

REQUEST FOR QUOTATION

PROCUREMENT OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 24 MONTHS

RFQ NUMBER:	RFQ NHC/93/2022/23
RFQ ISSUE DATE:	2022-08-30
CLOSING DATE AND TIME:	8 September 2022 @ 11:00am
COMPULSORY BRIEFING SESSION	None

SUPPLIERS ARE REQUESTED TO PLEASE SUBMIT A QUOTATION ON THE COMPANY LETTERHEAD FOR THE FOLLOWING:

No	Item Description	Quantity	Unit of Measure
4.1.	Procurement of Internal Audit services for a period of 24 months as per included Terms of Reference	24	Months

ITEM DESCRIPTION	DETAILED INFORMATION
RFQ VALIDITY PERIOD	30 days (COMMENCING FROM THE RFQ CLOSING DATE)
COMPULSORY REQUIREMENT	<ul style="list-style-type: none"> - Valid current Tax compliance status pin code for verification of tax compliance status with SARS. - Only suppliers registered on the Central Supplier Database (CSD) will be considered. Suppliers must include with their quotation / proposal their Master Registration number as proof of registration on CSD - Only bidders that submit a valid current certified copy of the B-BBEE Certificate or original BBBEE certificate issued by the verification agency accredited by SANAS or Sworn Affidavit signed by the EME representative and attested by a Commissioner of Oaths i.r.o (EMEs), will be considered for scoring on the 20 points as per the 80/20 principle

ITEM DESCRIPTION	DETAILED INFORMATION
	- Completed and signed Standard Bidding Documents (SBD) forms included with the bid document / RFQ.
OTHER COMPULSORY REQUIREMENTS / INFORMATION	Professional Membership as stated
SUBMISSION OF QUOTES	e-mail to: procurement@nhc.org.za
CONTACT PERSON FOR ENQUIRIES	Ms. Mathabiso Chamane m.chamane@nhc.org.za cc procurement@nhc.org.za

INTRODUCTION

1. PURPOSE OF THE REQUEST

NHC seeks to invite quotations for the procurement of goods and/or services as stated above.

2. NHC's TERMS AND CONDITIONS OF REQUEST FOR QUOTATION (RFQ)

- 2.1. NHC's conditions of purchase shall apply.
- 2.2. The validity period of the quotations must be clearly stated on the quotation.
- 2.3. Prices quoted shall be in South African Rand and inclusive of VAT and costs such as delivery, insurance, taxes, etc.
- 2.4. No price adjustments or amendments of the delivery particulars contained in this document will be considered by the NHC.
- 2.5. The supplier accepts full responsibility for the proper execution and fulfilment of the goods or services quoted for.
- 2.6. NHC reserves the right to accept or reject any special terms and conditions that may qualify the goods or services to be provided.
- 2.7. The NHC reserves the right to accept or reject a proposal in whole or in part.
- 2.8. Quotations shall be submitted on an official letterhead and duly signed.
- 2.9. Goods or services shall be supplied / rendered upon receipt of an official purchase order from the NHC.
- 2.10. The General Conditions of Contract issued by National Treasury are applicable.
- 2.11. Only quotations from suppliers that complies with the specifications and indicate the date of delivery, shall be evaluated and considered.
- 2.12. Your quotation must indicate the expected delivery date / period.
- 2.13. The NHC reserve the right to do due diligence on the quotations.
- 2.14. The NHC reserves the right to benchmark prices quoted.
- 2.15. No services must be rendered or goods delivered before an official NHC Purchase Order form has been received and the service level agreement is signed (if applicable).
- 2.16. Late and incomplete submissions will not be accepted.
- 2.17. NHC shall pay within 30 days after receipt of an invoice.

2.18. All invoices must be submitted to SCM via the email to procurement@nhc.org.za.

3. EVALUATION CRITERIA

All quotations will be evaluated based on compliance with compulsory requirements, compliance with specifications / Terms of Reference and the 80/20 preference point system prescribed by the Preferential Procurement Policy Framework Act 5 of 2000 and its Regulations. The lowest acceptable price will score 80 points; the 20 BBBEE points will be allocated as follows:

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

Your assistance and co-operation is appreciated.

