9	*Environmental Management Agent		

9.5.1 RELEVANT EXPERIENCE OF TEAM LEADERS

Table 15: Functionality criteria for Professional team

NO.	TEAM LEADER EXPERIENCE	MAX. POINTS	SCORE FOR YEARS OF EXPERIENCE PER TEAM LEADER			
			20 years +	10 – 19 years	5 – 9 years	None
2.1	*Construction Project Manager (SACPCMP)	5	5	3	1	0
2.2	*Civil and or Structural Engineer (ECSA)	5	5	3	1	0
2.3	*Quantity Surveyor (SACQSP)	5	5	3	1	0

2.4	*Architect (SACAP)	5	5	3	0.5	0
2.5	*Housing Administrator/*Social Scientist (SACNASP)	2	2	2	0.5	0
2.6	*Health &Safety Agent (SACPCMP)	2	2	2	0.5	0
2.7	*Environmental management Agent (HPCSA)	2	2	2	0.5	0
2.8	*None of the above	0	2	0	0	0
TOTAL		26				
NO.	TEAM LEADER REGISTRATION	MAX. POINTS	SCORE FOR PROFESSIONAL REGISTRATION PER TEAM LEADER			
			PROFESSIONAL	TECHNICIAN/ CNDIDATE		
3.1	*Construction Project Manager (SACPCMP)	8	8	4		
3.2	*Civil and or Structural Engineer (ECSA)	8	8	4		
3.3	*Quantity Surveyor (SACQSP)	8	8	4		
3.4	*Architect (SACAP)	8	8	2		
3.5	*Housing Administrator/*Social Scientist (SACNASP)	3	3	1		
3.6	*Health &Safety Agent (SACPCMP)	3	3	1		
3.7	*Environmental management Agent (HPCSA)	3	3	1		
3.8	*None of the above	0	0	0		
TOTAL		41				

9.5.2 DESCRIPTION OF PROFESSIONAL TEAM CRITERIA

9.5.2.1 RELEVANT EXPERIENCE OF TEAM LEADERS: This shall be the experience of a team leaders. Copy of curriculum vitae must be attached.

9.5.2.2 PROFESSIONAL REGISTRATION OF TEAM LEADERS WITH AUTHORISED COUNCIL OF S.A.: This shall be professional registration certificate of team leaders within the identified

building disciplines. Copy of professional registration certificate must be attached.

NB: Verification will be conducted on submitted documents. Where information provided are found to be fraudulent or there's misrepresentation of information, the Department will eliminate the bidder from further evaluation.

Bids which have not scored the required minimum points on functionality will be disqualified at this stage and only qualifying bids will proceed to the evaluation on Price and specific goals evaluation status level of contribution. Shortlisted bidders may be required to make presentations to the Department.

9.6 STAGE 2: PRICE AND PRICE AND SPECIFIC GOALS EVALUATION EVALUATION

9.6.1 Regulation 3 of the Preferential Procurement Policy Framework Act 2000: Preferential Procurement Regulations 2022, (the Regulations) stipulates that an organ of state must, prior to making an invitation for tenders, determine and stipulate the appropriate preference point system to be utilized in the evaluation and adjudication of tenders. If there is uncertainty on the preference point system to be applied, institutions must advertise the tender indicating that the tender will be evaluated on either the 80/20 or 90/10 preference point system.

9.6.2 If it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system.

9.6.3 Regulation 5 and 6 stipulates that 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).

THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \end{array}$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

9.6.4 POINTS AWARDED FOR SPECIFIC GOALS

In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table below as may be supported by proof/ documentation stated in the conditions of this tender:

Table 16: Specific goals allocated points

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Number of points allocated (90/10 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Women owned Organizations	8	3	
Youth	4	2	
People with Disability	2	2	
Locality: Eastern Cape	5	2	
Military Veterans	1	1	

