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## INVITATION TO BID - KZNGBB 01-2023

### KWAZULU-NATAL GAMING AND BETTING BOARD

**Suitable and capable service providers are invited to bid for the appointment of an accredited and experienced Service Provider to render Specialised Software Development and Support Services for the Entity's Customised Enterprise Application – Gambling Regulatory Online Portal (GROP)**

**Bid Document:** Free download of Bid Document from KZNGBB website:  
<https://www.kzngbb.org.za/index.php/tenders/>

#### **Non-compulsory Virtual Briefing Session**

The non-compulsory virtual briefing meeting will be held as follows:

**Date: 21 November 2023**

**Time: 10:00 am**

Service providers who wish to attend the non-compulsory virtual briefing session need to submit their company names, email addresses and telephone number to [blosen@kzngbb.org.za](mailto:blosen@kzngbb.org.za) / [mahomedf@kzngbbb.org.za](mailto:mahomedf@kzngbbb.org.za) by no later than 20 November 2023. Only those who send their details will be invited to attend the virtual briefing session.

#### **Bid Closing**

The bid will close on **12 December 2023 at 12h00**. No late bids will be accepted.

It is the bidder's responsibility to ensure their bid documents are deposited into the tender box located at the address as specified in the bid document. Telegraphic, telephonic, telex, facsimile, e-mail and late Tender Proposals will not be accepted.

#### **Queries**

All queries in relation to the bid document must be addressed to Mr Sherwin Charles / Mrs Nonhlanhla Blose (033) 345 2714 or via email [charless@kzngbb.org.za](mailto:charless@kzngbb.org.za) or [blosen@kzngbb.org.za](mailto:blosen@kzngbb.org.za)

**KWAZULU-NATAL PROVINCIAL GOVERNMENT BIDDING FORMS**

<b>PART A</b>	INVITATION TO BID (SBD 1)	
<b>PART B</b>	TERMS AND CONDITIONS FOR BIDDING (SBD 1)	
<b>SECTION A</b>	SPECIAL INSTRUCTIONS REGARDING COMPLETION OF BID	
<b>SECTION B</b>	REGISTRATION ON CENTRAL SUPPLIERS DATABASE	
<b>SECTION C</b>	DECLARATION OF CORRECTNESS OF INFORMATION ON CSD	
<b>SECTION D</b>	PRICING SCHEDULE (SBD 3)	
<b>SECTION E</b>	BIDDERS DISCLOSURE (SBD 4)	
<b>SECTION F</b>	PREFERENCE POINTS CLAIM FORM (SBD 6.1)	
<b>SECTION G</b>	CONTRACT FORM - RENDERING OF SERVICES	
<b>SECTION H</b>	AUTHORITY TO SIGN THE BID	
<b>SECTION I</b>	GENERAL CONDITIONS OF CONTRACT	
<b>SECTION J</b>	TERMS OF REFERENCE	

**PART A - INVITATION TO BID**

**SBD1**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	KZNGBB-01/2023	CLOSING DATE:	12 DECEMBER 2023	CLOSING TIME:	12H00
BID VALIDITY	120 WORKING DAYS				
DESCRIPTION	APPOINTMENT OF AN ACCREDITED AND EXPERIENCED SERVICE PROVIDER TO RENDER SPECIALISED SOFTWARE DEVELOPMENT AND SUPPORT SERVICES FOR THE ENTITY'S CUSTOMISED ENTERPRISE APPLICATION – GAMBLING REGULATORY ONLINE PORTAL (GROP)				
<b>BID RESPONSE DOCUMENTS MUST BE POSTED OR DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>BID DOCUMENTS DELIVERED BY HAND/COURIER MUST BE DEPOSITED IN THE BID BOX SITUATED AT:</b>					
KZNGBB HOUSE, REDLANDS OFFICE PARK 1 GEORGE MACFARLANE LANE WEMBLEY PIETERMARITZBURG, 3201					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	MRS NONHLANHLA BLOSE		CONTACT PERSON	MR SHERWIN CHARLES	
TELEPHONE NUMBER	033 – 345 2714		TELEPHONE NUMBER	033 – 345 2714	
FACSIMILE NUMBER	033 – 342 7853		FACSIMILE NUMBER	033 – 342 7853	
E-MAIL ADDRESS	<a href="mailto:blosen@kzngbb.org.za">blosen@kzngbb.org.za</a>		E-MAIL ADDRESS	<a href="mailto:charless@kzngbb.org.za">charless@kzngbb.org.za</a>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REG NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
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 THE QUESTIONNAIRE BELOW]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>					

**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
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 IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. 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 SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
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 VERIFY THE TAXPAYER’S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g. company resolution)

DATE: .....

## SECTION A

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

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

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

## **SECTION B**

### **REGISTRATION ON THE CENTRAL SUPPLIERS DATABASE**

1. In terms of the KwaZulu-Natal Supply Chain Management Policy Framework, all suppliers of goods and services are required to register on the Central Suppliers Database.
2. If you wish to apply for Central Supplier Database (CSD) registration, suppliers may go to [www.csd.gov.za](http://www.csd.gov.za) to register or call 033 897 4223/4676/4509 for assistance.
3. If a business is registered on the Database and it is found subsequently that false or incorrect information has been supplied, then the Department may, without prejudice to any other legal rights or remedies it may;
  - 3.1. De-register the supplier from the Database,
  - 3.2. Cancel a bid or a contract awarded to such supplier, and the supplier would become liable for any damages if a less favourable bid is accepted or less favourable arrangements are made.
4. The same principles as set out in paragraph 3 above are applicable should the supplier fail to update its information on the Central Suppliers Database, relating to changed particulars or circumstances.
5. If the supplier is not registered at the closing time of bid, the supplier will be disqualified at the bid evaluation process.

**SECTION C**

**DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE (CSD) IS CORRECT AND UP TO DATE**

**(TO BE COMPLETED BY BIDDER)**

THIS IS TO CERTIFY THAT I (name of bidder/authorised representative)

.....

WHO REPRESENTS (state name of bidder)

.....

I am aware of the contents of the central supplier database with respect to the bidder's details and registration information, and that the said information is correct and up to date as on the date of submitting this bid. And I am aware that incorrect or outdated information may be a cause for disqualification of this bid from the bidding process, and/or possible cancellation of the contract that may be awarded on the basis of this bid.

CSD NUMBER: .....

SIGNATURE OF BIDDER: .....

DATE: .....

**SECTION D**

**SBD 3.3**

**PRICING SCHEDULE  
(Professional Services)**

<b>Name of bidder</b> .....	<b>Bid number: KZNGBB– 01/2023</b>
<b>Closing Time 12:00</b>	<b>Closing date: 12 DECEMBER 2023</b>

OFFER TO BE VALID FOR **120 WORKING** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	DESCRIPTION	BID PRICE IN RSA CURRENCY WITH ALL APPLICABLE TAXES INCLUDED)
1	Support Pricing (from Table Below)	R
2	Development Pricing (from Table Below)	R
	<b>TOTAL</b>	R

1 Support Pricing						
RESOURCE LEVEL	RATE / HOUR YEAR 1	RATE / HOUR YEAR 2	RATE / HOUR YEAR 3		RATE / HOUR YEAR 4	RATE / HOUR YEAR 5
K2 Developer						
Database Administrator						
<b>Blended Rate</b>						
<b>Estimated Support Hours per year</b>	<b>1000 hours</b>	<b>1000 hours</b>	<b>1000 hours</b>		<b>1000 hours</b>	<b>1000 hours</b>
<b>Estimated cost for Support</b>						
<b>Total Estimated Cost for Support for 3 years</b>	R					

2 Development Pricing						
RESOURCE LEVEL	RATE / HOUR YEAR 1	RATE / HOUR YEAR 2	RATE / HOUR YEAR 3		RATE / HOUR YEAR 4	RATE / HOUR YEAR 5
K2 Developer						
Database Administrator						
Project Manager						
Business Analyst						
<b>Blended Rate</b>						



<b>Estimated Development Hours per year</b>	<b>1000 hours</b>	<b>1000 hours</b>	<b>1000 hours</b>		<b>1000 hours</b>	<b>1000 hours</b>
<b>Estimated cost for Development</b>						
<b>Total Estimated Cost for Development for 3 years</b>	R					

1. The accompanying information must be used for the formulation of proposals
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R .....
.....	.....	.....	R .....
.....	.....	.....	R .....
.....	.....	.....	R .....
.....	.....	.....	R .....

TOTAL: R.....