Kind Regards

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nhc

National Heritage Council
SOUTH AFRICA

an agency of the
Department of Sport, Arts and Culture

NATIONAL HERITAGE COUNCIL OF SOUTH AFRICA

TERMS OF REFERENCE
TENDER / REQUEST FOR QUOTATION NO: **RFQ NHC/93/2022/23**

INTERNAL AUDIT SERVICES FOR A PERIOD OF 24 MONTHS

Bidder Name: _____

CSD Ref No: _____

THIS DOCUMENT ARE CONFIDENTIAL AND FOR CONSIDERATION AND RESPONSE BY THE RECORDED
RECIPIENTS ONLY

1. BACKGROUND

The National Heritage Council of South Africa (NHC) requires the service of a suitably qualified and experienced internal audit service providers to carry out the internal audit of NHC and enter into a service level agreement for the period of two (2) years, extendable for a further 2-year terms.

2. SCOPE OF WORK: INTERNAL AUDIT SERVICES

The desired scope of work for internal audit services stems from the NHC's internal audit charter; a document that guides the organization's approach to the provision of internal audit services. The charter is periodically reviewed and approved by the Audit and Risk Committee (ARC). The charter, which is aligned to the requirements of the Institute of Internal Auditors (IIA), explains the purpose, mission and definition of internal audit which is outlined below – principles on which the scope of internal audit is built:

- 2.1. The purpose of internal audit (within the NHC) is aligned with the definition of internal audit, which is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations.
- 2.2. The mission of internal audit is to enhance and protect organizational value by providing risk-based assurance, advice and insight. This internal audit charter defines the authority and independence, scope, responsibility and accountability of and within the Internal Audit Activity (IAA).
- 2.3. Internal audit helps and organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
- 2.4. Accordingly, the scope of internal audit work entails, but is not limited to, the examination, evaluation and conclusion on the adequacy and effectiveness of the organization's governance, risk management, internal control processes and the quality of performance in carrying out assigned responsibilities to achieve the organization's stated objectives.
- 2.5. The appointed internal audit service provider will be required to:
 - 2.5.1. Provide effective value adding internal audit services that are innovative and responsive to circumstances of the NHC and the environment it operates in.
 - 2.5.2. Implementation of a rolling three-year strategic Internal Audit Plan based on its assessment of key areas of risk for the NHC, having regard to its current operations.
 - 2.5.3. Assist in the improvement of operations proposed in the NHC's corporate or strategic plan and effectiveness of its risk management strategy through risk based audits which are in line with IIA standards;

- 2.5.4. Implementation of an annual Internal Audit Plan including the following primary audits:
- a) Risk based audits (this includes, but not limited to, audits on the Financial, Human Resource and Supply Chain Management Processes);
 - b) Grant Based audits (funding and policies);
 - c) Compliance Audits;
 - d) Audits on predetermined objectives (performance of information);
 - e) Governance audits;
 - f) ICT audits; and
 - g) Ad hoc project and consulting services as requested by management and/or the Audit and Risk Committee such as forensic auditing and risk workshops
- 2.6. The scope of internal audit work entails testing and evaluating the adequacy and effectiveness of the organization's systems of internal controls and to make recommendations where applicable. The controls subject to evaluation should encompass the following, but is not limited to:
- 2.6.1. Perform annual risk assessments based on inputs from the Risk Management business unit, the external auditors and their evaluation of environmental factors impacting the organization, from which internal audit plans will be developed.
 - 2.6.2. Review of the effectiveness and efficiency of the risk management process.
 - 2.6.3. Perform consulting work in risk management in the form of risk management workshops when required to do so by the Audit Committee.
 - 2.6.4. Develop, review and update where necessary a risk management strategy.
 - 2.6.5. Appraising the economy, effectiveness and efficiency with which resources are employed and identifying opportunities to improve operating performance.
 - 2.6.6. Review internal controls to ensure that financial reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.
 - 2.6.7. Review the systems established by management to ensure compliance with those policies, laws, regulations and controls that could have a significant impact on operations and determine whether the entity is in compliance with PFMA No 1 of 1999 and other relevant legislation that governs the entity.