9.6.5 CLAIMING OF PREFERENCE POINTS

- 9.6.5.1 Preference points allocated for women may be claimed if there is sufficient evidence that such woman has ownership of 51% or more of the enterprise shareholding. Bidders must submit proof in a form of valid Central Supplier Database (CSD) supplier profile that outlines the ownership of the organisation.
- 9.6.5.2 Preference points allocated for persons with disabilities may only be claimed if there is sufficient evidence that such person has ownership of 51% or more of the enterprise shareholding. Bidders must submit proof in form of a medical certificate / letter not older than 6 months from a registered medical practitioner (Practitioner number, contact details to be stated on correspondence) detailing the disability. The Medical certificate will only be used for evaluation purposes.
- 9.6.5.3 Preference points allocated for promotion of youth may only be claimed if there is sufficient evidence that such youth has ownership of 51% or more of the enterprise shareholding. Bidders must submit proof in a form of valid Central Supplier Database (CSD) supplier profile that outlines the ownership of the organisation.
- 9.6.5.4 Preference points for Locality may be allocated for promotion of enterprises located within the Eastern Cape Province may be claimed by submission of proof that the enterprise is located within the borders of Eastern Cape Province. This includes an enterprise whose head office may be situated in another province but has a fully-fledged branch within Eastern Cape Province. Enterprises located outside the borders of the Eastern Cape Province and who only appoints agents and or commission warehouses in this municipal area are expressly excluded from claiming points for this goal. Bidders must submit proof of the Company's Registered Offices. Proof of rate statement, lease agreement or confirmation of locality from local authority.
- 9.6.5.5 Preference points allocated for Military Veterans may only be claimed if there is sufficient evidence that such person has ownership of 51% or

more of the enterprise shareholding. Bidders must submit proof in terms confirmation letters from the Department of Military Veterans.

NB: Bidders must provide sufficient proof and supporting documentation in respect of the above evaluation criteria and specific goals evaluation. Bidders who do not submit the required information shall not be scored for the respective/relevant evaluation criteria. In a case of a joint venture and/or consortium the agreements must clearly set out the shareholding and roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. Failure to submit shareholding will result in non-allocation of points.

10.OBJECTIVE CRITERIA

10.1 The Department reserves the right not to appoint the highest scoring bidder, in a case where the bidder has quoted below the minimum market related price of **R180 000.00 per unit**. The market related price includes all extra ordinary development site conditions i.e. double handling, hard rock excavation, topography, clay soil and all geo technical site conditions.

10.2 Risk analysis:

10.2.1 The Department has the right to conduct a risk analysis on shortlisted bidders including contractors site visit and conduction of loco inspection.

10.2.2 Loco inspection will be conducted for verification of:

10.2.2.1 Plant and equipment

10.2.2.2 Completed projects (site visits)

10.2.2.3 Personnel

10.2.3 The risk assessment implies a systematic identification and judgement of potential risks levels to create a foundation decision making.

7.1.1 The risk analysis will be conducted on the bidders **quality and previous completed projects** not older than **five (05) years starting from 2018 to the date of advert of the bid**. Bidders must submit all three (03)

documents listed below on **Table 13** for each project to be assessed for risk.
Failure to submit all documents will result in non-allocation of points:

Table 17: Document that must be submitted for risk analysis

No	Document that must be submitted	Explanatory Information
1	Appointment letters.	Bidders must submit appointment letters of previous or current project undertaken that will utilised for assessment of risk
2	Performance reports which must reflect 50% completion (Attached on bid document as Annexure A),	Bidders must submit performance reports on previous or current similar projects undertaken. Reports must be completed and signed by client with contactable references.
3	Practical completion certificates or final completion certificates	Bidders must submit Practical completion certificates or final completion certificates on similar previous or current project undertaken. Reports must be completed and signed by client with contactable references.

10.2.4 Performance reports are attached as Annexure A of the bid document and must be completed signed and stamp by the client.

10.2.5 Completed performance reports must be submitted together with the bid proposal, failure to submit will result in non-allocation of points. Bidders that fail to submit performance reports will be considered as high risk as the Department will be unable to satisfy itself.

10.2.6 Where information provided for loco inspections and performance reports are found to be fraudulent or there's misrepresentation of information, the Department will eliminate the bidder from further evaluation.