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

Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R .....
.....	.....	.....	R .....
.....	.....	.....	R .....
.....	.....	.....	R .....
.....	.....	.....	R .....

TOTAL: R.....

- 6. Period required for commencement with project after acceptance of bid  
.....
- 7. Estimated man-days for completion of project  
.....
- 8. Are the rates quoted firm for the full period of contract?  
\*YES/NO
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.  
.....  
.....  
.....  
.....

Any enquiries may be directed to the –

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	MRS NONHLANHLA BLOSE	CONTACT PERSON	MR SHERWIN CHARLES
TELEPHONE NUMBER	033 – 345 2714	TELEPHONE NUMBER	033 – 345 2714
FACSIMILE NUMBER	033 – 342 7853	FACSIMILE NUMBER	033 – 342 7853
E-MAIL ADDRESS	<a href="mailto:blosen@kzngbb.org.za">blosen@kzngbb.org.za</a>	E-MAIL ADDRESS	<a href="mailto:charless@kzngbb.org.za">charless@kzngbb.org.za</a>

**SECTION E**

**BIDDER'S DISCLOSURE**

<b>SBD 4</b>
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**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 interest<sup>1</sup> 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 with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:  
 .....  
 .....

<sup>1</sup> 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.

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 consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported

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

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

**SECTION F****SBD 6.1****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) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

**1.4 To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

DETAILS	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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:

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

<b>80/20</b>	or	<b>90/10</b>
$Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$	or	$Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)$

Where

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

#### **4. POINTS AWARDED FOR SPECIFIC GOALS**

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



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

**\*\*\*Note to tenderers: The tenderer must indicate the number of points claimed in respect of the specific goals below.**

The specific goals allocated points in terms of this tender	Supporting Evidence required	Maximum Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (TO BE COMPLETED BY THE TENDERER)
<b>Black Women Ownership</b>  75.01% - 100% = 7 Points 50.01% - 75.00% = 4 Points 0.01% - 50.00% = 2 Points 0.00% = 0 Points	Any evidence reflecting ownership, for example (but not limited to): Valid BBEE Certificate; or Valid Sworn Affidavit; or CSD Report; or CIPC Documents; or similar evidence to confirm ownership.	<b>7</b>	
<b>Entity Classification - Exempted Micro Enterprise (EME) / Qualifying Small Enterprise (QSE)</b>	Valid BBEE Certificate; or Valid Sworn Affidavit; or CSD Report.	<b>5</b>	
<b>Youth</b>	Any evidence reflecting youth ownership, for example (but not limited to): Valid BBEE Certificate; or Valid Sworn Affidavit; or CSD Report; or CIPC Documents. Or similar evidence to confirm youth ownership	<b>2</b>	
<b>Disabled</b>	Proof of Disability	<b>2</b>	
<b>Located within KZN</b>	CSD Report; or Proof of Address (Utility Bill/Affidavit, Councilor Letter) Or similar evidence to confirm located within KZN	<b>2</b>	
<b>Located in a Rural area within KZN</b>	CSD Report Or similar evidence to confirm located in a rural area within KZN	<b>2</b>	
<b>Maximum points</b>		<b>20</b>	

**Note:**

The bidder must ensure that all supporting evidence, as indicated above, is submitted with the bid. Failure to provide the supporting evidence will result in no preference points being awarded for the respective specific goal.

**DECLARATION WITH REGARD TO COMPANY/FIRM**

- 4.3. Name of company/firm.....
- 4.4. Company registration number: .....
- 4.5. Number of Full Time Employees..... (evidence to be provided as per table above)
- 4.6. Annual Turnover for last financial period .....
- 4.7. 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]
- 4.8. 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.

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

**SECTION G**

**AUTHORITY TO SIGN A BID**

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

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

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

.....

hereby authorise Mr/Mrs/Ms .....

acting in the capacity of .....

whose signature is .....

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

NAME	ADDRESS	SIGNATURE	DATE

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

**Note:**

The following document must be attached to this form according to the status of the enterprise, in the form of a resolution authorising the signatory to sign all documents in connection with this bid and any contract resulting therefrom on behalf of the enterprise, and **such resolution shall include a specimen signature of the signatory.**

- Co-operative: Resolution letter from the directors
- Close Corporation: Resolution letter from the directors
- Company: Resolution letter from the director/s
- Sole Proprietor: Resolution letter from the director
- Partnership: Resolution letter from the director

Joint Venture / Consortium: Resolution/agreement passed/reached' signed by the authorised representatives of the enterprises

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

**Failure to complete, sign and date this form or failure to provide the certificate(s) in the form of a resolution as described above shall result in the tender being considered non-responsive and rejected.**

**SECTION H**

**SBD 7.2**

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

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

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	.....
2	.....

**CONTRACT FORM - RENDERING OF SERVICES**

**SBD 7.2**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

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

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

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

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

DATE: .....

## **SECTION I**

### **GENERAL CONDITIONS OF CONTRACT**

**DEFINITIONS:** The following terms shall be interpreted as indicated:

- (a) “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
- (b) “Contract” means the written agreement entered into between the Province and the Contractor, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (c) “Contract price” means the price payable to the Contractor under the contract for the full and proper performance of his contractual obligations.
- (d) “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
- (e) “Countervailing duties” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- (f) “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- (g) “Day” means calendar day.
- (h) “Delivery” means delivery in compliance with the conditions of the contract or order.
- (i) “Delivery ex stock” means immediate delivery directly from stock actually on hand.
- (j) “Delivery into consignees store or to his site” means delivery and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the Contractor bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.



- (k) “Dumping” occurs when a private enterprise abroad market its goods and services on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- (l) “Force majeure” means an event beyond the control of the Contractor and not involving the Contractor’s fault or negligence and not foreseeable. Such event may include, but is not restricted to, acts of the Province in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- (m) “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- (n) “GCC” means the General Conditions of Contract.
- (o) “Goods” means all the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- (p) “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the Contractor or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic, where supplies covered by the bid will be manufactured.
- (q) “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- (r) “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- (s) “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- (t) “Project site” where applicable, means the place indicated in bidding documents.
- (u) “Province” means the procuring Department or Entity, incorporating the KwaZulu-Natal Provincial Legislature.
- (v) “Republic” means the Republic of South Africa.

- (w) “SCC” means the Special Conditions of Contract.
- (x) “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the Contractor covered under the contract.
- (y) “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

## 1. CESSION OF CONTRACTS

- 1.1 The Contract is personal to the Contractor who shall not sub-let, assign, cede or make over the Contract or any part thereof, or any share of interest therein, to any other person without the written consent of the Province, and on such conditions as it may approve.
- 1.2 This sub-clause shall not apply to sub-contracts given to regular suppliers of the Contractor for materials and minor components relating to the goods or services supplied. The Province reserves the right to require the Contractor to submit, for noting, the names of such sub-contractors in order to ascertain their registration on the Provincial Suppliers Database and they must be legal entities.

## 2. DISCREPANCIES

Should there appear to be any discrepancies, ambiguities or want of agreement in description, dimensions, qualities or quantities in the Contract, the Contractor shall be obliged to refer the matter to the Provinces’ Representative for a decision, before proceeding to execute the Contract or part thereof in respect of which the said discrepancies, ambiguities or want of agreement appear to exist.

## 3. QUALITY AND GUARANTEE

- 3.1 All Goods supplied shall be equal in all respects to samples, patterns or specifications where such are provided. Any changes to quality or brands will have to be approved by the Province, as this is a change to the conditions of the contract.
- 3.2 Should the Province, after the award of the Contract and/or during the manufacture of the goods specified, decide on a variation or alteration to the specification, either at the suggestion of the Contractor or otherwise, which will be to the Province’s advantage, such variation or alteration shall be performed to the Province’s satisfaction. Any variation in the Contract Price arising there from shall be subject to agreement between the Province and the Contractor.
- 3.3 The Contractor shall not be relieved of his obligations with respect to the sufficiency of the materials and workmanship and the quality of the Goods supplied by the reason

of no objection having been taken thereto by the Province's Representative at the time the Goods were delivered.