- 2.6.8. Ensure that the entity adheres to the corporate governance requirements as prescribed by the King IV report.
- 2.6.9. Reviewing operations or programmes to ascertain whether the results are consistent with established objectives or goals and whether the operations or programs are carried out as planned.
- 2.6.10. Develop a rolling three-year strategic and annual internal audit plan based on the results of the risk review and the execution of audits in accordance with these plans.
- 2.6.11. The above-mentioned coordinated approach shall be used to maximize internal audit resourced and coverage and to ensure that the service provider provide greatest value to the NHC. Matters to be considered in developing the internal audit plans shall include:
- a) Significant areas of potential risk of fraud;
 - b) The accuracy and completeness of financial reporting;
 - c) Major changes in operations, organizational structures, systems and controls;
 - d) Safeguarding of assets;
 - e) Compliance with laws, contracts, policies and procedures;
 - f) Risk areas identified by management;
 - g) Results of previous audits;
 - h) Significant areas of risk related to reliability and integrity of financial and operational information or negative reputation exposure;
- 2.6.12. Liaise and cooperate with the external auditors (Auditor General of South Africa – the AGSA) to prevent duplication of work and share information.
- 2.6.13. Report on progress of the work against the approved Annual Internal Audit Plan to the Audit Committee
- 2.6.14. Review the Internal Audit Charter and make recommendations in order to be consistent with the Definition of Internal Audit, Internal Audit Code and Ethics.
- 2.6.15. Assist the development and review of the Audit and Risk Committee Charter.
- 2.6.16. Assist the Audit and Risk Committee with their performance reviews by providing a framework for a performance assessment criterion.

- 2.6.17. Perform ad hoc services requirements, as requested by Council or the Audit and Risk Committee.
- 2.7. Execution of audit assignments will be as follows:
- 2.7.1 Assignments are to be performed in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards).
 - 2.7.2 The execution of each assignment shall be in accordance with the approved three year rolling Internal Audit Plan and Annual Internal Audit Plan.
 - 2.7.3 The appointed service provider is expected to maintain independence and objectivity at all times when engaging on any activities within the NHC.
 - 2.7.4 Timely liaise with the management team during the execution and reporting on its activities.
- 2.8. Attending Audit and Risk Committee meetings when necessary;

3. EXPERTISE AND CAPACITY

The key criteria to be considered for the suitability of the service provider include the following: -

- 3.1. Have the necessary skills, knowledge, capacity and resources to meet the needs of the NHC and to carry out their obligations, including the availability of:
 - 3.1.1. Forensic audit skills and tools.
 - 3.1.2. Information technology audit skills and tools.
 - 3.1.3. Information technology security capabilities.
- 3.2. Have knowledge and a comprehensive understanding of the public sector; and an understanding of the NHC's enabling legislations.
- 3.3. The service provider must be able to demonstrate the ability to reach all South African regions within which the NHC operates.
- 3.4. Have a minimum of two (2) directors including the engagement director. The engagement director must be directly involved in every engagement review undertaken at the NHC. As the engagement director will fill the role of the Chief Audit Executive ("CAE"), the bidder needs to cite experience that the proposed engagement director has in his role. Note: The CAE of the winning bidder will report functionally to the ARC, and administratively to the Chief Executive Officer.
- 3.5. Have a quality control department responsible for ensuring the IIA standards are appropriately applied.
- 3.6. Demonstrate that they adhere to the IIA standards, particularly as they relate to:

3.6.1. The application of a risk-based approach to auditing.

3.6.2. The use of IT audit resources (including the appropriate tools).

3.6.3. The availability of resources that perform risk management and governance reviews.

4. PROFESSIONAL MEMBERSHIP

4.1. It is mandatory for the senior resources of the preferred service provider (i.e. directors, senior manager and specialists) to have the appropriate professional qualifications (s) enabling them to perform internal audit services. These must include, but is not limited to the following:

4.1.1. Certified Internal Auditor (Certified by the Institute of Internal Auditors South Africa);
or

4.1.2. Chartered Accountant (SA) (Certified by the South African Institute of Chartered Accountants (SAICA)) and

4.1.3. Certified Information Systems Auditor (Certified by ICASA).

All core members of the internal audit team belong to a professional body that regulates the services they offer.

5. EXPECTED OUTCOMES AND DELIVERABLES

The service provider is expected to ensure that the following deliverables and outcomes are addressed in each assignment or project:

5.1. Expected deliverables

5.1.1. Performing Audit assignments

a) Pre-audit survey

b) Audit planning memorandum

c) Minutes of entrance meeting

d) Risk assessment document

e) System descriptions

f) Audit programmes

g) Sampling methodology

h) Mechanisms for follow-up on matters previously reported and feedback to the Audit and Risk Committee.