10.2.7 Risk assessment scorecard

10.2.7.1 The risk assessment score card will focus on the following risk fact

10.2.7.2 Performance on previous projects.

10.2.7.3 Quality standard of completed projects this refers to assessment of quality, contract extension and variation orders.

10.2.7.4 Risk will be assessed through scoring risk levels as below:

10.2.7.4.1 Poor = 04 points

10.2.7.4.2 Fair = 03 points

10.2.7.4.3 Good = 02 points

10.2.7.4.4 Excellent = 01 points

10.2.7.5 The score of seven **(07) points** will be maximum risk level the Department is willing to accept.

10.2.7.6 Bidders who score a total average of eight **(08) points and above** will be considered to containing a potential **significant to sever risk level** and **will** not be considered for appointment.

Table 18: Risk assessment scorecard

RISK ASSESSMENT SCORECARD			
Risk level	Risk description	Performance on previous project	Quality
4 – Poor	Risk that will have a severe impact on achieving desired results to the extent that one or more of its critical outcome objectives will not be achieved	Project not completed within 181 or more days past the stipulated time frames.	Project completed/not completed with outstanding compliance issues
3 - Risk	Risk that will have a significant impact on achieving desired results, to the extent that one or more stated outcome objectives will fall below acceptable levels.	Project completed within 91 to 180 days past the stipulated time frames.	Project completed with partially resolved compliance issues
2 - Good	Risk that will have a Moderate impact on achieving desired results, to the extent that one or more stated outcomes objectives will fall below goals but above minimum acceptable levels	Project completed within 90 days past the stipulated time frames. Project extension due to uncontrollable determinants. Resource (Financial, Plant and human) effectively utilised.	Project completed with resolved minor compliance issues
1 – Excellent	Risk has little or no impact on achieving outcome objectives	Project completed within the stipulated time frames.	Project completed with no outstanding compliance issues

10.2.8 Where the highest point scorer declines the appointment, the second highest point scorer will be considered, and if the second highest scorer declines the appointment the third highest point scorer will be considered and if the third highest points scorer declines the bid will be cancelled and re-advertised.

10.2.9 The Department will not negotiate a price higher than that quoted by the bidder.

10.2.10 The minimum market related amount of **R180 000.00 per unit** will be utilized as the minimum related price.

10.2.11 If the price offered by a tenderer scoring the highest points is above the market related price,

10.2.12 The Department may;

- 10.2.13 Negotiate a market-related price with the tenderer scoring the highest points;
- 10.2.14 If the tenderer scoring the highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points;
- 10.2.15 If the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points and if the third highest points scorer does not agree to a market related price the bid will be cancelled and re-advertised.
- 10.2.16 In an event where the Department has advertised more than one (01) tender on a single notice, the highest scoring bidder will be awarded one tender of the tenders advertised. If a single bidder has scored the highest points on multiple tenders the Department will enter into negotiations with the bidder to give waver to award the second highest scoring bidder up to the third highest points scorer.

11. LEGALITIES OF CONTRACT AND TENDER RULES

11.1 GENERAL CONDITIONS OF CONTRACT–

11.1.1 The JBCC and funding agreement shall apply

11.2 SPECIFIC CONDITIONS OF THE CONTRACT

Special conditions that apply to this contract are as follows:

- 11.2.1 The Successful bidder will have to sign a valid contract agreement with the DoHS immediately upon approval of the award.
- 11.2.2 The Successful bidder will be liable for any recollection of missing data, as a result of poor completion of questionnaire by the appointed entity;
- 11.2.3 Copyright of the reports to be delivered by the bidder to the Department will vest upon the Department on acceptance of the final reports.

- 11.2.4 Department reserves the right to conduct risk analysis on whether to appoint a Successful bidder or not.
- 11.2.5 The Successful bidder must have access to internet as basis of communication (email).
- 11.2.6 The Successful bidder will draft and submit its own detailed Bill of Quantities (BOQ).
- 11.2.7 The Successful bidder will furnish the Department with an invoice upon Completion of each milestone (along with other required supporting documentation).
- 11.2.8 Successful bidder will be required to attend an initial meeting organized by the ECDHS to introduce the relevant project stakeholders.
- 11.2.9 The Successful bidder will be liable for any recollection of missing data because of poor completion of questionnaire by the appointed entity.
- 11.2.10 Tariffs must not exceed the tariffs published by ECSA, DPSA or the Department of Public Works for specified Consultant's categories.