- 3.4 The Contractor warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The Contractor further warrants that all goods supplied under this contract shall have no defect, arising from design, materials or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the Contractor, that may develop under normal use of the supplied goods in the conditions prevailing in the country of the final destination.
- 3.5 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in the Special Conditions of Contract.
- 3.6 The Province shall promptly notify the Contractor in writing of any claims arising under this warranty. The Contractor shall immediately remedy the said defect free of cost to the Province. Should the Contractor delay remedial work in excess of time stipulated by the Province's representative, the Province may have such remedial work executed at the Contractor's expense. Should the Province decide that the defect is such that it cannot be remedied, the Goods may be rejected. Such rejected goods shall be held at the risk and expense of the Contractor and shall, on request of the Province, be removed by him immediately on receipt of notification of rejection. The Contractor shall be responsible for any loss the Province may sustain by reason of such action as the Province may take, in terms of this clause.
- 3.7 The risk in respect of the Goods purchased by the Province under the contract shall remain with the Contractor until such goods have been delivered to the Province.
- 3.8 The principle feature of the Goods and Work are described in the Goods or Services Information, but the Goods or Services Information does not purport to indicate every detail of construction, fabrication or arrangements of Goods and Works necessary to meet the requirements. Omission from the Goods or Services information of reference to any part or parts shall not relieve the Contractor of his responsibility for carrying out the Work as required under the Contract.
- 3.9 If any dispute arises between the Province and the Contractor in connection with the quality and guarantee of the Goods, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon by both parties. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

#### 4. FAILURE TO COMPLY WITH CONDITIONS AND DELAYED EXECUTION

- 4.1 If a bidder amends or withdraws his/her/their bid after the closing time but before the bidder is notified that his/her/their bid has been accepted, or when notified that his/her/their bid has been accepted, he/she/they fail/fails, within the period stipulated in the conditions of bid or such extended period as the Province may allow, to sign a contract or to provide security when requested to do so, he/she/they shall, unless the Province decides otherwise, and without prejudice to any other right which the Province may have under paragraphs 4.2 and 4.4, including the right to claim damages if a less favourable bid is accepted or less favourable arrangements are to be made, forfeit any deposit which may have been made with the bid.
- 4.2 Should the contractor fail to comply with any of the conditions of the contract, the Province shall be entitled, without prejudice to any of its other rights, to cancel the contract.
- 4.3 Upon any delay beyond the contract period in the case of a supplies contract, the Province shall, without cancelling the contract, be entitled forthwith to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any supplies delivered later at the contractor's expense and risk, or forthwith to cancel the contract and buy such supplies as may be required to complete the contract, and without prejudice to its rights, be entitled to claim damages from the contractor.
- 4.4 Upon any delay beyond the contract period in the case of a service contract, the Province shall, without prejudice to any other right and without cancelling the contract, be entitled forthwith to arrange the execution of the service not rendered in conformity with the contract or to cancel the contract, and without prejudice to its other rights, be entitled to claim damages from the contractor.
- 4.5 In the event of the Province availing itself of the remedies provided for in paragraph 4.2 -
  - 4.5.1 the contractor shall bear any adverse difference in price of the said supplies services and these amounts plus any other damages which may be suffered by the Province, shall be paid by the contractor to the Province immediately on demand, or the Province may deduct such amounts from moneys (if any) otherwise payable to the contractor in respect of supplies or services rendered or to be rendered under the contract or under any other contract or any other amounts due to the contractor; or
  - 4.5.2 if the Contractor fails to supply the goods or render the service within the period stipulated in the contract, the Province shall have the right, in its sole discretion, to claim any damages or loss suffered.
- 4.6 No damages shall be claimed in respect of any period of delay which the contractor can prove to be directly due to a state of war, sanctions, strikes, lockouts, damage to

machinery as a result of accidents, fire, flood or tempest or act of God, which could not be foreseen or overcome by the contractor, or to any act or omission on the part of persons acting in any capacity on behalf of the Province.

- 4.7 If the delivery of the supplies or the rendering of the service is likely to be delayed or is in fact being delayed on account of any of the reasons mentioned in paragraph 4.6, full particulars of the circumstances shall be reported forthwith in writing to the Province and at the same time the contractor shall indicate the extension of the delivery period

## 5. PATENTS

- 5.1 The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trademarks or other protected rights, and hereby indemnifies the Province against any claims arising there from.
- 5.2 The Contractor shall indemnify the Province against all third-party claims of infringement of patent, trademark, or industrial design rights arising from the use of the goods or any part thereof by the Province.

## 6. PACKAGING, MARKING AND DELIVERY

- 6.1 All goods shall be crated, packed or battened securely in such a manner as to prevent damage during loading, transport and off-loading. Unless otherwise specified, packing cases and packing materials are included in the Contract Price, and shall be and remain the property of the Province.
- 6.2 All goods shall be clearly marked in the manner stated in the Goods or Services Information.
- 6.3 Goods shall be delivered to the address within the Province's area of jurisdiction as set out in the Special Conditions of Contract or Goods and Services Information.
- 6.4 Goods shall be delivered on Weekdays between 08:00 and 16:00, free of all charges, only when ordered upon an official letter or form of order issued by the Province. No goods will be received on Saturdays, Sundays and public holidays. This paragraph (6.4) is applicable only when not excluded in the Special Conditions of Contract.
- 6.5 Goods delivered shall in all cases be accompanied by delivery notes in duplicate, one which will be retained by the Province. The Contractor shall be responsible for the safe delivery as to the quality, quantity and condition of the goods.
- 6.6 Delivery, unless otherwise provided for in the Special Conditions of Contract, shall be affected within seven (7) days from receipt of the order. The Contractor shall advise the Province upon receipt of an order in writing of any anticipated delays, citing reasons therefore and put forward a new anticipated delivery date. The Province may then extend the delivery date, if and as it deems fit.

- 6.7 Should the Contractor fail to supply the material within the time stated in his bid, or within the extended time allowed to him in terms of clause 6.6 hereof, the Province reserves the right (after giving the Contractor seven days notice in writing) to cancel the contract and purchase the materials elsewhere and the bidder shall refund to the Province any extra cost incurred over and above the contract price. No liability shall, however, be attached to the Contractor if delivery of materials is rendered impossible or delayed by reason of circumstances beyond the Contractor's control.
- 6.8 If the Contractor cannot produce proof satisfactory to the Province that the delay was due to circumstances beyond his control, no price increase after the due date will be recognized.
- 6.9 If at any time the Province ascertains that, due to negligence of the Contractor or for reasons beyond his control:
- 6.9.1 No work on the order has been commenced and in the opinion of the Province, there is little or no prospect of work being commenced in reasonable time;
- 6.9.2 Delivery of any materials is being or is likely to be delayed beyond the delivery date promised, and/or
- 6.9.3 There is little or no prospect of the order being completed within a reasonable time after the promised date; the Province may, by notice to the Contractor in writing, cancel as from the future date specified in such notice, the whole or any part of the order in respect of which material has not been delivered by that date without incurring any liability by reasons of such cancellation. The cases where circumstances beyond the control of the Contractor have delayed commencement or completion of the order, cancellation of the order will be effected by mutual arrangement or where this is not possible by the decision of the Province. The Contractor shall then as soon as possible after such date deliver to the Province that part of the order which has been completed, and payment is to be effected is for the part performance on a proportional basis, subject to the uncompleted part not being an integral or essential part of the contract.
- 6.10 Should a price other than an all-inclusive price be required, this shall be specified in the SCC.

## **7. CONSIGNMENT OF GOODS**

- 7.1 Goods, if delivered by Spoornet may be consigned carriage paid in the Contractor's name, care of the Province to the place of delivery stipulated, but not in the name of the State. Goods consigned to stores located in areas which Spoornet may refuse to deliver, must be done so care of a local agent or to a local depot from which they may be re-delivered by road to such stores.
- 7.2 Contractors shall arrange with Spoornet to deliver goods to the Province's stores

during  
The hours and on the days that the stores are open.

- 7.3 The Province will not be responsible for any damage, re-delivery charges or any other Charges raised by Spoornet.
- 7.4 Claims on the South African Transport Services or on any other carrier in respect of weight, quantity, damage or loss, shall be made by the Contractor.

## 8. PAYMENT

- 8.1 The Contractor shall furnish the Province with an invoice accompanied by a copy of the delivery note upon fulfilment of other obligations stipulated in the contract.
- 8.2 Payments shall be made promptly by the Province, but in no case later than thirty days (30) days after submission of an invoice or claim by the Contractor.
- 8.3 Payments will be made in Rand unless otherwise stipulated.
- 8.4 Payments for goods are made by the Province only. Any disputes regarding late or delayed payments must be taken up with the department and if a problem persists, the Supply Chain Management Office can be requested to investigate the delays.

## 9. INVOICES

All invoices submitted by the Contractor must be Tax Invoices indicating quantity ordered and quantity delivered, the amount of tax charged and the total invoice amount.