- i) Mechanism to ensure that working papers are reviewed at the appropriate level
- j) Record of work performed
- k) Audit findings and recommendations, and follow-up
- l) Reporting (draft and final internal audit reports); and
- m) Value Added services, skills transfer, quality review and succession planning.

5.1.2. Reporting requirements

The structure of the report as a minimum is to be as follows:

- a) Introduction
- b) Audit objective and scope
- c) Background
- d) Executive summary highlighting significant findings; and
- e) Findings and management response (including recommendation implementation dates.

5.2. Achievable Outcomes

5.2.1. Improved control environment with the NHC

5.2.2. Improved effective risk management; and

5.2.3. Improved governance processes.

6. BROAD-BASED BLACK ECONOMIC EMPOWERMENT

6.1. The following preferences point systems 80 / 20 are applicable. Allocation of the B-BBEE points will be as follows:

B-BBEE Status level of Contributor	Number of Points (80 / 20 system)
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2

B-BBEE Status level of Contributor	Number of Points (80 / 20 system)
Non-compliant contributor	0

NB: Original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a verification agency accredited by the South African National Accreditation System ("SANAS"). In the case of Exempt Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs), an affidavit is to be submitted.

6.2. In the event of a Joint Venture or Consortium(s) / primary bidder with a sub-contractor, the following requirements will apply:

6.2.1. Bidders who wish to respond to this bid as a Joint Venture (JV) or consortium with B-BBEE entities / primary bidder with a subcontractor must state their intention to do so in their tender submission. Such bidders must also submit a signed JV / consortium / subcontracting agreement between the parties clearly stating the percentage (5) split of business (Internal audit fee and work) and the associated responsibilities of each party.

6.2.2. If such a JV or consortium / subcontracting agreement is unavailable, the directors must submit confirmation in writing of their intention to enter into a JV / consortium / subcontracting agreement should they be awarded business by NHC through this tender process. This written confirmation must clearly indicate the percentage (%) split of business (internal audit fee and work) and the responsibilities of each party. In such cases, before contracting, a signed copy of a JV / consortium / subcontracting agreement must be submitted to NHC.

6.2.3. A consortium or joint venture must submit a valid consolidated B-BBEE status level verification certificate.

7. EVALUATION CRITERIA

7.1. Evaluation of proposals will be concluded in the following phases:

Stage	Details of Evaluation
Phase 1	Eligibility / pre-qualification criteria: the purpose of this criteria is to evaluate the bidders on the compulsory requirements, their eligibility, largely based on their structure and organizational design.
Phase 2	Technical evaluation: The purpose of this criteria is to evaluate the bidders on their technical competencies by verifying compliance with requirements in this document
Phase 3	Price and B-BBEE evaluation: The purpose of this criteria is to evaluate the bidders on the bid price offered and their B-BBEE level of contribution

7.2. Phase 1 – Eligibility / Pre-qualification criteria

Bidders will be evaluated according to compulsory and pre-qualification requirements which include submission of mandatory information and/or documentation. Bidders that fail to meet the pre-qualification requirements of the request will not be considered further for evaluation on technical requirements as per Phase 2.

Bidders are required to complete the table. Should the space be inadequate, bidders are required to copy the table and provide the information as an annexure and make reference in this table to the specific page. Failure to complete the table may result that the proposal be regarded as a non-responsive bid.

No	Compulsory requirement	Comply (Yes / No)	Details to offer
7.2.1.	<p>The bidder must be able to commit at least two (2) directors to the NHC, including the engagement director. The engagement director responsible for the NHC's internal audit must be based in the Gauteng province.</p> <p>In the event of a joint internal audit proposal, both service providers must have sufficient directors to meet the minimum of two (2) directors.</p>		
7.2.2.	<p>The bidder must have relevant public sector internal audit experience, which it has conducted in the past three (3) years. Bidders must be able to demonstrate the audits they have conducted and provide relevant client references on written reference letters from the clients. References should attest to the provision of value-added services.</p>		
7.2.3.	<p>The bidder must indicate if they have rendered services to the NHC in the past two (2) years. This includes services through contract work allocations. If yes, the bidder must provide a letter that includes an assessment whether the services provided could impair the independence or objectivity of the bidder, in fact or appearance if any and indicate any mitigations applied thereof. This letter must be signed off by the Chief Executive Officer / Managing Director of the bidder.</p>		