12. DOCUMENTS TO BE SUBMITTED

- 12.1** The following documents **MUST** be submitted with the proposal and failure to submit will lead to elimination. In case of a Joint Venture/Consortium all parties are expected to submit individual documentation:

12.1.1 Signed Joint Venture/Consortium Agreement (where applicable).

12.1.2 Valid National Home Builders Registration Council (NHBRC) Certificate;

13. DURATION OF THE PROJECT

- 13.1** The duration of the project (Inception, Planning & Design and Implementation) is expected to be a maximum period of twenty four (24) months.

Table 19: Duration of the project

Item no.	Description	Duration (months)
1	Inception	1
2	Planning and Design	2
3	Implementation	21
Total		24

14. RETURNABLE SCHEDULES

The successful bidder must ensure that the following documents are completed and returned with the bid proposal:

- 14.1 SBD 1: INVITATION TO TENDER;
- 14.2 SBD 2: TAX CLEARANCE CERTIFICATE;
- 14.3 SBD 4: DECLARATION OF INTEREST;
- 14.4 SBD 6.1: PREFERENCE POINTS CLAIM FORM;
- 14.5 SBD 6.2: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS;
- 14.6 FINAL SUMMARY & FORM OF OFFER;
- 14.7 NATIONAL HOME BUILDER'S REGISTRATION COUNCIL (NHBRC) CERTIFICATE;

15. COLLECTION OF BID DOCUMENTS

Bid documents will be available from the **24 November 2023** on the Departmental website (www.ecdhs.gov.za).

16. SUBMISSION OF BID PROPOSALS

- 16.1 Bid proposals must be deposited in a Bid Box (that is accessible 24 hours) situated at the Ground Floor, Department of Human Settlements, Steve Tshwete Houses, 31–33 Phillip Frame Road, Waverley Park, Chiselhurst, East London.

16.2 It is the responsibility of the bidder and that of the courier in case of couriered bids to ensure that the bid is deposited in the bid box and not submitted to officials. The Department will not take any responsibility for bids not deposited in the bid box.

16.3 The Department will not take any responsibility for the posted bids that are not in the bid box during the closing time and date it is therefore the responsibility of the bidder to ensure that the bid is delivered on the bid box on or before the closing date and time.

16.4 Bid proposals must be submitted in one (1) envelope clearly marked **as follows:**

SCMU11-23/24-045: MTHATHA – MAYDENE FARM 969 (482 UNITS) RECTIFICATION PROJECT: APPOINTMENT OF A SUITABLE SUCCESSFUL BIDDER THROUGH SHORT LIMITED BIDDING TO RECTIFY 482 NEW UNITS AT KING SABATHA DALINDYEBO LOCAL MUNICIPALITY IN OR TAMBO REGION.

16.5 Faxed or emailed bid proposals will not be accepted. The Technical Proposal envelope may be opened in public on the closing day.

17. BID VALIDITY

This bid will be valid for one hundred and twenty (120) days after the closing date.

18. COMPULSORY BRIEFING

Compulsory briefing session for this Bid will be held on the **01 December 2023** at **11h00** converging **at the Maydene Farm – Umtata**. Failure to attend the compulsory briefing session will lead to disqualification.

19.CLOSING DATE

All bid proposals in response to this bid should reach the Department not later than the **08 December 2023 at 11H00**. Bids received after 11H00 will not be accepted and considered.