## 10. CONTRACT PRICE ADJUSTMENT

- 10.1 Firm contract prices shall not be subject to adjustment. contract prices which are not firm shall be increased or reduced by the amount of variation between the Cost to Bidder and the actual cost to the Contractor, such variations to be subject to the following conditions:-
- 10.1.1 Where the Cost to Bidder was based on a printed catalogue or list price, the variation shall be the difference between that price list and the price list actually charged. Should it transpire that the Cost to Bidder was not based on the latest available price list at the Date of Bid, the Province shall have the right to elect the price list on which any variation shall be based.
- 10.1.2 Where the Cost to Bidder was based on a quotation by the manufacturer, or where the Contractor is the manufacturer, and the Contract Price was based on the cost of materials and labour ruling at a certain date, the variation in the Contract Price shall be calculated by means of the Steel and Engineering Industries Federation of South Africa (SEIFSA) formula if this is stipulated in the Contract, or if the Province's representative considers it to be appropriate. Where the

use of the SEIFSA formula is not appropriate, the variation shall be calculated by means of another formula acceptable to the Province, which shall be indicated in the Special Conditions of Contract. Only those cost increases due to wage increases prescribed by regulating measures having the force of law, or increases in the cost of materials and railage as may be proven by documentary evidence, or published data, will be considered in determining Contract Price variation.

- 10.1.3 Any difference between Rates and Charges ruling at the time of bid and those actually paid by the Contractor will be for the account of the Province. The Contract Price adjustment arising from any variation in Rates and Charges shall, in every instance, be applied to the appropriate value, or tonnage, of the Goods shipped. Where a variation in the Cost to bidder has been allowed, the contract price shall be adjusted by the product of such variation and every component of Rates and Charges which is based on the value of the Goods, whether or not the costs of such components have varied.
- 10.1.4 No claim for increased costs will be entertained if the Contractor is unable to produce documentation to substantiate Cost to Bidder and Rates and Charges on which the contract price was based and documentation to support his claim. Such documentation must, in the opinion of the Province, adequately support the Contractor's claim. No claim for increased costs to the Contractor arising from negligence on his part, or that of the manufacturer, will be considered.
- 10.1.5 The Contractor shall, in respect of every consignment or shipment of Goods delivered, supply to the Province's Representative documentary evidence of variation, if any, in Cost to Bidder and Rates and Charges.
- 10.1.6 Claims for increased cost shall be submitted with the invoice for the Goods in respect of which the claim is made, or as soon thereafter as possible. Claims shall not be considered if received more than 90 days after the expiry of the Contract unless notice of intention to claim has been given to the Province before such date.
- 10.1.7 In the event of there being no claim by the Contractor for increased costs, the Contractor shall not be entitled to full payment under the Contract before he has submitted to the Province, in his own name or in the name of the manufacturer, a certificate declaring that there have been no adjustments in the cost of manufacture which entitle the Employer to a reduction in the Contract Price as provided for in this clause.



## 11. REMEDIES IN THE CASE OF DEATH, SEQUESTRATION, LIQUIDATION OR JUDICIAL MANAGEMENT

- 11.1 In the event of the death of a contractor or the provisional or final sequestration of his/her/their estate or of his/her/their cession or transfer of a contract without the approval of the Province or of the surrender of his/her/their estate or of his/her/their reaching a compromise with his/her/their creditors or of the provisional or final liquidation of a contractor's company/closed corporation or the placing of its affairs under judicial management, the Province may, without prejudice to any other rights it may have, exercise any of the following options :
- 11.1.1 cancel the contract and accept any of the bids which were submitted originally with that of the contractor or any offer subsequently received to complete the contract. In such a case the estate of the contractor shall not be relieved of liability for any claim which has arisen or may arise against the contractor in respect of supplies not delivered or work not carried out by the contractor, under the contract.
- 11.1.2 Allow the executor, trustee, liquidator or judicial manager, as the case may be, for and on behalf of and at the cost and expense of the estate of the contractor to carry on with and complete the contract.
- 11.1.3 For and on behalf of and at the cost and expense of the estate of the contractor, itself carry on with and complete the contract and in that event the Province may take over and utilize, without payment, the contractor's tools, plant and materials in whole or in part until the completion of the contract.
- 11.2 Should the Province elect to act in terms of paragraph 11.1.3 it shall give notice of its requirements to the executor, trustee, liquidator or judicial manager of the contractor's estate and should the said executor, trustee, liquidator or judicial manager fail within 14 days of the dispatch of such notice to make provision to the satisfaction of the Province for the fulfillment of such requirements, or should no trustee, liquidator or judicial manager be appointed within 14 days of the occurrence mentioned in paragraph 11.1, the Province may apply any remedy open to it in terms of the contract as if a breach thereof had taken place.
- 11.3 Should the Province act in terms of paragraph 11.1.3 the contractor must leave the premises immediately and may not occupy such premises on account of retention or any other right.

## 12. LAW TO APPLY

The Contract shall in all respects be construed in accordance with the law of the Republic of South Africa, and any difference that may arise with the law of the Republic of South Africa, and any difference that may arise between the Province and the Contractor in regard to the Contract, shall be settled in the Republic of South Africa.

### 13. OFFERING OF COMMISSION OR GRATUITY

If the Contractor, or any person employed by him, is found to have either directly or indirectly offered, promised or given to any office bearer of the Province or person in the employ of the Province, any commission, gratuity, gift or other consideration, the Province shall have the right, summarily and without recourse to law and without prejudice to any other legal remedy which it may have in regard to any loss or additional cost or expenses, to cancel the Contract without paying any compensation to the Contractor.

### 14. PREFERENCES

14.1 Should the Contractor apply for preferences in the submission of his bid, and it is found at a later stage that these applications were incorrect or made under false pretences, the Province may, at its own right:-

14.1.1 Recover from the Contractor all costs, losses or damages incurred or sustained by the Province as a result of the award of the Contract; and / or

14.1.2 Cancel the contract and claim any damages which the Province may suffer by having to make less favourable arrangements after such cancellation.

14.1.3 The Province may impose penalties, however, only if provision therefore is made in the Special Conditions of Bid.

### 15. WEIGHTS AND MEASURES

The quantities of goods offered or delivered shall be according to South African standard weights and measures.

### 16. SECURITY

16.1 Special Conditions of Contract relating to Surety/Guarantee requirement must be dealt with in strict compliance with the Conditions of Bid set out herein.

16.2 In respect of contracts less than R 500 000, the guarantees and sureties required may be based on a risk evaluation conducted by the Province inviting the bid.

16.3 No deposits are required for bid applications for contracts below R 500 000.

### 17. ORDERS

17.1 Goods shall be delivered and services rendered only upon receipt of a written official order or the signing of a contract with the Province, and accounts shall be rendered as indicated on the official order or in the contract, as the case may be.

17.2 The Province reserves the right to call upon any Contractor during the contract period to make known the following details:

- 17.2.1 Name of Institution placing order;
- 17.2.2 Provincial official order number;
- 17.2.3 Quantity ordered; and
- 17.2.4 List of items ordered.

## 18. EXPORT LICENCES

- 18.1 When orders are placed for goods in respect of which an export license from the country of origin of supplies is required, the Contractor shall:
  - 18.1.1 Not incur any direct or indirect costs in connection with the supply or dispatch of such supplies before he has obtained such license;
  - 18.1.2 If the government of the country from which the supplies are to be exported refuses, or fails to grant such license within three months of the placing of the order, the order shall be considered to be cancelled and no liability will be accepted for any loss or expenses irrespective of the nature thereof, including loss or expenditure suffered or incurred by the Contractor or any other person in respect of the production, supply, transportation or delivery of such supplies.

## 19. INSURANCE

- 19.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.
- 19.2 Any insurance policies taken out by a Contractor to cover goods delivered for a contract must be taken out with a company registered in South Africa in terms of relevant insurance and companies acts.