No	Compulsory requirement	Comply (Yes / No)	Details to offer
7.2.4.	The bidder must have a quality control department responsible for ensuring the IIA standards are appropriately applied. Organizational structure must be included with a brief on each unit.		
7.2.5.	The bidder must have a resource plan that indicate the core team having the necessary skills, knowledge, capacity and resourced to meet the needs of the NHC (i.e. forensic audit skills and tools are well as the appropriate computer audit skills and tools). The resource plan must be included in the proposal.		
7.2.6.	Service providers shall include the CV's of professional staff of the core management team proposed for the engagement and the authorized representative submitting the proposal. Key information should include the position of the individual in the company, the role that the individual will have in the engagement of the audits, the number of years' experience, all tertiary and professional qualifications, professional memberships, experience, and degree of responsibility held in various assignments during the last three (3) years.		

7.3. Phase 2 – Technical evaluation

The minimum qualification score for functionality / technical evaluation is 70%. All bids that fail to achieve the minimum qualification score on functionality shall not be considered for further evaluation on Price and B-BBEE level of contribution.

NB: The NHC reserves the right to invite shortlisted bidders to give a presentation on their service offering.

No	Functional / Technical Evaluation criteria	Weighted score	Points Allocated
7.3.1.	Internal Audit approach	10	
	The bidder's approach to perform an internal audit, including audit methodology and Quality Assurance processes.		

No	Functional / Technical Evaluation criteria	Weighted score	Points Allocated
	Signed letter of undertaking from the bidder to confirm that the bidder adopts a quality assurance improvement programme as per the International Standards for the Professional Practice of Internal Auditing.		
	- Expectations are exceeded. The quality assurance improvement programme exceeds the requirements of the International Standards for the Professional Practice of Internal Auditing		5
	- The expectations are met (10)		4
	- The response meets at least 70% of the expectations (6)		3
	- The response meets at least 50% of the expectations (2)		2
	- The response meets less than the 50% of the expectations (0)		1
7.3.2.	Internal Audit experience	20	
	The bidders internal audit services experience in the public sector, including specialized skills, expertise and value-added services. To demonstrate knowledge and experience, the bidder must submit a minimum of three (3) client references where the bidder has successfully concluded internal audit work within the public sector in terms of scope and complexity in the past five (5) years.		
	- More than ten (10) references, exceeding defined expectations have been included		5
	- Five (5) to ten (10) references, exceeding defined expectations have been included		4
	- Three (3) client references, meeting defined expectations have been included		3
	- Two (2) client references, partially meeting the defined expectations have been included		2
	- Less than two (2) client references, meeting the defined expectations have been included		1
7.3.3.	The qualification and experience of the professionals proposed to provide the services	20	
	Assessment of the condensed CVs of personnel who will be assigned to the NHC's account. (Qualification and experiences of proposed resources)		

No	Functional / Technical Evaluation criteria	Weighted score	Points Allocated
	- The response exceeds the expectations and the professionals proposed have jointly at least 80 years' experience in public sector internal audits		5
	- The response meets at least 70% of the expectations and the professionals proposed have jointly at least 60 years' experience in public sector internal audits		4
	- The response meets at least 50% of the expectations and the professionals proposed have jointly at least 40 years' experience in public sector internal audits		3
	- The response meets 30% of the expectations and the professionals proposed have jointly at least 20 years' experience in public sector internal audits		2
	- The response meets less than 30% of the expectations and the professionals proposed have jointly less than 10 years' experience in public sector internal audits		1
7.3.4.	Internal audit objectives, scope of work and capacity of the bidder	30	
	A detailed comprehensive proposed three-year plan of action with achievable milestones to achieve the objectives of the internal audit. This plan should cover short, medium and long-term objectives. The bidder must submit a resource plan, including the structure of the core teams to be committed to the NHC; as well as demonstrate that they have the appropriate resources and tools to execute the plan.		
	- A detailed comprehensive proposed three-year plan with clearly defined achievable milestones, with value-added services incorporated		5
	- A detailed comprehensive proposed three-year plan of action failing to address one aspect of the requirements		3
	- A proposed three-year plan of action that fails to meet the requirements or not addressing the needs of the NHC		1
7.3.5.	Professional membership	10	
	The bidder and its Directors must submit evidence of its and their registration with a relevant professional body (latest proof of current annual IIA and ISACA Registrations)		
	- The IIA, ISACA, SAICA and IRBA and relevant internal audit experience		5