20.CONTACT DETAILS ON TERMS OF REFERENCE

All technical enquires regarding this bid may be directed to: **Ms Y.Ngaleka: CCPM OR Tambo Region**, Department of Human Settlements, Botha Sgcau Building

Cell: 066 485 0556
Tel: 047 531 3511
Email: Yolisa.ngaleka@gmail.com

All Supply Chain Management related enquiries regarding this bid may be directed to: **Mr. Xolile Mpupa: Deputy Director** – Demand Management; Department of Human Settlements, EAST LONDON

Cell: 074 142 4781
Tel: (043) 711 9641
E-mail: xolilem@ecdhs.gov.za

21.FINAL SUMMARY AND FORM OF OFFER

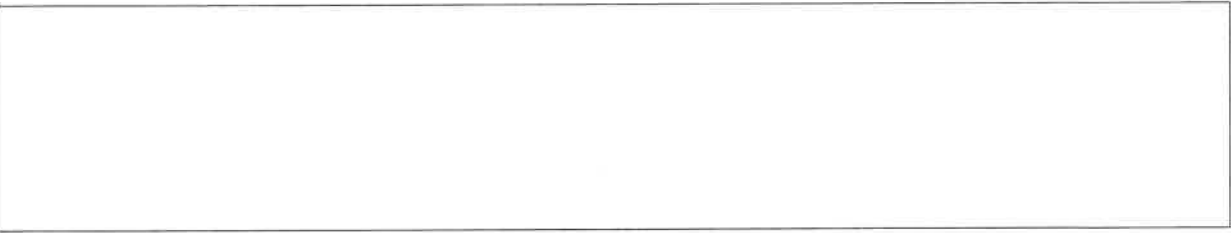
Table 20: Final Summary and Form of Offer

FINAL SUMMARY & FORM OF OFFER		
SCMU11-23/24-045: MTHATHA – MAYDENE FARM 969 SUBS (482) RECTIFICATION PROJECT: APPOINTMENT OF A SUITABLE CONTRACTOR THROUGH SHORT LIMITED BIDDING TO RECTIFY 482 UNITS AT KING SABATHA DALINDYEBO LOCAL MUNICIPALITY IN OR TAMBO REGION.		
NO.	ITEM	TOTAL
1.	INCEPTION	
2	PLANNING & DESIGN	
3	IMPLEMENTATION	
TOTAL =		
TOTAL ABOVE IN WORDS		

SIGNED BY/ON BEHALF OF THE BIDDER

NAME	SIGNATURE	DATE

COMPANY STAMP



22.ANNEXURE A

PERFORMANCE REPORT CONFIDENTIAL

This performance report should be completed and submitted with the bid proposal. Submission of this report is essential to assist the Department to make procurement decisions based on the most objective information. This may influence matters such as the offering of tendering opportunities; award of contracts; assessment.

Contract Details

Contract No:

Contract Title			
Original Contract Price			
Date of Contract		Original Date for Completion	

Contractor Details

Total extensions of time approved		Extended Contractual Completion Date	
Predicted Date for Completion		Actual Date of Completion	

Reference's Details

Name of Organisation				
Organisation's Representative	Name			
	Position			
	Tel		Mobile	
	Email			

Performance Report

Evaluation Criteria	N/A	Excellent	Good	Fair	Poor	
Time Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Standard of Work/Quality of workmanship	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Personnel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subcontractor Mgmt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plans and Designs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Definition and Relative Weighting of Grading

Grading	Definition	Rating*
Excellent	Risk has little or no impact on achieving outcome objectives	1
Good	Risk that will have moderate impact on achieving desired results, to the extent that one or more stated outcomes objectives will fall below goals but above minimum acceptable levels	2
Fair	Risk that will have a significant impact on achieving desired outcomes, to the extent that one or more stated outcome objectives will fall below acceptable levels.	3
Poor	Risk that will have a severe impact on achieving desired outcomes, to the extent that one or more of the critical outcome objectives will not be achieved	4

Overall Comments on Performance

Reference's opinion

I have attached further information ☐

SIGNED BY/ON BEHALF OF THE CLIENT

NAME

SIGNATURE

DATE

COMPANY STAMP

23.ANNEXURE B:

INTENT TO FORM JOINT VENTURE/ CONSORTIUM

PREAMBLE

This agreement is made and entered into by and between

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

of the first part and

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

of the second part.