## 20. INSPECTION, TESTS AND ANALYSES

- 20.1 In terms of Provincial policy, inspections of a Bidder's goods and services are permitted. Bidders and Contractors must allow reasonable access to premises to officials from the department inviting the bid, or person specially appointed by the Province to carry out inspection or tests. There are two main categories: Firstly, where the bid conditions call for goods to be inspected during the contract period. Secondly, where the inspection results are to be submitted with the bid document.
- 20.2 If it is a bid condition that goods to be produced should at any stage during production or on completion be subject to inspection, the premises of the Contractor shall be open, at all reasonable hours, for inspection by a representative of the Province or of an organization acting on its behalf.
- 20.3 Inspections tests and analyses may be carried out prior to dispatch in regard to such contract goods as may be deemed necessary by the Province, and the Contractor shall provide, if required, all the required facilities for the inspection, tests and analyses of the goods free of charge and shall, if required, provide all the materials, samples and labour and available apparatus which may be required for the purposes of such

- inspection, tests and analyses free of charge, unless otherwise specified.
- 20.4 If there are no inspection requirements in the bid documents and no mention thereof is made in the letter of acceptance, but during the contract it is decided that inspections shall be carried out, the Province shall itself make the necessary arrangements, including payment arrangements, with the testing authority concerned. The premises of the Bidder Contractor must be open and accessible at all reasonable times for the purposes of these tests.
- 20.5 If the inspection, tests and analyses show the goods or service to be in accordance with contract requirements, the cost of the inspection, tests and analyses shall be defrayed by the Province calling for such tests or analyses. Where the supplies or services do not comply with the contract, the costs shall be defrayed by the Contractor and the Province shall have the right, without prejudice to any other legal remedy it may have, to deduct such costs from payments due to the Contractor under the contract or under any other contract.
- 20.6 Goods and services which do not comply with the contract requirements may be rejected.
- 20.7 Any goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract, and such rejected goods shall be held at the cost and risk of the Contractor who shall, when called upon, remove them immediately at his own cost and forthwith substitute them for goods which do comply with the requirements of the contract, failing which such rejected goods shall be returned at the Contractor's cost and risk. Should the Contractor fail to provide the substitute goods forthwith, the Province may, without giving the Contractor a further opportunity to substitute the rejected goods, purchase such supplies as may be necessary at the expense of the Contractor, for example, the transport costs and other expenses regarding the rejected goods must be refunded by the Contractor?
- 20.8 Where imported goods are to be inspected before delivery, the Contractor shall notify his suppliers abroad of the conditions applicable to inspections.
- 20.9 Provisions contained in sub-clause 20.1 and 20.8 shall not prejudice the right of the Province to cancel the contract on account of a breach of the conditions thereof.

## **21. RESTRICTION OF BIDDING**

Without prejudice on any other legal remedies, the Province may impose restrictions on a Bidder in terms of which bids to the Province will not be accepted for such period as determined by the Province. This information may be passed to other provinces or State organizations in the Republic of South Africa. These restrictions may be imposed in terms of the breach of any of the requirements to be met in terms of the accepted bid or contract. The Province may also make a restriction on a bidder from another province or State institution applicable to this Province.

## **22. CONTRACTOR'S LIABILITY**

- 22.1 In the event of the contract being cancelled by the Province in the exercise of its rights in terms of these conditions, the Contractor shall be liable to pay to the Province any losses sustained and/ or additional costs or expenditure incurred as a result of such cancellation, and the Province shall have the right to recover such losses, damages or additional costs by means of set-off from monies due or which may become due in terms of the contract or any other contract or from guarantee provided for the due

fulfillment of the contract and, until such time as the amount of such losses, damages or additional costs have been determined, to retain such monies or guarantee or any deposit as security for any loss which the Province may suffer or may have suffered.

- 22.2 The Contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in supply or service rendered or if the goods or service as a result of such defect, latent or otherwise, does not conform to any condition or requirement of the contract.

## **23. PRICE LISTS**

Price lists which are part of the contract shall not be amended without the approval of the Province, unless the SCC specify otherwise.

## **24. SUBMISSION OF CLAIMS**

- 24.1 Claims must be submitted within 90 days of the delivery date of items, but the delivery date will be calculated according to the delivery period stipulated in terms of the contract, unless an extension for late delivery has been granted by the Province.
- 24.2 For period contracts, no price increase will be granted within the first 180 days of the contract period. No price increase applications which are submitted later than 90 days after the contract period expired will be considered. The claims shall be accompanied by documentary proof and, if required, an auditor's report sustaining the claim shall be provided.
- 24.3 Claims referring to formulae and indices must be clearly set out in terms of indices or formulae values used to calculate the bid price, and the adjusted indices or values.

## **25. PROVINCIAL PROPERTY IN POSSESSION OF A CONTRACTOR**

- 25.1 Province's property supplied to a Contractor for the execution of a contract remains the property of the Province and shall at all times be available for inspection by the Province or its representatives. Any such property in the possession of the Contractor on the completion of the contract shall, at the Contractor's expense, be returned to the Province forthwith.
- 25.2 The Contractor shall be responsible at all times for any loss or damages to the Province's property in his possession and, if required, he shall furnish such security for the payment of any such loss or damages as the Province may require.

## **26. RIGHTS TO PROCURE OUTSIDE THE CONTRACT**

- 26.1 The Province reserves the right to procure goods outside the contract in cases of urgency or emergency or if the quantities are too small to justify delivery costs, or if the goods are obtainable from another organ of Province or if the Contractor's point of supply is not situated at or near the place where the goods are required or if the Contractor's goods are not readily available.
- 26.2 No provision in a contract shall be deemed to prohibit the obtaining of goods or services from a Province or local authority.

## **27. AMENDMENT OF CONTRACT**

No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force and effect unless such agreement to amend or vary is

entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing.

## 28. NOTICES

- 28.1 Every written acceptance of a bid shall be posted to the supplier/bidder concerned by registered or certified mail and any other notice to him/her/it shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him/her/it in writing and such posting shall be deemed to be proper service of such notice.
- 28.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting such notice.

## 29. INCIDENTAL SERVICES

- 29.1 The Contractor may be required to provide any or all of the following services, including additional services, if any, specified in the Special Conditions of Bid:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the Contractor of any warranty obligations under this contract; and
  - (e) training of the Province's personnel, at the Contractor's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 29.2 Prices charged by the Contractor for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the Contractor for similar services.

## 30. USE OF CONTRACT DOCUMENTS AND INFORMATION INSPECTION

- 30.1 The Contractor shall not, without the Province's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Province in connection therewith, to any person other than a person employed by the Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 30.2 The Contractor shall not, without the Provinces prior written consent, make use of any document or information mentioned in GCC clause 30.1 except for purposes of performing the contract.

- 30.3 Any document, other than the contract itself mentioned in GCC clause 30.1 shall remain the property of the Province and shall be returned (all copies) to the Province on completion of the Contractor's performance under the contract of so required by the Province.
- 30.4 The Contractor shall permit the Province to inspect the Contractor's records relating to the performance of the Contractor and to have them audited by auditors appointed by the Province, if so required by the Province.

### **31. SPARE PARTS**

- 31.1 If specified in SCC, the Contractor may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Contractor:
- (a) such spare parts as the Province may elect to purchase from the Contractor, provided that this election shall not relieve the Contractor of any warranty obligations under the contract.
  - (b) In the event of termination of production of the spare parts:
    - (i) Advance notification to the Province of the pending termination, in sufficient time to permit the Province to procure needed requirements; and
    - (ii) Following such termination, furnishing at no cost to the Province, the blueprints, drawings, and specifications of the spare parts, if requested.

### **32. PENALTIES**

- 32.1 Subject to GCC Clause 4, if the Contractor fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the Province shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of delayed goods or unperformed services, using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The Province may also consider termination of the contract in terms of the GCC.

### **33. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS**

- 33.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the Contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the Contractor in regard to supplies or services which he delivered or

rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

#### **34. GOVERNING LANGUAGE**

The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

#### **35. TAXES AND DUTIES**

- 35.1 A foreign Contractor shall be entirely responsible for all taxes, stamp duties, licence fees, and other such levies imposed outside the Province's country.
- 35.2 A local Contractor shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the Province.
- 35.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Province must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

#### **36. PROHIBITION OF RESTRICTIVE PRACTICES**

- 36.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collective bidding (or bid rigging).
- 36.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 36.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.