No	Functional / Technical Evaluation criteria	Weighted score	Points Allocated
	- IIA AND ISACA		4
	- SAICA and IRBA, with relevant internal audit experience		3
	- Other recognized professional membership (e.g. ACCA / RA), with relevant internal audit experience		2
7.3.6.	Geographic reach of the service provider	10	
	The bidder must demonstrate by providing work methodology plan that will be used to service the NHC. The work method plan will demonstrate that the bidder has an effective and well-practiced project management process and technology capabilities to audit remotely, when required.		
	- The work methodology plan demonstrate that the bidder has the required resources, skills, capabilities and effective well-practiced project management process to audit remotely at least 90% of the functions		5
	- The work methodology plan demonstrate that the bidder has the required resources, skills, capabilities and effective well-practiced project management process to audit remotely at least 70% of the functions		4
	- The work methodology plan demonstrate that the bidder has the required resources, skills, capabilities and effective well-practiced project management process to audit remotely at least 50% of the functions		3
	- Work method plan demonstrate that the bidder has no practiced project management process and no technology capabilities to audit remotely		1
	TOTAL	100	

7.4. Phase 3 – Price and B-BBEE level of contribution

All bids that achieve the minimum qualifying score of 70% for functionality (acceptable bids) will be evaluated further in terms of Price and their B-BBEE level of contribution, as follows:

No	Price and B-BBEE level of contribution score	Preference points allocated
6.4.1.	Price	80
	Bidders must submit a comprehensive and detailed line-item (VAT inclusive) budget, as well as proposed hours and rates of personnel involved with reference to different levels of proposed resources to be utilized and an estimate of the recoverable expenses.	
6.4.2.	B-BBEE level of contribution	20
	The preference points in terms of 5.1 above, will be awarded to bidders who provide valid proof of their B-BBEE level of contribution	
	Total	100

8. PROGRESS PAYMENT PLAN

Service providers are required to include a proposed payment plan linked to the project plan stipulated in the document. The progress payment plan needs to be linked to achievable milestones.

9. PRICING GUIDE

Service Providers shall be required to submit pricing for a period of two (2) years. The Proposed fee structure must be based on the following:

- Total annual hours
- Average hourly rate
- Reimbursement costs such as telephone, travel, stationery, and printing

All prices will be fixed and in South African Rand. Provision shall be made for any price escalations during this period and no alterations or amendments will be accepted after closure of the project. The quotation must make provision for the following estimates in the quotation on the company letterhead:

- 9.1. Review of the IA Plan per year
- 9.2. Review of IA Charter per year
- 9.3. Quarterly audits of predetermined objectives per year
- 9.4. Grant Funding per year
- 9.5. IFC per year
- 9.6. SCM per year
- 9.7. Possible Risk assessments

- 9.8. Annual Financial Statement review
- 9.9. Reporting to Audit and Risk Committee
- 9.10. 2022/23 IA Plan
- 9.11. 2023/24 IA Plan
- 9.12. 2022/23 AoPO
- 9.13. 2023/24 AoPO
- 9.14. The estimated hours must be indicated and the applicable cost.

10. SERVICE LEVEL AGREEMENT

The successful service provider will be required to sign a service level agreement for the duration of the contract. No service may be rendered unless an official purchase order was issued.

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

2.3 Position occupied in the Company (director, trustee, shareholder²):

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

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

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

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

2.7.1 If so, furnish the following particulars:

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

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

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain **YES / NO**

the appropriate authority to undertake remunerative work outside employment in the public sector?

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

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

2.9.1 If so, furnish particulars.

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

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

2.10.1 If so, furnish particulars.

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

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

2.11.1 If so, furnish particulars:

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

3 FULL DETAILS OF DIRECTORS / TRUSTEES / MEMBERS / SHAREHOLDERS.

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

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

4 DECLARATION

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

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

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

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

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

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a

- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“price”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

Where

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

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

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

6. BID DECLARATION

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

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

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

8. SUB-CONTRACTING

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

(**Tick applicable box**)

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

- 8.1.1 If yes, indicate:

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

(Tick applicable box)

YES		NO	
-----	--	----	--

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

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

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

9.1 Name of company/firm:.....

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 **TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

9.5 **DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

9.6 **COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

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

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

WITNESSES	
1.
2.

.....	
SIGNATURE(S) OF BIDDERS(S)	
DATE:
ADDRESS

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>e Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME).....
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

NATIONAL HERITAGE COUNCIL

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ 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.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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