Whereas the foregoing parties have resolved to form a Joint Venture under the title of

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

for the exclusive purposes of securing and/or executing the Contract to be awarded by

Eastern Cape Department of Human Settlements
for (brief description of Contract)

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

Shareholdings for each JV/Consortium Members

Members	Shareholding	Signature of representative

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF HUMAN SETTLEMENTS					
BID NUMBER:	SCMU11-23/24-045	CLOSING DATE:	08 DECEMBER 2023	CLOSING TIME:	11H00
DESCRIPTION	MTHATHA – MAYDENE FARM 969 (482) SUBS RECTIFICATION PROJECT: APPOINTMENT OF A TURNKEY CONTRACTOR FOR RECTIFICATION OF 482 UNITS AT KING SABATHA DALINDYEBO LOCAL MUNICIPALITY IN OR TAMBO REGION.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT

DEPARTMENT OF HUMAN SETTLEMENTS					
31-33 PHILLIP FRAME ROAD, STEVE TSHWETE BUILDING, GROUND FLOOR					
WAVERLY PARK					
EAST LONDON					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]		<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	
		<input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No	
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		<input type="checkbox"/> AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			
		<input type="checkbox"/> A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)			
		<input type="checkbox"/> A REGISTERED AUDITOR			
		NAME:			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	
				<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER			DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED				TOTAL BID PRICE (ALL INCLUSIVE)	
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT OF HUMAN SETTLEMENTS		CONTACT PERSON		MS Y. NGALEKA	
CONTACT PERSON		MR X MPUPA		TELEPHONE NUMBER	
TELEPHONE NUMBER		043 711 9641		066 485 0556	
FACSIMILE NUMBER		N/A		FACSIMILE NUMBER	
				N/A	
E-MAIL ADDRESS		xolilem@ecdhs.gov.za		E-MAIL ADDRESS	
				Yolisa.ngaleka@gmail.com	

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR ONLINE	
1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.	
1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.	
1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.	
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.	
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate**Purpose**Select the applicable option Tenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)			
Trading name (if applicable)			
ID/Passport no		Company/Close Corp. registered no	
Income Tax ref no		PAYE ref no	7
VAT registration no	4	SDL ref no	L
Customs code		UIF ref no	U
Telephone no		Fax no	
E-mail address			
Physical address			
Postal address			

Particulars of representative (Public Officer/Trustee/Partner)

Surname			
First names			
ID/Passport no		Income Tax ref no	
Telephone no		Fax no	
E-mail address			
Physical address			

Particulars of tender (If applicable)Tender number Estimated Tender amount R Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount

Audit

Are you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

--

Date

Name of representative/agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

--

Date

Name of applicant/Public Officer

Notes:

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

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

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

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

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

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 80/20 preference point system
- b) The applicable preference point system for this tender is the 90/10 preference point system

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

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS	
PRICE	80	90
SPECIFIC GOALS	20	10
Total points for Price and SPECIFIC GOALS	100	100

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

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is

adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)	Number of points claimed (90/10 system) (To be completed by the tenderer)
Women owned organizations	8	3		
Youth	4	2		
People with Disability	2	2		
Locality: Eastern Cape	5	2		
Military Veterans	1	1		
TOTAL POINTS	20	10		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

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

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

Commodity	Components	Local Content Threshold
Steel and plastic pipes and fittings	Reinforcing Bars (100%) Door and Window Frames (100%) Roof Trusses (100%) Joining Connection Components (100%) and Plastic pipes and fittings (100%);	100%

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

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

3..1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER
LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF
EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY
(CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5

of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

Local Content Declaration - Summary Schedule

(C1)	Tender No.
(C2)	Tender description:
(C3)	Designated product(s)
(C4)	Tender Authority:
(C5)	Tendering Entity name:
(C6)	Tender Exchange Rate:
(C7)	Specified local content %

STEEL PRODUCTS AND STRUCTURES
DEPARTMENT OF HUMAN SETTLEMENTS

Pula

EU

GBP

[illegible]

Signature of tenderer from Annex B

(C21) Total Exempt imported content	(C22) Total Tender value net of exempt imported content
0	0

(C23) Total Imported content

(C24) Total local content

(C25) Average local content % of tender

Date: _____