## **SECTION J**

### **TERMS OF REFERENCE**



## **KWAZULU-NATAL GAMING AND BETTING BOARD**

### **TERMS OF REFERENCE (TOR)**

**APPOINTMENT OF AN ACCREDITED AND EXPERIENCED SERVICE PROVIDER TO  
RENDER SPECIALISED SOFTWARE DEVELOPMENT AND SUPPORT SERVICES  
FOR THE ENTITY'S CUSTOMISED ENTERPRISE APPLICATION –  
GAMBLING REGULATORY ONLINE PORTAL (GROP)**

## CONTENTS

1. BACKGROUND INFORMATION .....	44
2. PURPOSE .....	45
3. SCOPE OF WORK .....	45
4. BID REQUIREMENTS .....	48
5. DURATION OF THE CONTRACT .....	50
6. SPECIAL CONDITIONS OF CONTRACT .....	50
7. EVALUATION .....	51
8. CENTRAL SUPPLIERS DATABASE .....	56
9. BRIEFING SESSION .....	56
10. BID CLOSING .....	56
11. QUERIES .....	56
12. SCHEDULE OF RETURNABLE DOCUMENTS .....	57
13. PACKING OF BID .....	58
14. PRICING .....	58

## 1. BACKGROUND INFORMATION

- 1.1. The Board is a provincial public entity listed in Schedule 3 Part C of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and is established in terms of 5(1) of the KwaZulu-Natal Gaming and Betting Act ("the provincial Act") with the following objects in mind:- to
- a) Ensure that all gambling authorised under the Act is conducted in a manner which promotes the integrity of the gambling industry and does not cause harm to the public interest;
  - b) Ensure that all gaming authorised under the Act promotes the Province's objectives for developing a gaming industry which objectives are the promotion of tourism, employment and economic and social development in the Province;
  - c) Promote opportunities for historically disadvantaged persons to participate in the horse racing and betting industries in the capacity of any of the persons required to be licensed or registered in terms of sections 89, 94, 103, 110 or 111;
  - d) Increase the ownership stakes of historically disadvantaged persons in the horse racing and betting industries;
  - e) Develop appreciation for and knowledge of horse racing amongst all communities, particularly those comprised of historically disadvantaged persons; and
  - f) Limit restrictive practices, the abuse of dominant market position and mergers in the betting industry, as contemplated in the Competition Act, 1998 (Act no. 89 of 1998), and the Board is, for the purposes of the said Act, a regulatory authority as defined in section 1 of that Act.
- 1.2. The entity has developed and implemented a customised enterprise-wide online system in order to improve monitoring, control and adherence to all relevant gambling legislation, regulations, policies, processes and procedures.
- a) The online system has been developed and supported through outsourced maintenance and support services.
  - b) The development was done in three phases which includes a customer portal for licensee functions to license their entity.

- c) Licensees are able to apply and renew their licenses online, view invoices, certificates, receive notifications and make online payments.
  - d) The solution also allows the board to view applications, approve applications and view licensee application information and payments.
  - e) There are various reports, mandatory and value-added reports, that allows the entity to view statistical information from the system in real time.
- 1.3. The current technology that has been utilised by the Entity to develop the system consists of the following:
- a) The system has been developed using business process workflow solutions and is built on MS SQL and K2 BlackPearl as the underlying technologies.
  - b) The system has been developed to accommodate two interfaces:
    - ✓ Internal Portal (LAN access only); and
    - ✓ External Licensee Portal (SSL – public facing).

## 2. PURPOSE

- 2.1. The KZNGBB, via its Information Technology Unit, seeks to appoint an accredited and experienced software development and support service provider who will support the Entity with the provision of administration, maintenance, customisation, development and support services of its customised application, for a period of 36 months.

## 3. SCOPE OF WORK

The appointed service provider will be expected to provide software development and support services to the entity, which shall include, but not limited to, the following:

- 3.1. To provide third party support and/or specialised software development services for the KZNGBB GROF application for the period of the contract on a time and materials basis at a set hourly rate;

- a) Activities required as part of the specialised software development services include the following:
- ✓ Systems analysis for new processes;
  - ✓ Customised changes/updates to existing processes;
  - ✓ Ensure development in accordance with MISS (Minimum Information Security Standards);
  - ✓ Development must be done off-site and the live deployment of the solution to the Entity, must be undertaken, through a tried and tested quality assurance process;
  - ✓ Updating of technical document;
  - ✓ Upgrading of ALL workflow processes to the latest stable version of K2 (Licence provided by the KZNGBB);
  - ✓ The service provider must ensure Version Control;
  - ✓ The service provider to ensure compliance to approved Quality Control Standards;
  - ✓ User Accepted Training (UAT) for any new development or customisation;
  - ✓ Project Management services for any new development or customisation;
    - i. The service provider shall designate a project manager.
    - ii. All coordination for support or development services with the Entity and the bidder shall be the responsibility of the project manager.
  - ✓ All database updates;
  - ✓ Bug Fixes;
  - ✓ All downtime must be properly planned and coordinated to ensure minimal impact to the Entity;
  - ✓ IT Technical System training and transfer of skills to IT users; and
  - ✓ New software development on a project-per-project basis at defined contracted rates.
- b) Activities required as part of the specialised software support services include the following:
- ✓ Correction of user errors;

- ✓ Maintaining/supporting the K2 integration to active directory and other operational systems;
- ✓ Updating of technical document;
- ✓ Minor database updates;
- ✓ All downtime must be properly planned and coordinated to ensure minimal impact to the Entity;
- ✓ Support (third line) Hours Mon - Fri : 8am to 5pm South African time;
- ✓ Adhoc reporting, where required; and
- ✓ Adhoc support, where required.

### 3.2. Software Development / Customisation Sub-Projects.

- a) The bidder will provide a detailed breakdown on the cost for each sub-project.
- b) Each sub-project will be managed under the main agreement;
- c) Both parties will agree upfront of the cost of the sub-project;
- d) Each approved sub-project will be at the agreed upon rates of the main agreement;
- e) At least 20% of each sub-project cost will be forfeited should the bidder not successfully test, train and deploy within the agreed upon timeframe as set out in each sub-project plan.
- f) Each sub-project will be supported fully at no additional cost after the first THREE months of successful deployment.

### 3.3. The service Provider shall be required to invoice the Entity on the tendered rates in accordance with the services provided.

- a) Invoicing must be aligned to the support hours rendered per period and as approved by the KZNGBB.
- b) Any identified recurring issues, for the invoicing period, will not be paid for under support hours.
- c) Invoicing must be aligned to the sub-project plan per project.

## 4. BID REQUIREMENTS

Bidders are to submit a proposal that should clearly indicate their capacity to render the required services effectively and efficiently. The following information must be submitted in detail with the bid document:

- 4.1. Bidders must provide a valid Nintex/K2 Partner Certification/Accreditation - (Certification in Companies Own Name)
  - a) Failure to provide a valid Nintex/K2 Partner Certification/Accreditation will result in disqualification.
- 4.2. Bidders must provide a minimum of three (3) reference letters on client's letterheads, to whom K2 projects (development or support of applications/solutions) are/were rendered.
  - a) A minimum of three (3) client reference letters must be submitted.
  - b) The reference letters must include a description of the K2 development or support project, undertaken by the bidder. Should a reference letter not include the description of the K2 development or support project, proving that the development or support project was provided on the K2 platform, the respective reference letter will not be accepted.
  - c) The bidder is to ensure that their referenced clients allow the KZNGBB to verify the K2 project details with the respective client, if required.
  - d) Failure to provide a minimum of three (3) acceptable client reference letters will result in disqualification.
- 4.3. Bidders shall provide an indication of the Number of new jobs created through this project.
  - a) Bidders shall provide an affidavit stating the number of full-time equivalent jobs to be created through this project; or a Company organogram with newly created full-time equivalent jobs/posts for this project.
  - b) Failure to provide the affidavit/company organogram will have an impact on the evaluation scoring.

- 4.4. Bidders shall submit completed CV's as per the attached template (Annexure 1) and certified copies of qualifications for following resources:
- a) Resource 1 - Developer
    - ✓ The resource must have a minimum of one (1) year of overall working experience as a developer.
    - ✓ Certified copy of K2 accreditation must be provided.
  - b) Resource 2 - Database Administrator;
    - ✓ The resource must have a minimum of one (1) year of overall working experience as a database administrator.
    - ✓ Certified copies of IT/Business Degree/MS SQL and/or similar/equivalent must be provided.
  - c) Resource 3 - Project Manager; and
    - ✓ The resource must have a minimum of one (1) year of overall working experience as a project manager.
    - ✓ Certified copies of Project Management Qualification and/or similar must be provided.
  - d) Resource 4 - Business Analyst.
    - ✓ The resource must have a minimum of one (1) year of overall working experience as a business analyst.
    - ✓ Certified copies of IT/Business Degree and/or similar Qualification must be provided.
  - e) Failure to provide the above-mentioned CVs and certified copies of qualifications will have an impact on the evaluation scoring.
  - f) Failure to provide the CV's in the attached (annexure 1) format will result in that CV not being considered.
  - g) Bidders may only submit one CV per level of resource required.
  - h) Bidders may submit the same CV for different resource levels required, however, it must be done so on separate CV templates. This will allow for the committees to adequately evaluate the experience of the resources.



## 5. DURATION OF THE CONTRACT

The duration of the contract shall run over a period of thirty six (36) months with an option for an extension for a maximum of twenty four (24) months, at the discretion of the Board. The contract will commence after the signing of the Service Level Agreement (SLA) with the Entity at an agreed upon date after the handover from the existing service provider (if required).

## 6. SPECIAL CONDITIONS OF CONTRACT

- 6.1. This bid will be subject to the general conditions of contract issued in accordance with the Treasury Regulations 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).
- 6.2. The special conditions of contract are supplementary to that of the general conditions of contract.
- 6.3. Where, however, the special conditions of contract are in conflict with the general conditions of contract, the special conditions of contract prevail.
- 6.4. The contract extension must be concluded at least one (1) month before the expiry of the contract.
- 6.5. The KZNGBB is currently part of a rationalisation process and reserves the right to cede/transfer the contract prior to the expiry of the initial term based on operational requirements.
- 6.6. The service provider must ensure that the required resource levels (qualification and experience) are always maintained as per the requirements of this tender, throughout the contract duration.

## 7. EVALUATION

All bids will be evaluated in terms of the following:

EVALUATION	
<b>Phase 1</b>	Supply Chain Management Administrative Compliance
<b>Phase 2</b>	Mandatory Requirements
<b>Phase 3</b>	Functionality Evaluation
<b>Phase 4</b>	Price and Preferential Procurement Points Scoring

### 7.1. Phase 1 - Supply Chain Management Administrative Compliance

The below are Supply Chain Management Administrative Compliance (Compulsory returnable documents):

SUPPLY CHAIN MANAGEMENT ADMINISTRATIVE COMPLIANCE	
Registration on the Central Suppliers Database	The Entity must be registered as a service provider on the Central Supplier Database (CSD). If not registered proceed to complete the registration of the company prior to submitting the proposal. The entity must ensure that all information captured on CSD is up to date and completed in full.
Invitation to Bid- SBD 1	Completed and signed
Declaration of Interest – SBD 4	Completed and signed
Tax Compliant	A valid tax pin certificate must be submitted
Authority To Sign a Bid: Companies	Section M must be completed and signed. Resolution letter from the director(s) must be attached with a specimen signature of the authorised signatory
Authority To Sign a Bid: Sole Proprietor	Section M must be completed and signed. Resolution letter from the Proprietor must be attached
Authority To Sign a Bid: Partnership	Section M must be completed and signed. Resolution letter from the Partner(s) must be attached with a specimen signature of the authorised signatory

Authority To Sign a Bid: Close Corporation	Section M must be completed and signed. Resolution letter from the director must be attached with a specimen signature of the authorised signatory
Authority To Sign a Bid: Co-Operative	Section M must be completed and signed. Resolution letter from the members must be attached with a specimen signature of the authorised signatory
Authority To Sign a Bid: Joint Venture/ Consortium	Section M must be completed and signed. Resolution/agreement passed/reached' signed by the authorised representatives of the enterprises with a specimen signature of the authorised signatory(ies)

NB: Bidders that fail to submit and or complete any of the required documents shall be deemed to be non-responsive.

**Bids that did not comply with all Phase 1: Supply Chain Management Administrative Compliance shall be deemed as non-responsive and shall not be considered for Phase 2.**

7.2. Phase 2 - Mandatory Requirements

- a) Bidders must provide a valid Nintex/K2 Partner Certification/Accreditation- (Certification in Companies Own Name). Failure to provide a valid Nintex/K2 Partner Certification/Accreditation will result in disqualification.
- b) Bidders must provide a minimum of three (3) reference letters on client's letterheads, to whom K2 projects (development or support of applications/solutions) are/were rendered. Failure to provide a minimum of three (3) acceptable client reference letters will result in disqualification.

**Failure to provide the above will lead to disqualification. Bids that did not comply with all Phase 2: Mandatory Requirements shall not be considered for Phase 3.**

7.3. Phase 3 - Functionality Evaluation

- a) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the TOR.
- b) Bidders must ensure they provide the required information as per the functionality criteria set below.
- c) The Bid Evaluation Committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by bidders.

- d) Failure to provide the required information will have an impact on the scoring.
- e) Evaluation Grid:

<b>FUNCTIONALITY CRITERIA</b>	<b>POINTS ALLOCATION PER CRITERION</b>	<b>PROOF TO BE PROVIDED</b>	<b>MAXIMUM POINTS</b>
<b>1. ACCREDITATION</b>			
Valid Company Nintex/K2 Partner Certification level	Nintex Premier Partner Accreditation - 20 Points Nintex Partner - 10 Points	Copy of a valid Company Nintex/K2 Partner Certification level	20 Points
<b>2. COMPANY EXPERIENCE</b>			
Reference Letters on company letterheads	5 or more Reference Letters (Inclusive of 3 Public Sector)= 10 points  4 Reference Letters (Inclusive of 2 Public Sector)= 7 points  3 Reference Letters (Inclusive of 1 Public Sector) = 4 points  3 Reference Letters or more (Private sector only) = 3 points	Bidders must provide a minimum of three (3) reference letters on client's letterheads, to whom K2 projects (development or support of applications/ solutions) are/ were rendered.	10 Points
<b>3. JOB CREATION</b>			
Number of new jobs created through this project	3 or more new jobs created = 10 points 2 new jobs created = 5 points 1 new job created = 2 points 0 new jobs created = 0 points	Affidavit stating the number of full-time equivalent jobs to be created through this project; or Company organogram with proposed newly created full-time equivalent jobs/posts for this project.	10 Points
<b>4. RESOURCES – CV AND QUALIFICATIONS</b>			
4.1 Developer 4.1.1. Qualification  4.1.2 Overall Experience	4.1.1 Qualification K2 Accreditation/ Certification – 5 Points  4.1.2 Overall Experience 5+ years = 10 Points 3 to 5 Years = 5 Points 1 to 3 years = 2 Points 0 to less than 1 year = 0 Points	Completed CV as per attached template (Annexure 1) and certified copies of qualifications	15 Points

<b>FUNCTIONALITY CRITERIA</b>	<b>POINTS ALLOCATION PER CRITERION</b>	<b>PROOF TO BE PROVIDED</b>	<b>MAXIMUM POINTS</b>
4.2 Database Administrator  4.2.1 Qualification  4.2.2 Overall Experience	4.2.1 Qualification IT/Business Degree/MS SQL and/or similar/equivalent – 5 Points  4.2.2 Overall Experience 5+ years = 10 Points 3 to 5 Years = 5 Points 1 to 3 years = 2 Points 0 to less than 1 year = 0 Points	Completed CV as per attached template (Annexure 1) and certified copies of qualifications	15 Points
4.3 Project Manager  4.3.1 Qualification (5  4.3.2 Overall Experience	4.3.1 Qualification Project Management Qualification and/or similar – 5 Points  4.3.2 Overall Experience 5+ years = 10 Points 3 to 5 Years = 5 Points 1 to 3 years = 2 Points 0 to less than 1 year = 0 Points	Completed CV as per attached template (Annexure 1) and certified copies of qualifications	15 Points
4.4 Business Analyst  4.4.1 Qualification  4.4.2 Overall Experience	4.4.1 Qualification IT/Business Degree and/or similar qualification – 5 Points  4.4.2 Overall Experience 5+ years = 10 Points 3 to 5 Years = 5 Points 1 to 3 years = 2 Points 0 to less than 1 year = 0 Points	Completed CV as per attached template (Annexure 1) and certified copies of qualifications	15 Points
<b>TOTAL POINTS</b>			<b>100</b>
<b>MINIMUM FUNCTIONALITY THRESHOLD (60 OUT OF 100)</b>			<b>60%</b>

**Bids that do not achieve a minimum score of 60 (out of 100) for functionality will NOT QUALIFY for Phase 4.**

#### 7.4. Phase 4 - Price and Preferential Procurement Points Scoring

Prices must be submitted in South African Rands inclusive of VAT. In terms of regulation 5 of the Preferential Procurement Regulations, pertaining to the Preferential

Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20 preference point for Broad-Based Black Economic Empowerment in terms of which points are awarded to bidders on the basis of:

- a) The bid price (maximum 80 Points)
- b) Specific goals (maximum 20 Points)

The following formula will be used to calculate the points for price in respect of bidders with a rand value up to R 50 000 000.00:

$$P_s = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where  $P_s$  = Points scored for price of tender under consideration;  
 $P_t$  = Price of tender under consideration; and  
 $P_{min}$  = Price of lowest acceptable tender.

#### 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 below and in the bid document (SBD 6.1) and as may be supported by proof/ documentation.

<b>The specific goals allocated points in terms of this tender</b>	<b>Maximum Number of points allocated</b>
Black Women Ownership	7
Entity Classification (EME/QSE)	5
Youth Ownership	2
Disabled Ownership	2
Business located within KZN	2
Business located in a Rural/Township area within KZN	2
<b>Maximum points</b>	<b>20</b>

**Note:**

- ✓ Failure to complete the table above in SBD 6.1 (Section E) will result in no preference points being awarded.

- ✓ Bidder must ensure that all supporting evidence, as indicated in the SBD 6.1, is submitted with the bid.
- ✓ Failure to provide the supporting evidence will result in no preference points being awarded for the respective specific goal.

#### 7.5. Presentations By Bidders

The KZNGBB reserves the right to request qualifying bidders to conduct a presentation of their proposal.

### 8. CENTRAL SUPPLIERS DATABASE

8.1. All bidders are required to be registered on the National Treasury's Central Supplier Database at the date of close of the bid. No award will be made to any bidder who is not registered on the Central Supplier Database. Bidders can register on the Central Supplier Database using the following link:  
<https://secure.csd.gov.za/>

### 9. BRIEFING SESSION

9.1. A non-compulsory briefing session will be held virtually at 10:00 am on **21 November 2023**. Interested bidders must contact the KZNGBB SCM officials (see SBD 1 and below for contact details) to obtain the link for the non-compulsory briefing session.

### 10. BID CLOSING

10.1. The bid will close on **12 December 2023 at 12h00**. No late bids will be accepted. It is the bidder's responsibility to ensure their bid documents are deposited into the tender box located at KZNGBB House, Redlands Estate, 1 George Macfarlane Lane, Wembley, Pietermaritzburg.

### 11. QUERIES

11.1. All queries in relation to the bid document must be addressed to Mrs N Blose/Mr F Mahomed on (033) 345 2714 or via email [blozen@kzngbb.org.za](mailto:blozen@kzngbb.org.za) / [mahomedf@kzngbb.org.za](mailto:mahomedf@kzngbb.org.za) on or before **24 November 2023**.

11.2. All technical queries can be addressed to Mr. S.A Charles on (033) 345 2714 or via email [sherwin.charles@kzngbb.org.za](mailto:sherwin.charles@kzngbb.org.za) on or before **24 November 2023**.

## **12. SCHEDULE OF RETURNABLE DOCUMENTS**

12.1. The bidder undertakes to adhere to the schedule of returnable documents as set out below.

12.2. Failure to comply fully with the schedule will impact on the evaluation of this bid.

<b>NO.</b>	<b>DESCRIPTION</b>
1	Copy of a valid Company Nintex/K2 Partner Certification level.
2	Reference letters on client's letterheads, to whom K2 projects (development or support of applications/ solutions) are/ were rendered.
3	Affidavit stating the number of full-time equivalent jobs to be created through this project; or Company organogram with proposed newly created full-time equivalent jobs/posts for this project.
4	Developer – CV (as per Annexure 1) and certified copies of Qualifications
5	Database Administrator – CV (as per Annexure 1) and certified copies of Qualifications
6	Project Manager – CV (as per Annexure 1) and certified copies of Qualifications
7	Business Analyst – CV (as per Annexure 1) and certified copies of Qualifications
8	Proof of Physical Address/Utility Bill/Councillor Letter
9	Original/Certified copies of B-BBEE Status Level Verification Certificate or B-BBEE Sworn Affidavit.
10	Tax Clearance Certificate/Pin
11	Proof of CSD Registration
12	Company Resolution Letter/Authority to Sign
13	Evidence for Specific Goals – Preference Points (See SBD 6.1)



### 13. PACKING OF BID

13.1. Bids are to be placed in a sealed envelope and must be clearly addressed as below. Bidders must submit one original hard copy document, clearly marked "Original" and an electronic version of the Original (either on a DVD/CD/USB drive). The electronic version must be an exact replica of the Original hard copy document.

13.2. Bids must be packaged and addressed as follows:

**BID NO: KZNGBB-01/2023**

**APPOINTMENT OF AN ACCREDITED AND EXPERIENCED SERVICE PROVIDER TO RENDER SPECIALISED SOFTWARE DEVELOPMENT AND SUPPORT SERVICES FOR THE ENTITY'S CUSTOMISED ENTERPRISE APPLICATION – GAMBLING REGULATORY ONLINE PORTAL (GROP)**

**NAME OF BIDDER  
ADDRESS OF BIDDER  
CLOSING DATE AND TIME**

### 14. PRICING

The KZNGBB will award the contract based on support, development pricing and a blended development rate for specific projects during the contractual period.

14.1. Support Pricing:

- a) The Bidder must provide the rates per resource as per the table below so a blended rate may be calculated for the duration of the contract (this is only for the first three (3) years).

Should the KZNGBB elect to extend the contract for a further twenty-four (24) months, the blended rates quoted in the table below will become applicable at the time.

All rates quoted must be inclusive of Value Added Tax (VAT).

<b>RESOURCE LEVEL</b>	<b>RATE / HOUR YEAR 1</b>	<b>RATE / HOUR YEAR 2</b>	<b>RATE / HOUR YEAR 3</b>		<b>RATE / HOUR YEAR 4</b>	<b>RATE / HOUR YEAR 5</b>
K2 Developer						
Database Administrator						
<b>Blended Rate</b>						
<b>Estimated Support Hours per year</b>	<b>1000 hours</b>	<b>1000 hours</b>	<b>1000 hours</b>		<b>1000 hours</b>	<b>1000 hours</b>
<b>Estimated cost for Support</b>						
<b>Total Estimated Cost for Support for 3 years</b>	<b>R</b>					

Calculation of Total Estimated Costs for Support:

- ✓ Bidders must indicate the rate per hour per resource inclusive of VAT.
- ✓ The resource rates must be averaged and entered in, as a blended rate.
- ✓ The blended rate must be multiplied by the estimated support hours per year (1000 hours) to determine the estimated cost of support per year.
- ✓ The estimated cost for support per year must be added (Y1+Y2+Y3) to determine the total estimated cost for support for the three (3) year contract duration.

14.2. Development Rate for specific projects during the contractual period:

- a) The Bidder must provide the rates per resource as per the table below so a blended rate may be calculated for the duration of the contract (this is only for the first three (3) years).
- b) All rates quoted must be inclusive of Value Added Tax (VAT).
- c) The KZNGBB will contract with the bidder at the blended rates tendered as per the table below for any agreed-upon development/customisation sub-projects during the contractual period.

Should the KZNGBB elect to extend the contract for a further twenty-four (24) months, the blended rates quoted in the table below will become applicable at the time.

RESOURCE LEVEL	RATE / HOUR YEAR 1	RATE / HOUR YEAR 2	RATE / HOUR YEAR 3		RATE / HOUR YEAR 4	RATE / HOUR YEAR 5
K2 Developer						
Database Administrator						
Project Manager						
Business Analyst						
<b>Blended Rate</b>						
<b>Estimated Development Hours per year</b>	<b>1000 hours</b>	<b>1000 hours</b>	<b>1000 hours</b>		<b>1000 hours</b>	<b>1000 hours</b>
<b>Estimated cost for Development</b>						
<b>Total Estimated Cost for Development for 3 years</b>	R					

Calculation of Total Estimated Costs for Support:

- ✓ Bidders must indicate the rate per hour per resource inclusive of VAT.
- ✓ The resource rates must be averaged and entered in, as a blended rate.
- ✓ The blended rate must be multiplied by the estimated support hours per year (1000 hours) to determine the estimated cost.
- ✓ The estimated cost for development per year must be added (Y1+Y2+Y3) to determine the total estimated cost for development for the three (3) year contract duration.

#### 14.3. Total Contract Value

DETAILS	COST
<b>Total Estimated Cost for Support for 3 years</b>	R
<b>Total Estimated Cost for Development for 3 years</b>	R
<b>Total Cost</b>	R

**ANNEXURE 1  
CURRICULUM VITAE**

<b>Resource Level (Select only one resource level)</b>	K2 Developer		Business Analyst	
	Database Administrator		Project Manager	

1. Surname:
2. Full names:
3. Date of Birth:
4. Nationality:
5. Education and training:

Institution (Date from – Date To)	Qualification/Certification Obtained

6. Present position:
7. Years with the Company:
8. Professional Experience:

Date from – Date To	Company	Position	Description of Projects / Responsibilities

9. Number of Overall Years of Experience?